

February 14, 2024

**Via Online Filing to LWDA and Certified Mail to Defendant**  
**Labor and Workforce Development Agency**  
Online Filing

**5G'S AUTOMOTIVE, INC.**

c/o Don Groppetti  
830 S Ben Maddox Way  
Visalia, CA 93277

***Via Certified U.S. Mail with Return Receipt No. 9589 0710 5270 0951 5288 27***

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

Dear Sir/Madam:

Our offices represent Plaintiff ROBERT RAMIREZ ("Plaintiff"), and other aggrieved employees in a proposed lawsuit against Defendant 5G'S AUTOMOTIVE, INC., dba NISSAN OF GILROY ("Defendant"). Plaintiff was employed by Defendant from March of 2023 to April of 2023 paid in part an hourly wage, commission-based compensation, non-discretionary bonuses, and entitled to minimum wages, overtime pay and legally compliant meal and rest periods. Defendant, however, unlawfully failed to record and pay Plaintiff and other aggrieved employees for all of their time worked, and for all of their meal breaks and rest breaks. Further, Defendant failed to timely pay Plaintiff and other aggrieved employees for earned wages. Plaintiff further contends that 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 when working on a commission and/or commission draw basis and failed to separately compensate Plaintiff and the other aggrieved employees for the non-productive time, including for their rest periods. See *Vaquero v. Stoneledge Furniture, LLC* (2017) 9 Cal. App. 5th 98, 110.

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

**Plaintiff seeks to represent a group of aggrieved employees defined as all non-exempt, piece-rate based, and/or commission-based employees who worked for Defendant in**

**California during the relevant claim period.**

A true and correct copy of the proposed Complaint by Plaintiff against Defendant, which (1) identifies the alleged violations, (2) details the facts and theories which support the alleged violations, (3) details the specific work performed by Plaintiff, (4) sets forth the people/entities, dates, classifications, violations, events, and actions which are at issue to the extent known to Plaintiff, and (5) sets forth the illegal practices used by Defendant, is attached hereto. This information provides notice to the Labor and Workforce Development Agency of the facts and theories supporting the alleged violations for the agency's reference. Plaintiff therefore incorporates the allegations of the attached Complaint into this letter as if fully set forth herein. If the agency needs any further information, please do not hesitate to ask.

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

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

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

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

Very truly yours,  
JCL LAW FIRM, APC

A handwritten signature in black ink, appearing to read 'Jean-Claude Lapuyade', with a stylized flourish at the end.

Jean-Claude Lapuyade, Esq.

**JCL LAW FIRM, APC**

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Attorneys for PLAINTIFF

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**IN AND FOR THE COUNTY OF SANTA CLARA**

ROBERT RAMIREZ, an individual, on behalf  
of himself, and on behalf of all persons similarly  
situated,

Plaintiff,

v.

5G'S AUTOMOTIVE, INC., dba NISSAN OF  
GILROY, a California corporation; and DOES  
1-50, Inclusive,

Defendants.

Case No:

**CLASS ACTION COMPLAINT FOR:**

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

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

10 **DEMAND FOR A JURY TRIAL**

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

14 **PRELIMINARY ALLEGATIONS**

15 1. Defendant 5G’S AUTOMOTIVE, INC., dba NISSAN OF GILROY  
16 (“DEFENDANT”) is a California corporation that at all relevant times mentioned herein  
17 conducted and continues to conduct substantial and regular business throughout California.

18 2. DEFENDANT owns and operates car dealerships in California, including in the  
19 county of Santa Clara where PLAINTIFF worked.

20 3. PLAINTIFF was employed by DEFENDANT in California from March of 2023  
21 to April of 2023 paid in part an hourly wage, commission-based compensation, non-discretionary  
22 bonuses, and entitled to minimum wages, overtime pay and legally compliant meal and rest  
23 periods.

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

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

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

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

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

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

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

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

#### 20                                   **JURISDICTION AND VENUE**

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

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

## **THE CONDUCT**

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

### **A. Meal Period Violations**

15. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANT was required to pay PLAINTIFF and CALIFORNIA CLASS Members for all their time worked, meaning the time during which an employee is subject to the control of an employer, including all the time the employee is suffered or permitted to work. From time to time during the CLASS PERIOD, DEFENDANT required PLAINTIFF and CALIFORNIA CLASS Members to work without paying them for all the time they were under DEFENDANT’s control. Specifically, DEFENDANT required PLAINTIFF to work while clocked out during what was supposed to be

1 PLAINTIFF's off-duty meal break. Indeed, there were many days where PLAINTIFF did not  
2 even receive a partial lunch. As a result, the PLAINTIFF and other CALIFORNIA CLASS  
3 Members forfeited minimum wage and overtime compensation by regularly working without their  
4 time being accurately recorded and without compensation at the applicable minimum wage and  
5 overtime rates. DEFENDANT's uniform policy and practice not to pay PLAINTIFF and other  
6 CALIFORNIA CLASS Members for all time worked is evidenced by DEFENDANT's business  
7 records.

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

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1     **B. Rest Period Violations**

2           17. From time to time during the CLASS PERIOD, PLAINTIFF and other  
3 CALIFORNIA CLASS Members were also required to work in excess of four (4) hours without  
4 being provided ten (10) minute rest periods as a result of their rigorous work requirements and  
5 DEFENDANT's inadequate staffing. Further, for the same reasons, these employees were denied  
6 their first rest periods of at least ten (10) minutes for some shifts worked of at least two (2) to four  
7 (4) hours from time to time, a first and second rest period of at least ten (10) minutes for some  
8 shifts worked of between six (6) and eight (8) hours from time to time, and a first, second and  
9 third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or more from  
10 time to time. When they were provided with rest breaks, PLAINTIFF and other CALIFORNIA  
11 CLASS Members were, from time to time, required to remain on premises, on duty and/or on call.  
12 PLAINTIFF and other CALIFORNIA CLASS Members were also not provided with one-hour  
13 wages *in lieu* thereof. As a result of their rigorous work schedules and DEFENDANT's inadequate  
14 staffing, PLAINTIFF and other CALIFORNIA CLASS Members were from time to time denied  
15 their proper rest periods by DEFENDANT and DEFENDANT's managers.

16     **C. Unreimbursed Business Expenses**

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

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1           19. In the course of their employment, DEFENDANT required PLAINTIFF and other  
2 CALIFORNIA CLASS Members to incur personal expenses for the use of their personal cell  
3 phones as a result of and in furtherance of their job duties. Specifically, PLAINTIFF and other  
4 CALIFORNIA CLASS Members were required to use their personal cell phones in order to  
5 perform work related tasks. However, DEFENDANT unlawfully failed to reimburse PLAINTIFF  
6 and other CALIFORNIA CLASS Members for the use of their personal cell phones. As a result,  
7 in the course of their employment with DEFENDANT, the PLAINTIFF and other CALIFORNIA  
8 CLASS Members incurred unreimbursed business expenses that included, but were not limited  
9 to, costs related to the use of their personal cell phones all on behalf of and for the benefit of  
10 DEFENDANT.

11       **D. Wage Statement Violations**

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

20           21. From time to time during the CLASS PERIOD, when PLAINTIFF and other  
21 CALIFORNIA CLASS Members missed meal and rest breaks, or were paid inaccurately for  
22 missed meal and rest period premiums, or were not paid for all hours worked, DEFENDANTS  
23 also failed to provide PLAINTIFF and other CALIFORNIA CLASS Members with complete and  
24 accurate wage statements which failed to show the complete requirements under California Labor  
25 Code sections 226(a)(1)-(9), including but not limited to, all deductions, the total hours worked  
26 and all applicable hourly rates in effect during the pay period and the corresponding amount of  
27 time worked at each hourly rate, correct rates of pay for penalty payments or missed meal and rest  
28 periods.

22. In addition to the foregoing, DEFENDANTS, from time to time, failed to provide PLAINTIFF and the CALIFORNIA CLASS Members with wage statements that comply with Cal. Lab. Code § 226(a)(1)-(9).

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

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

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

25. During the CLASS PERIOD, from time-to-time DEFENDANT required PLAINTIFF and other members of the CALIFORNIA CLASS to perform pre-shift or post-shift work, including but not limited to, submitting to Covid-19 health screenings. This resulted in PLAINTIFF and other members of the CALIFORNIA CLASS having to work while off-the-clock.

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

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

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

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

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

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

9           32. As a result, PLAINTIFF and the other members of the CALIFORNIA CLASS  
10 forfeited wages due to them for all hours worked at DEFENDANT's direction, control, and  
11 benefit for the time spent working while off-the-clock, including but not limited to, time spent  
12 submitting to Covid-19 health screenings. DEFENDANT's uniform policy and practice to not  
13 pay PLAINTIFF and the members of the CALIFORNIA CLASS wages for all hours worked in  
14 accordance with applicable law is evidenced by DEFENDANT's business records.

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

17           33. State law provides that employees must be paid overtime at one-and-one-half times  
18 their "regular rate of pay." PLAINTIFF and other CALIFORNIA CLASS were compensated at  
19 an hourly rate plus a piece-rate, and/or non-discretionary incentive pay that was tied to specific  
20 elements of an employee's performance and/or commissions.

21           34. DEFENDANTS' non-discretionary commission and bonus program provided the  
22 CALIFORNIA CLASS, including PLAINTIFF, with commissions and/or bonus compensation  
23 when the employees met the various performance goals set by DEFENDANT. However, when  
24 calculating the regular rate of pay, in those pay periods where PLAINTIFF and the CALIFORNIA  
25 CLASS worked overtime and earned non-discretionary bonus and/or commission wages,  
26 DEFENDANT failed to accurately include the non-discretionary bonus compensation and/or  
27 commission wages as part of the employees' "regular rate of pay."

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1           35. Management and supervisors described the bonus and commissions programs and  
2 commission compensation program to potential and new employees as part of the compensation  
3 package for new and used car salespersons including PLAINTIFF and the CALIFORNIA  
4 CLASS. As a matter of law, the incentive and commission compensation received by  
5 PLAINTIFFS and other CALIFORNIA CLASS members must be included and correctly  
6 calculated into the “regular rate of pay” for purposes of overtime and double time compensation,  
7 meal and rest period premium payments, and sick pay. DEFENDANT’s failure to do so has  
8 resulted in DEFENDANT’s systematic underpayment of overtime and double time compensation,  
9 meal and rest period premium payments, and sick pay to PLAINTIFF and other CALIFORNIA  
10 CLASS members. Specifically, California Labor Code Section 246 mandates that paid sick time  
11 for non-employees shall be calculated in the same manner as the regular rate of pay for the  
12 workweek in which the employee uses paid sick time, whether or not the employee actually works  
13 overtime in that workweek. DEFENDANTS’ conduct, as articulated herein, by failing to include  
14 the incentive compensation as part of the “regular rate of pay” for purposes of sick pay  
15 compensation was in violation of Cal. Lab. Code § 246 the underpayment of which is recoverable  
16 under Cal. Labor Code Sections 201, 202, 203 and/or 204.

17           36. In violation of the applicable sections of the California Labor Code and the  
18 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a  
19 matter of company policy, practice and procedure, intentionally and knowingly failed to  
20 compensate PLAINTIFF and the other members of the CALIFORNIA CLASS at the correct rate  
21 of pay for all overtime and double time compensation, meal and rest period premium payments,  
22 and sick pay. This uniform policy and practice of DEFENDANTS is intended to purposefully  
23 avoid the payment of the correct overtime and double time compensation, meal and rest period  
24 premium payments, and sick pay as required by California law which allowed DEFENDANTS  
25 to illegally profit and gain an unfair advantage over competitors who complied with the law. To  
26 the extent equitable tolling operates to toll claims by the CALIFORNIA CLASS members against  
27 DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

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1 **G. Commission and Piece-Rate Violations**

2 37. From time-to-time during the CALIFORNIA CLASS PERIOD, PLAINTIFF and  
3 the CALIFORNIA CLASS were paid in part on a commission and/or piece-rate basis. In those  
4 instances where PLAINTIFF and the CALIFORNIA CLASS were paid in part on a commission  
5 and/or piece-rate basis, PLAINTIFF and the CALIFORNIA CLASS were entitled to be separately  
6 compensated for all non-productive time at an hourly rate that is no less than the applicable  
7 minimum wage. Notwithstanding, in those instances where PLAINTIFF and the CALIFORNIA  
8 CLASS were paid in part on a commission and/or piece-rate basis, DEFENDANT failed to  
9 separately compensate PLAINTIFF and the CALIFORNIA CLASS for all non-productive time,  
10 including but not limited to, paid rest periods, at an hourly rate that is no less than the applicable  
11 minimum wage. As a result, PLAINTIFF and the CALIFORNIA CLASS forfeited minimum  
12 wages and overtime wages by DEFENDANT'S failure to separately compensate their non-  
13 productive time at an hourly rate that is no less than the applicable minimum wage.

14 38. Further, from time-to-time during the CLASS PERIOD, DEFENDANTS  
15 improperly misclassified PLAINTIFF and the CALIFORNIA CLASS members who were paid  
16 on a draw versus commission basis as exempt from overtime compensation. During the CLASS  
17 PERIOD, DEFENDANTS included advanced draws in order to meet the salary-basis test for the  
18 overtime exemption. However, DEFENDANTS cannot rely on advanced draws in order to meet  
19 the salary-basis test for such an exemption. (See *Semprini v. Wedbush* (2020) 57 Cal.App.5th 252-  
20 254.) As a result, PLAINTIFF and the CALIFORNIA CLASS members who were paid on a draw  
21 versus commission basis forfeited overtime wages by DEFENDANTS' failure to accurately  
22 classify them as non-exempt from overtime compensation.

23 **H. Violations for Untimely Payment of Wages**

24 39. Pursuant to California Labor Code section 204, PLAINTIFF and the  
25 CALIFORNIA CLASS members were entitled to timely payment of wages during their  
26 employment. PLAINTIFF and the CALIFORNIA CLASS members, from time to time, did not  
27 receive payment of all wages, including, but not limited to, overtime wages, minimum wages,  
28 meal period premium wages, and rest period premium wages within permissible time period.

1           40. Pursuant to Cal. Lab. Code § 201, “If an employer discharges an employee, the  
2 wages earned and unpaid at the time of discharge are due and payable immediately.” Pursuant  
3 to Cal. Lab. Code § 202, if an employee quits his or her employment, “his or her wages shall  
4 become due and payable not later than 72 hours thereafter, unless the employee has given 72  
5 hours previous notice of his or her intention to quit, in which case the employee is entitled to his  
6 or her wages at the time of quitting.” PLAINTIFF and the CALIFORNIA CLASS Members  
7 were, from time to time, not timely provided the wages earned and unpaid at the time of their  
8 discharge and/or at the time of quitting, in violation of Cal. Lab. Code §§ 201 and 202.

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

12       **I. Unlawful Deductions**

13           42. DEFENDANTS, from time-to-time unlawfully deducted wages from PLAINTIFF  
14 and CALIFORNIA CLASS Members’ pay without explanations and without authorization to do  
15 so or notice to PLAINTIFF and the CALIFORNIA CLASS Members. As a result,  
16 DEFENDANTS violated Labor Code § 221.

17       **J. Timekeeping Manipulation**

18           43. During the CLASS PERIOD, DEFENDANT, from time-to-time, did not have an  
19 immutable timekeeping system to accurately record and pay PLAINTIFF and other members of  
20 the CALIFORNIA CLASS for the actual time PLAINTIFF and other members of the  
21 CALIFORNIA CLASS worked each day, including regular time, overtime hours, sick pay, meal  
22 and rest breaks. As a result, DEFENDANT was able to and did in fact, unlawfully, and  
23 unilaterally alter the time recorded in DEFENDANT’S timekeeping system for PLAINTIFF and  
24 other members of the CALIFORNIA CLASS in order to avoid paying these employees for all  
25 hours worked, applicable overtime compensation, applicable sick pay, missed meal breaks and  
26 missed rest breaks.

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1           44. As a result, PLAINTIFF and other members of the CALIFORNIA CLASS, from  
2 time-to-time, forfeited time worked by working without their time being accurately recorded and  
3 without compensation at the applicable pay rates.

4           45. The mutability of the timekeeping system also allowed DEFENDANT to alter  
5 employee time records by recording fictitious thirty (30) minute meal breaks in DEFENDANT's  
6 timekeeping system so as to create the appearance that PLAINTIFF and other members of the  
7 CALIFORNIA CLASS clocked out for thirty (30) minute meal break when in fact the employees  
8 were not at all times provided an off-duty meal break. This practice is a direct result of  
9 DEFENDANT's uniform policy and practice of denying employees uninterrupted thirty (30)  
10 minute off-duty meal breaks each day or otherwise compensating them for missed meal breaks.

11           46. As a result, PLAINTIFF and the other members of the CALIFORNIA CLASS  
12 forfeited wages due to them for all hours worked at DEFENDANT'S direction, control and  
13 benefit for the time the timekeeping system was inoperable. DEFENDANT'S uniform policy  
14 and practice to not pay PLAINTIFF and the members of the CALIFORNIA CLASS wages for  
15 all hours worked in accordance with applicable law is evidenced by DEFENDANT'S business  
16 records.

17       **K. Unlawful Rounding Practices**

18           47. During the CALIFORNIA CLASS PERIOD, DEFENDANTS did not have in  
19 place an immutable timekeeping system to accurately record and pay PLAINTIFF and other  
20 CALIFORNIA CLASS Members for the actual time these employees worked each day,  
21 including overtime hours. Specifically, DEFENDANTS had in place an unlawful rounding  
22 policy and practice that resulted in PLAINTIFF and CALIFORNIA CLASS Members being  
23 undercompensated for all of their time worked. As a result, DEFENDANTS were able to and did  
24 in fact unlawfully, and unilaterally round the time recorded in DEFENDANTS' timekeeping  
25 system for PLAINTIFF and the members of the CALIFORNIA CLASS in order to avoid paying  
26 these employees for all their time worked, including the applicable overtime compensation for  
27 overtime worked. As a result, PLAINTIFF and other CALIFORNIA CLASS Members, from  
28

time to time, forfeited compensation for their time worked by working without their time being accurately recorded and without compensation at the applicable overtime rates.

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

**L. Sick Pay Violations**

49. Cal. Labor Code Section 246 (a)(1) mandates that "An employee who, on or after July 1, 2015, works in California for the same employer for 30 or more days within a year from the commencement of employment is entitled to paid sick days as specified in this section." Further, Cal. Labor Code Sections 246(b)-(d) provide for the sick day accrual requirements. From time to time, DEFENDANT failed to have a policy or practice in place that provided PLAINTIFF and other members of the CALIFORNIA CLASS with sick days and/or paid sick leave.

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

51. Specifically, as to PLAINTIFF, PLAINTIFF was from time to time unable to take off duty meal and rest breaks and was not fully relieved of duty for his rest and meal periods. PLAINTIFF was required to perform work as ordered by DEFENDANTS for more than five (5) hours during a shift without receiving an off-duty meal break. Further, DEFENDANTS failed to provide PLAINTIFF with a second off-duty meal period each workday in which he was required by DEFENDANTS to work ten (10) hours of work. When DEFENDANTS provided PLAINTIFF with a rest break, they required PLAINTIFF to remain on-duty and on-call for the rest break. DEFENDANTS policy caused PLAINTIFF to remain on-call and on-duty during what was

1 supposed to be his off-duty meal periods. PLAINTIFF therefore forfeited meal and rest breaks  
2 without additional compensation and in accordance with DEFENDANTS' strict corporate policy  
3 and practice. Moreover, DEFENDANTS also provided PLAINTIFF with paystubs that failed to  
4 comply with Cal. Lab. Code § 226. Further, DEFENDANTS also failed to reimburse PLAINTIFF  
5 for required business expenses related to the personal expenses incurred for the use of his personal  
6 cell phone, on behalf of and in furtherance of his employment with DEFENDANTS. To date,  
7 DEFENDANTS have not fully paid PLAINTIFF the minimum, overtime and double time  
8 compensation still owed to him or any penalty wages owed to him under Cal. Lab. Code § 203. The  
9 amount in controversy for PLAINTIFF individually does not exceed the sum or value of \$75,000.

#### 10 **CLASS ACTION ALLEGATIONS**

11 52. PLAINTIFF bring this Class Action on behalf of himself, and a California class  
12 defined as all current and former non-exempt, exempt, piece-rate based, and/or commission-based  
13 employees employed by DEFENDANT in California (the "CALIFORNIA CLASS") at any time  
14 during the period beginning four (4) years prior to the filing of this Complaint and ending on the  
15 date as determined by the Court (the "CLASS PERIOD").

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

22 54. The members of the class are so numerous that joinder of all class members is  
23 impractical.

24 55. Common questions of law and fact regarding DEFENDANT's conduct, including  
25 but not limited to, off-the-clock work, unpaid meal and rest period premiums, failure to accurately  
26 calculate the regular rate of pay for overtime compensation, failure to accurately calculate the  
27 regular rate of compensation for missed meal and rest period premiums, failing to provide legally  
28 compliant meal and rest periods, failed to reimburse for business expenses, failure to provide

1 accurate itemized wage statements accurate, and failure to ensure they are paid at least minimum  
2 wage and overtime, exist as to all members of the class and predominate over any questions  
3 affecting solely any individual members of the class. Among the questions of law and fact  
4 common to the class are:

- 5 a. Whether DEFENDANT maintained legally compliant meal period policies and  
6 practices;
- 7 b. Whether DEFENDANT maintained legally compliant rest period policies and  
8 practices;
- 9 c. Whether DEFENDANT failed to pay PLAINTIFF and the CALIFORNIA CLASS  
10 Members accurate premium payments for missed meal and rest periods;
- 11 d. Whether DEFENDANT failed to pay PLAINTIFF and the CALIFORNIA CLASS  
12 Members accurate overtime wages;
- 13 e. Whether DEFENDANT failed to pay PLAINTIFF and the CALIFORNIA CLASS  
14 Members at least minimum wage for all hours worked;
- 15 f. Whether DEFENDANT failed to compensate PLAINTIFF and the CALIFORNIA  
16 CLASS Members for required business expenses;
- 17 g. Whether DEFENDANT issued legally compliant wage statements;
- 18 h. Whether DEFENDANT committed an act of unfair competition by systematically  
19 failing to record and pay PLAINTIFF and the other members of the CALIFORNIA  
20 CLASS for all time worked;
- 21 i. Whether DEFENDANT committed an act of unfair competition by systematically  
22 failing to record all meal and rest breaks missed by PLAINTIFF and other  
23 CALIFORNIA CLASS Members, even though DEFENDANT enjoyed the benefit  
24 of this work, required employees to perform this work and permits or suffers to  
25 permit this work;
- 26 j. Whether DEFENDANT committed an act of unfair competition in violation of the  
27 UCL, by failing to provide the PLAINTIFF and the other members of the  
28 CALIFORNIA CLASS with the legally required meal and rest periods.

1           56. PLAINTIFF are members of the CALIFORNIA CLASS and suffered damages as  
2 a result of DEFENDANT's conduct and actions alleged herein.

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

5           58. PLAINTIFF will fairly and adequately represent and protect the interests of the  
6 CALIFORNIA CLASS Members.

7           59. PLAINTIFF retained able class counsel with extensive experience in class action  
8 litigation.

9           60. Further, PLAINTIFF'S interests are coincident with, and not antagonistic to, the  
10 interest of the other CALIFORNIA CLASS Members.

11           61. There is a strong community of interest among PLAINTIFF and the members of  
12 the CALIFORNIA CLASS to, inter alia, ensure that the combined assets of DEFENDANT are  
13 sufficient to adequately compensate the members of the CALIFORNIA CLASS for the injuries  
14 sustained.

15           62. The questions of law and fact common to the CALIFORNIA CLASS Members  
16 predominate over any questions affecting only individual members, including legal and factual  
17 issues relating to liability and damages.

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

- 26           a. Inconsistent or varying adjudications with respect to individual members of the  
27 CALIFORNIA CLASS which would establish incompatible standards of conduct  
28 for the parties opposing the CALIFORNIA CLASS; and/or,



1 1198, and 2802, for which this Court should issue declaratory and other equitable relief pursuant  
2 to Cal. Bus. & Prof. Code § 17203 as may be necessary to prevent and remedy the conduct held  
3 to constitute unfair competition, including restitution of wages wrongfully withheld.

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

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

18 71. By the conduct alleged herein, DEFENDANT's practices were also unlawful,  
19 unfair, and deceptive in that DEFENDANT's employment practices caused PLAINTIFF and the  
20 other members of the CALIFORNIA CLASS to be underpaid during their employment with  
21 DEFENDANT.

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

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

1 each workday in which a second off-duty meal period was not timely provided for each ten (10)  
2 hours of work.

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

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

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

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

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

26 79. PLAINTIFF and the other members of the CALIFORNIA CLASS have no plain,  
27 speedy and/or adequate remedy at law that will end the unlawful and unfair business practices of  
28 DEFENDANT. Further, the practices herein alleged presently continue to occur unabated. As a

1 result of the unlawful and unfair business practices described herein, PLAINTIFF and the other  
2 members of the CALIFORNIA CLASS have suffered and will continue to suffer irreparable legal  
3 and economic harm unless DEFENDANT is restrained from continuing to engage in these  
4 unlawful and unfair business practices.

5 **SECOND CAUSE OF ACTION**

6 **Failure To Pay Minimum Wages**

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

8 **Alleged by PLAINTIFF and the CALIFORNIA CLASS against ALL Defendants)**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

### 20                                   **THIRD CAUSE OF ACTION**

#### 21                                   **Failure To Pay Overtime Compensation**

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

23                                   **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against ALL Defendants)**

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

27           95. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim for  
28 DEFENDANT's willful and intentional violations of the California Labor Code and the Industrial

1 Welfare Commission requirements for DEFENDANT's failure to pay these employees for all  
2 overtime worked, including, work performed in excess of eight (8) hours in a workday, and/or  
3 twelve (12) hours in a workday, and/or forty (40) hours in any workweek.

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

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

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

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

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

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

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

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

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

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

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

27           107. DEFENDANT knew or should have known that PLAINTIFF and the other  
28 members of the CALIFORNIA CLASS were undercompensated for their time worked.

1 DEFENDANT systematically elected, either through intentional malfeasance or gross  
2 nonfeasance, to not pay them for their labor as a matter of uniform company policy, practice and  
3 procedure, and DEFENDANT perpetrated this systematic scheme by refusing to pay PLAINTIFF  
4 and the other members of the CALIFORNIA CLASS the correct overtime wages for their  
5 overtime worked.

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

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

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

**FIFTH CAUSE OF ACTION**

**Failure To Provide Required Rest Periods**

**(Cal. Lab. Code §§ 226.7 & 512)**

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

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

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

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

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

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

6 **SIXTH CAUSE OF ACTION**

7 **Failure To Reimburse Employees for Required Expenses**

8 **(Cal. Lab. Code §§ 2802)**

9 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

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

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

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

17 120. From time to time during the CLASS PERIOD, DEFENDANT violated Cal. Lab.  
18 Code § 2802, by failing to indemnify and reimburse PLAINTIFF and the CALIFORNIA CLASS  
19 members for required expenses incurred in the discharge of their job duties for DEFENDANT's  
20 benefit. DEFENDANT failed to reimburse PLAINTIFF and the CALIFORNIA CLASS members  
21 for expenses which included, but were not limited to, personal expenses incurred for the use of  
22 their personal cell phones, all on behalf of and for the benefit of DEFENDANT. Specifically,  
23 DEFENDANT required PLAINTIFF and other CALIFORNIA CLASS Members to use their  
24 personal cell phones to execute their essential job duties on behalf of DEFENDANT.  
25 DEFENDANT's uniform policy, practice and procedure was to not reimburse PLAINTIFF and  
26 the CALIFORNIA CLASS members for expenses resulting from the use of their personal cell  
27 phones for DEFENDANT within the course and scope of their employment for DEFENDANT.  
28 These expenses were necessary to complete their principal job duties. DEFENDANT is estopped

1 by DEFENDANT's conduct to assert any waiver of this expectation. Although these expenses  
2 were necessary expenses incurred by PLAINTIFF and the CALIFORNIA CLASS members,  
3 DEFENDANT failed to indemnify and reimburse PLAINTIFF and the CALIFORNIA CLASS  
4 members for these expenses as an employer is required to do under the laws and regulations of  
5 California.

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

### 10 **SEVENTH CAUSE OF ACTION**

#### 11 **Failure To Provide Accurate Itemized Statements**

12 **(Cal. Lab. Code § 226)**

13 **(Alleged by PLAINTIFF and the CALIFORNIA CLASS against all Defendants)**

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

17 123. Cal. Labor Code § 226 provides that an employer must furnish employees with an  
18 "accurate itemized" statement in writing showing:

- 19 a. Gross wages earned,
- 20 b. (2) total hours worked by the employee, except for any employee whose  
21 compensation is solely based on a salary and who is exempt from payment of  
22 overtime under subdivision (a) of Section 515 or any applicable order of the  
23 Industrial Welfare Commission,
- 24 c. the number of piece-rate units earned and any applicable piece rate if the employee  
25 is paid on a piece-rate basis,
- 26 d. all deductions, provided that all deductions made on written orders of the employee  
27 may be aggregated and shown as one item,
- 28 e. net wages earned,

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

124. When DEFENDANT did not accurately record PLAINTIFF'S and other CALIFORNIA CLASS Members' missed meal and rest breaks, or were paid inaccurately for missed meal and rest period premiums, or were not paid for all hours worked, DEFENDANTS also failed to provide PLAINTIFF and other CALIFORNIA CLASS Members with complete and accurate wage statements which failed to show the complete requirements under California Labor Code sections 226(a)(1)-(9), including but not limited to, all deductions, the total hours worked and all applicable hourly rates in effect during the pay period and the corresponding amount of time worked at each hourly rate, correct rates of pay for penalty payments or missed meal and rest periods.

125. In addition to the foregoing, DEFENDANTS failed to provide itemized wage statements to PLAINTIFF and members of the CALIFORNIA CLASS that complied with the requirements of California Labor Code Section 226(a)(1)-(9).

126. DEFENDANT knowingly and intentionally failed to comply with Cal. Lab. Code § 226, causing injury and damages to PLAINTIFF and the other members of the CALIFORNIA CLASS. These damages include, but are not limited to, costs expended calculating the correct wages for all missed meal and rest breaks and the amount of employment taxes which were not properly paid to state and federal tax authorities. These damages are difficult to estimate. Therefore, PLAINTIFF and the other members of the CALIFORNIA CLASS may elect to recover liquidated damages of fifty dollars (\$50.00) for the initial pay period in which the violation occurred, and one hundred dollars (\$100.00) for each violation in a subsequent pay period

pursuant to Cal. Lab. Code § 226, in an amount according to proof at the time of trial (but in no event more than four thousand dollars (\$4,000.00) for PLAINTIFF and each respective member of the CALIFORNIA CLASS herein).

## **EIGHTH CAUSE OF ACTION**

### **Failure To Pay Wages When Due**

**(Cal. Lab. Code § 203)**

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

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

128. Cal. Lab. Code § 200 provides that:

As used in this article:

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

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

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

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

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

132. Cal. Lab. Code § 203 provides:

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

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

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

12 **PRAYER FOR RELIEF**

13 WHEREFORE, PLAINTIFF pray for a judgment against each Defendant, jointly and  
14 severally, as follows:

15 1. On behalf of the CALIFORNIA CLASS:

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

26 2. On behalf of the CALIFORNIA CLASS:

- 27 a. That the Court certify the Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth  
28 Causes of Action asserted by the CALIFORNIA CLASS as a class action pursuant

1 to Cal. Code of Civ. Proc. § 382;

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

18 3. On all claims:

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

23  
24 DATED: April \_\_, 2024

**JCL LAW FIRM, APC**

25  
26 By: \_\_\_\_\_  
27 Jean-Claude Lapuyade  
28 Attorney for PLAINTIFF

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**DEMAND FOR A JURY TRIAL**

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

DATED: April \_\_, 2024

**JCL LAW FIRM, APC**

By: \_\_\_\_\_  
Jean-Claude Lapuyade  
Attorney for PLAINTIFF