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individually and on behalf of all other AGGRIEVED EMPLOYEES

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

MARTIN SANCHEZ, an individual, on behalf)
of himself and all other AGGRIEVED)
EMPLOYEES; AARON SANCHEZ an)
individual, on behalf of himself and all other)
AGGRIEVED EMPLOYEES)

Plaintiff,

vs.

STONELEDGE FURNITURE LLC a California)
Limited Liability Company; TODD R WANEK,)
an individual; RUTH HOU, an individual; and)
DOES 1 through 100, inclusive,)

Defendants.

Case No. 21STCV11981

**COMPLAINT FOR ENFORCEMENT
UNDER THE PRIVATE ATTORNEYS
GENERAL ACT, CALIFORNIA LABOR
CODE § 2698, ET SEQ.**

) Violation of California Labor Code § 2698, et
) seq. (California Labor Code Private Attorneys
) General Act of 2004)

Plaintiffs MARTIN SANCHEZ (hereinafter referred to as “REPRESENTATIVE
PLAINTIFF MARTIN” and AARON SANCHEZ (hereinafter referred to as “REPRESENTATIVE
PLAINTIFF AARON”) (hereinafter referred to collectively as “REPRESENTATIVE
PLAINTIFFS”) alleges as follows:

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PARTIES

1. REPRESENTATIVE PLAINTIFFS are individuals who resides in California and were employed by STONELEDGE FURNITURE LLC. REPRESENTATIVE PLAINTIFF MARTIN was employed by STONELEDGE FURNITURE LLC from on or about March of 2019 until on or about October 17, 2020. REPRESENTATIVE PLAINTIFF AARON was employed by STONELEDGE FURNITURE LLC from on or about September of 2019 until on or about March 13, 2020.

2. REPRESENTATIVE PLAINTIFFS are informed and believe, and based on such information and belief, allege that at all times mentioned herein, STONELEDGE FURNITURE LLC is a California Limited Liability Company, licensed to do business and actually doing business in the State of California.

3. REPRESENTATIVE PLAINTIFFS are informed and believe, and based on such information and belief, allege that DEFENDANTS sell home furniture, and have numerous locations throughout California. Thus, DEFENDANTS are subject to the applicable California laws as alleged throughout this Complaint.

4. REPRESENTATIVE PLAINTIFF is unaware of the true names and capacities, whether corporate, individual, or otherwise, of DEFENDANTS named as DOES 1 through 100, inclusive. Pursuant to California Code of Civil Procedure section 474, REPRESENTATIVE PLAINTIFF will seek leave of court to amend this complaint to state said DEFENDANTS' true names and capacities when the same have been ascertained. REPRESENTATIVE PLAINTIFF is informed and believes, and based thereon alleges, that said fictitiously-named DEFENDANTS are responsible in some manner for the injuries and damages to REPRESENTATIVE PLAINTIFF and the other AGGRIEVED EMPLOYEES as further alleged herein.

5. The AGGRIEVED EMPLOYEES worked for all of the DEFENDANTS or for either of the DEFENDANTS as non-exempt, hourly-paid employees. Nothing in this Complaint should be interpreted as limiting the AGGRIEVED EMPLOYEES to non-exempt, hourly-paid employees who worked for all DEFENDANTS only.

6. The definition of "employer" for purposes of the California Labor Code includes

1.

1 irregular working arrangements, and was specifically drafted in order to prevent evasion and
2 subterfuge of California's labor laws. To that end, REPRESENTATIVE PLAINTIFF is informed
3 and believes, and based thereon alleges, that DEFENDANTS, including any as of now unknown
4 entities, must be classified as joint-employers for purposes of liability for civil penalties under the
5 Private Attorneys General Act ("PAGA"). As such, DEFENDANTS are each liable for civil
6 penalties for violation of the California Labor Code as to REPRESENTATIVE PLAINTIFF and
7 the other AGGRIEVED EMPLOYEES.

8 7. The term "DEFENDANTS" used throughout this Complaint includes all named
9 DEFENDANTS whether corporate, individual, or otherwise, and all unnamed DEFENDANTS
10 whether corporate, individual, or otherwise, that are now unknown but are referred to throughout
11 this Complaint as DOES 1 through 100, inclusive.

12 8. REPRESENTATIVE PLAINTIFFS are informed and believe, and based thereon
13 allege, that DEFENDANT TODD R WANEK (hereinafter, "DEFENDANT WANEK") is an
14 individual who resides in the State of California and the County of Los Angeles. DEFENDANT
15 WANEK was and is an agent of DEFENDANTS, and in that capacity was and is responsible for
16 overseeing and implementing DEFENDANTS timekeeping policies and procedures that
17 REPRESENTATIVE PLAINTIFF and the other AGGRIEVED EMPLOYEES were made to
18 follow.

19 9. REPRESENTATIVE PLAINTIFFS are informed and believe, and based thereon
20 allege, that DEFENDANT RUTH HOU (hereinafter, "DEFENDANT HOU") is an individual who
21 resides in the State of California and the County of Los Angeles. DEFENDANT HOU was and is
22 an agent of DEFENDANTS, and in that capacity was and is responsible for overseeing and
23 implementing DEFENDANTS timekeeping policies and procedures that REPRESENTATIVE
24 PLAINTIFF and the other AGGRIEVED EMPLOYEES were made to follow.

25 10. This is only a Private Attorney General Action Complaint, pursuant to California
26 Labor Code section 2699 et seq., on behalf of REPRESENTATIVE PLAINTIFFS and all other
27 persons similarly situated who worked for DEFENDANTS in their California locations as non-
28 exempt, hourly employees (herein collectively identified as "AGGRIEVED EMPLOYEES") for:

- (i) Failure to provide employment records in violation of Labor Code sections 226, 432, and 1198.5;
- (ii) failure to pay overtime and double time in violation of Labor Code sections 510 and the applicable Wage Orders;
- (iii) failure to provide rest and meal periods in violation of Labor Code sections 226.7, 512(a), and the applicable Wage Orders;
- (iv) failure to pay minimum wage in violation of Labor Code sections 1182.2, 1194, 1197, 1197.1, and the applicable Wage Orders;
- (v) failure to keep accurate payroll records and provide itemized wage statements in violation of Labor Code sections 226(a), 1174(d), 1198, and the applicable Wage Orders;
- (vi) failure to pay reporting time wages in violation of California Code of Regulations, Title 8, section 11050(5)(A);
- (vii) failure to pay split shift wages in violation of California Code of Regulations 11050(4)(C);
- (viii) failure to pay all wages earned on time in violation of Labor Code section 204;
- (ix) failure to pay all wages earned upon discharge or resignation in violation of Labor Code sections 201, 202, and 203;
- (x) failure to provide basic information at the time of hiring and when employment changes occur in violation of Labor Code section 2810.5(a)(1)(A)-(C) (Wage Theft Prevention Act).
- (xi) failure to reimburse necessary, business-related expenses in violation of Labor Code sections 2800 and 2802;
- (xii) failure to provide notice of paid sick time and accrual in violation of Labor Code section 246;
- (xiii) employers, and individuals acting on behalf of employers, violating or causing to be violated a section of the Labor Code or any Wage Order in violation of Labor Code section 558(a).

VENUE AND JURISDICTION

11. Venue is proper in Los Angeles County, pursuant to section 393, subdivision (a), 3.

1 and/or section 395.5.

2 12. DEFENDANTS operate within Los Angeles County, and PLAINTIFFS allege
3 Labor Code violations at each of Defendant's locations statewide, including locations in Los
4 Angeles County.

5 13. Under the plain meaning of the relevant venue statutes, DEFENDANT's "liability"
6 (§ 395.5), and "some part of the cause" (§ 393), arose in Los Angeles County because Labor Code
7 violations allegedly occurred there. (See *Black Diamond Asphalt, Inc. v. Superior Court* (2003)
8 109 Cal.App.4th 166, 172, 134 Cal.Rptr.2d 510 [under § 395.5, liability arises where a breach of
9 legal rights occurs]; *Dow AgroSciences LLC v. Superior Court, supra*, 16 Cal.App.5th at pp. 1074-
10 1077, 224 Cal.Rptr.3d 761 [under § 393, subd. (a), in an action against a corporation for breach of
11 statutory duty to warn residents about toxic fumigant, the cause "arose" where the residents were
12 exposed to the fumigants].) See *Crestwood Behavioral Health, Inc. v. Superior Court of Alameda*
13 *County* (2021) 60 Cal.App.5th 1069 [275 Cal.Rptr.3d 316, 60 Cal.App.5th 1069].

14 14. This Court has jurisdiction over REPRESENTATIVE PLAINTIFFS' claims for
15 civil penalties under the PAGA, California Labor Code sections 2698 *et seq.*

16 **SCOPE**

17 15. The "AGGRIEVED EMPLOYEES" are DEFENDANTS current and former hourly-
18 paid, non-exempt employees, who either were or are employed in the State of California from
19 August 12, 2019 through the date of judgment in this action.

20 **STATEMENT OF FACTS**

21 16. REPRESENTATIVE PLAINTIFF MARTIN was hired by DEFENDANTS as a
22 Recycle employee on or about March 2019. REPRESENTATIVE PLAINTIFF AARON was hired
23 by DEFENDANTS as a Recycle employee on or about September 2019.

24 17. DEFENDANTS are California Limited Liability Company that sells home furniture.
25 REPRESENTATIVE PLAINTIFF MARTIN worked for DEFENDANTS up until on or about
26 October 17, 2020. REPRESENTATIVE PLAINTIFF AARON worked for DEFENDANTS up
27 until on or about March 12, 2020.

28 18. While employed with DEFENDANTS, REPRESENTATIVE PLAINTIFFS and

1 other AGGRIEVED EMPLOYEES that REPRESENTATIVE PLAINTIFFS seek to represent in
2 this action, working as non-exempt, hourly-paid employees were regularly required to work off-
3 the-clock, and/or during their rest and/or meal periods.

4 19. REPRESENTATIVE PLAINTIFF MARTIN filed a PAGA Notice on August 12,
5 2020 by serving a PAGA Notice to all named DEFENDANTS and to the LWDA in compliance
6 with Labor Code section 2699.3. As of October 16, 2020, 65 Days after REPRESENTATIVE
7 PLAINTIFF MARTIN's PAGA Notice, REPRESENTATIVE PLAINTIFF MARTIN has not
8 received correspondence from the LWDA regarding its intent to investigate REPRESENTATIVE
9 PLAINTIFF MARTIN's claims.

10 20. REPRESENTATIVE PLAINTIFF AARON filed a PAGA Notice on January 15,
11 2021 by serving a PAGA Notice to all named DEFENDANTS and to the LWDA in compliance
12 with Labor Code section 2699.3. As of March 26, 2020, 65 Days after REPRESENTATIVE
13 PLAINTIFF AARON's PAGA Notice, REPRESENTATIVE PLAINTIFF AARON has not
14 received correspondence from the LWDA regarding its intent to investigate REPRESENTATIVE
15 PLAINTIFF AARON's claims.

16 21. California Labor Code Section 226 provides, "An employer who receives a written
17 or oral request to inspect or copy records pursuant to subdivision (b) pertaining to a current or
18 former employee [records of hours worked and wages paid]...shall comply with the request as
19 soon as practicable, but no later than 21 calendar days from the date of the request."

20 22. California Labor Code Section 432 provides, "If an employee signs any instrument
21 relating to the obtaining or holding of employment, he shall be given a copy of the instrument upon
22 request."

23 23. California Labor Code Section 1198.5 provides that every employee shall be
24 permitted to inspect and obtain a copy of their personnel records upon request.

25 24. In accordance with the process set out in Labor Code Section 226,
26 REPRESENTATIVE PLAINTIFFS requested, in writing by letter via certified first-class mail to
27 DEFENDANTS and regular first-class mail to DEFENDANTS, that DEFENDANTS provide
28 REPRESENTATIVE PLAINTIFFS with wage and payroll history, all documents signed by

1 REPRESENTATIVE PLAINTIFFS pursuant to Labor Code Section 432, and a copy of
2 REPRESENTATIVE PLAINTIFFS personnel records pursuant to Labor Code Section 1198.5.

3 25. The time periods provided to DEFENDANTS by Labor Code Sections 226, 432,
4 1198.5 and any other relevant statutes have elapsed since DEFENDANTS received
5 REPRESENTATIVE PLAINTIFFS correspondence requesting documents pursuant to Labor Code
6 Sections 226, 432, and 1198.5, and a copy of REPRESENTATIVE PLAINTIFFS personnel
7 records pursuant to Labor Code Section 1198.5. However, DEFENDANTS failed to provide
8 REPRESENTATIVE PLAINTIFFS with all of the employment documents to which they are
9 entitled.

10 26. REPRESENTATIVE PLAINTIFFS are informed and believe, and based thereon
11 allege, that DEFENDANTS failed to provide records in compliance with Labor Code Sections 226,
12 432, and 1198.5 to other AGGRIEVED EMPLOYEES in response to their requests.

13 27. California Labor Code sections 510 and the applicable Wage Orders require
14 employers to pay employees working more than eight (8) hours in a day or more than 40 hours in a
15 week at the rate of at least time-and-one-half (1.5) times their regular rate of pay (“overtime”) for
16 time such worked, and two (2) times their regular rate of pay (“double time”) for such hours
17 worked in excess of 12 hours in a day. “Regular rate” includes all remuneration, including non-
18 discretionary bonuses and incentives.

19 28. During the relevant time period, REPRESENTATIVE PLAINTIFFS and other
20 AGGRIEVED EMPLOYEES regularly worked in excess of eight (8), and in excess of 12, hours in
21 a workday and/or 40 hours in a workweek.

22 29. DEFENDANTS routinely required REPRESENTATIVE PLAINTIFFS and the
23 other AGGRIEVED EMPLOYEES to perform work tasks before and/or after their scheduled
24 shifts, and/or during off-the-clock meal breaks, and/or during rest breaks. As a consequence,
25 DEFENDANTS willfully failed to pay REPRESENTATIVE PLAINTIFFS and the other
26 AGGRIEVED EMPLOYEES all of the wages to which they were entitled.

27 30. California Labor Code sections 226.7, 512(a), and the applicable Wage Orders
28 require employers to pay employees one (1) additional hour of pay at the employees’ regular rate

1 for each work day that a legally compliant meal and/or rest break was not provided. Employers
2 cannot require, cause, or permit an employee to work more than five (5) hours per day without
3 providing an uninterrupted meal break. If an employee works over ten (10) hours in a workday,
4 employers are required to either provide a second, uninterrupted 30-minute meal break or pay
5 employees an additional one (1) hour of pay at the employees' regular rate. If the employer fails to
6 properly record a valid meal period, it is presumed that no meal period was provided. Furthermore,
7 no employer shall require an employee to work during any rest period. Rest periods requirements
8 are based on the total hours worked; employees are legally entitled to ten (10) minutes per four (4)
9 hours, or major fraction thereof, that employee worked.

10 31. DEFENDANTS failed to provide REPRESENTATIVE PLAINTIFFS and other
11 AGGRIEVED EMPLOYEES with the required rest and meal break periods. REPRESENTATIVE
12 PLAINTIFFS and other AGGRIEVED EMPLOYEES were routinely required to work through
13 these periods instead, because of understaffing, inadequate coverage, unreasonably high workload
14 and expectations, and/or other actions, inactions, or decisions made by and within the sole control
15 and discretion of DEFENDANTS.

16 32. REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES worked
17 shifts in excess of five (5) hours without a meal break, and worked shifts of ten (10) hours or more
18 without a second meal break, due to understaffing, inadequate coverage, unreasonably high
19 workload and expectations, and/or other actions, inactions, or decisions made by and within the
20 sole control and discretion of DEFENDANTS.

21 33. REPRESENTATIVE PLAINTIFFS are informed and believe, and based thereon
22 allege, that any purported appearance of meal and rest break compliance is because
23 DEFENDANTS systematically and routinely clocked out for and/or otherwise altered the
24 timekeeping records of REPRESENTATIVE PLAINTIFFS and other AGGRIEVED
25 EMPLOYEES in an attempt to hide the aforementioned infractions. DEFENDANTS, knowingly
26 and contrary to law and public policy, employed a tactic of clocking-out employees for rest and/or
27 meal periods that were never taken and/or were legally non-compliant, and/or otherwise falsified or
28 altered timekeeping records.

1 34. DEFENDANTS knew, or should have known, that their behavior caused
2 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES to work through the
3 above-described meal and/or rest periods. As a company-wide policy, DEFENDANTS still chose
4 not to pay meal and rest period premiums required by law.

5 35. California Labor Code sections 1182.12, 1194, 1197, and 1197.1 require employers
6 to pay the minimum wage as set by the IWC. California Labor Code section 1182.12, as amended
7 by Senate Bill 3, Chapter 4, Section 3, defines the minimum wage as;

8 (1) For any employer who employs 26 or more employees:

9 (A) From January 1, 2017, to December 31, 2017, \$10.50 per hour.

10 (B) From January 1, 2018, to December 31, 2018, \$11 per hour.

11 (C) From January 1, 2019, to December 31, 2019, \$12 per hour.

12 (D) From January 1, 2020, to December 31, 2020, \$13 per hour.

13 (E) From January 1, 2021, to December 31, 2021, \$14 per hour.

14 (F) From January 1, 2022, and until adjusted by subdivision (c) \$15 per hour.

15 (2) For any employer who employs 25 or fewer employees:

16 (A) From January 1, 2018, to December 31, 2018, \$10.50 per hour.

17 (B) From January 1, 2019, to December 31, 2019, \$11 per hour.

18 (C) From January 1, 2020, to December 31, 2020, \$12 per hour.

19 (D) From January 1, 2021, to December 31, 2021, \$13 per hour.

20 (E) From January 1, 2022, to December 31, 2022, \$14 per hour.

21 (F) From January 1, 2023, and until adjusted by subdivision (c) \$15 per hour.

22 36. The minimum wage standard applies to each hour employees worked for which they
23 were not paid. Therefore, employer's failure to pay for any particular hour worked by an employee
24 is unlawful even if averaging an employee's total pay over all hours worked, paid or not, results in
25 an average hourly wage above minimum wage.

26 37. As alleged throughout this Complaint, due to the company-wide failures of
27 DEFENDANTS, REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES were
28 forced to work off-the-clock before and/or after their scheduled work shifts, and/or during rest

1 breaks, and/or during meal breaks. DEFENDANTS failed to pay REPRESENTATIVE
2 PLAINTIFFS and other AGGRIEVED EMPLOYEES minimum wage for this time and/or falsified
3 timekeeping records to hide this fact.

4 38. California Labor Code 226(a) requires employers to create and provide to
5 employees true and accurate employment records. California Labor Code section 226(e) provides
6 that if an employer fails to furnish an employee with same, the employee is entitled to recover the
7 greater of all actual damages, or \$50.00 for an initial infraction, and \$100 per employee for each
8 subsequent violation in any pay period. California Labor Code 226.3 imposes civil penalties on any
9 employer in violation of section 226(a) at \$250 per employee violation in an initial citation, and
10 \$1,000 per employee for each subsequent violation.

11 39. California Labor Code 1174(d) requires employers to keep payroll records showing
12 hours worked, and wages paid to and/or number of piece-rate units earned, for all employees.
13 California Labor Code section 1174.5 subjects employers to a \$500 penalty for failing to maintain
14 same.

15 40. California Labor Code section 1198 provides that maximum hours and standard
16 conditions of labor are fixed by the Labor Commissioner in the applicable Wage Orders. Pursuant
17 to the applicable Wage Order, employers must keep accurate records of when employees begin and
18 end each work period and each meal period.

19 41. DEFENDANTS knowingly provided employees with records that do not meet the
20 statutory requirements of truth and accuracy, because DEFENDANTS failed to truthfully and
21 accurately document, among other things, employees off-the-clock work. As a result,
22 DEFENDANTS failed to accurately list the correct amount of gross and/or net wages earned by
23 REPRESENTATIVE PLAINTIFFS and the other AGGRIEVED EMPLOYEES.

24 42. The statements in question are deficient in many other ways, including, but not
25 limited to: failure to list total hours worked, failing to list applicable hourly rates and the numbers
26 of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate,
27 failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID
28 properly, failure to list the full legal name and address of the employer, failure to list inclusive

1 dates for which employees are paid, failure to provide employees with the ability to easily access
2 wage statements and get hard copies at no expense to the employee, and/or failure to state all hours
3 worked as a result of off-the-clock work.

4 43. DEFENDANTS willfully failed to maintain accurate payroll records for
5 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES as a result of
6 DEFENDANTS failure to accurately record employees rest breaks, and/or meal breaks, and/or off-
7 the-clock work. DEFENDANTS failure makes it impossible for REPRESENTATIVE
8 PLAINTIFFS and other AGGRIEVED EMPLOYEES to accurately determine the extent of their
9 underpayment, thereby causing further injuries to each of them.

10 44. California Code of Regulations, Title 8, section 11050(5)(A) provides that for each
11 workday when an employee is required to and does in fact report to work, but is either not put to
12 work or is furnished less than half of said employee's usual scheduled day's work, that employee
13 should be paid for no less than half, and in no event less than two (2) hours, of the employees'
14 regular rate of pay.

15 45. REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES were
16 frequently told by DEFENDANTS to report to work and were either not put to work or were
17 furnished less than half of said employee's usual scheduled day's work. DEFENDANTS routinely
18 failed to pay the required reporting time wages to REPRESENTATIVE PLAINTIFFS and other
19 AGGRIEVED EMPLOYEES for each of these instances.

20 46. California Code of Regulations 11050(4)(C) provides that when an employee works
21 a "split shift", one (1) hour's pay at the State or local minimum wage (whichever is greater) must
22 be paid in addition to the minimum wage for that workday. A "split shift" is defined as a work
23 schedule which is interrupted by non-paid, non-working periods established by the employer, other
24 than *bona fide* rest or meal periods.

25 47. DEFENDANTS routinely scheduled REPRESENTATIVE PLAINTIFFS and other
26 AGGRIEVED EMPLOYEES for multiple different shifts throughout the same workday, separated
27 by periods other than *bona fide* rest or meal breaks. DEFENDANTS failed to pay
28 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES one (1) hour's pay at

1 the applicable minimum wage, which resulted in REPRESENTATIVE PLAINTIFFS and other
2 AGGRIEVED EMPLOYEES being paid less than the applicable minimum wage for that day. As a
3 further consequence, DEFENDANTS also failed to separately list “split shift” payments on
4 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES wage statements.

5 48. California Labor Code section 204 requires that all wages earned, other than those
6 due upon termination, be paid on time as defined by the statute.

7 49. As a result of the numerous company-wide failures of DEFENDANTS as described
8 throughout this Complaint, DEFENDANTS failed to pay REPRESENTATIVE PLAINTIFFS and
9 other AGGRIEVED EMPLOYEES all wages due to them, including, but not limited to: minimum
10 wages, overtime wages, double time wages, split shift pay and/or reporting time pay within the
11 statutorily required time period.

12 50. California Labor Code sections 201, 202, and 203 provide that employees who are
13 terminated are due all wages earned immediately. Employees who resign their employment without
14 giving 72-hours’ notice are due all wages earned within 72 hours of their resignation. Employees
15 who resign their employment giving 72-hours’ notice are entitled to all wages earned at the time
16 their resignation becomes effective.

17 51. DEFENDANTS terminated their employment relationship with
18 REPRESENTATIVE PLAINTIFF MARTIN on October 17, 2020. DEFENDANTS terminated
19 their employment relationship with REPRESENTATIVE PLAINTIFF AARON on March 13,
20 2020. Accordingly, REPRESENTATIVE PLAINTIFFS were due all wages earned immediately.

21 52. When REPRESENTATIVE PLAINTIFFS finally received their final paychecks,
22 those final paycheck was legally deficient in that they did not account for all wages earned despite
23 DEFENDANTS knowing that such wages were due to REPRESENTATIVE PLAINTIFFS. Due to
24 the company-wide failures of DEFENDANTS as described throughout this Complaint,
25 DEFENDANTS similarly failed to pay other AGGRIEVED EMPLOYEES timely wages upon
26 their discharge or resignation.

27 53. Codified in California Labor Code section 2810.5, California’s Wage Theft
28 Protection Act requires employers to provide employees with basic information at the time of

1 hiring and when changes occur to their employment. The Wage Theft Protection Act provides that
2 an employee must be furnished with written notice of, at the time of hiring; rate of pay (including
3 overtime), whether paid by hour, salary, piece-rate, shift, day, week, commission, or otherwise, and
4 allowances claimed such as meal or lodging. This notice must include a statement that the
5 employee can accrue and use sick leave, has the right to request and use paid sick leave, may not
6 be terminated or retaliated against for requesting or using paid sick leave, and has the right to file a
7 complaint against any employer who does so retaliate.

8 54. DEFENDANTS hired REPRESENTATIVE PLAINTIFF MARTIN on or about
9 March 2019, and REPRESENTATIVE PLAINTIFF MARTIN continued to work for
10 DEFENDANTS until on or about October 17, 2020. DEFENDANTS hired REPRESENTATIVE
11 PLAINTIFF AARON on or about September 2019, and REPRESENTATIVE PLAINTIFF
12 AARON continued to work for DEFENDANTS until on or about March 13, 2020.

13 55. During the time that REPRESENTATIVE PLAINTIFFS were employed, changes,
14 including, but not limited to, raises, promotions, title changes, relocations, and new and additional
15 assignments were earned by and/or assigned to REPRESENTATIVE PLAINTIFFS. As a result of
16 each of these, changes occurred to REPRESENTATIVE PLAINTIFFS' employment as defined by
17 Labor Code 2810.5(a)(1)(A)-(C) and the Wage Theft Prevention Act.

18 56. When hired and each time such changes to REPRESENTATIVE PLAINTIFFS and
19 other AGGRIEVED EMPLOYEES employment occurred, DEFENDANTS were required to
20 furnish documents to REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES
21 with such basic information and written notice of, among other things, their rate of pay (including
22 overtime), their right to accrue and request paid sick leave, and their right to file a complaint
23 against DEFENDANTS should they infringe upon such rights. DEFENDANTS failed to furnish
24 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES with such written
25 notices as required.

26 57. California Labor Code Sections 2800 and 2802 require that an employer indemnify
27 employees for all necessary expenditures or losses incurred by the employee in direct consequence
28 of the discharge of their duties.

1 58. REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES were
2 directed and expected to incur personal expenses on behalf of DEFENDANTS while performing
3 their job duties. Such personal expenses include, but are not limited to: use of personal cell phone,
4 travel expenses, and parking expenses. REPRESENTATIVE PLAINTIFFS and the other
5 AGGRIEVED EMPLOYEES would not have been able to successfully accomplish their job duties
6 absent incurring these personal expenses. DEFENDANTS failed to indemnify
7 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES for all necessary
8 expenditures or losses accordingly.

9 59. California Labor Code section 246 provides that an employee who works for the
10 same employer for more than 30 days is entitled to paid sick days. Paid sick leave is to accrue at a
11 rate not less than one (1) hour per every 30 hours worked, such accrual beginning at the
12 commencement of employment. Employers must provide employees with written notice setting the
13 amount of sick leave available (or paid time off in lieu thereof) for use on either itemized wage
14 statements (as described in Labor Code section 226) or in a separate writing accompanying such
15 wage statements.

16 60. DEFENDANTS hired REPRESENTATIVE PLAINTIFF MARTIN on or about
17 March 2019, and REPRESENTATIVE PLAINTIFF MARTIN continued to work for
18 DEFENDANTS until on or about October 17, 2020. DEFENDANTS hired REPRESENTATIVE
19 PLAINTIFF AARON on or about September 2019, and REPRESENTATIVE PLAINTIFF
20 AARON continued to work for DEFENDANTS until on or about March 13, 2020.

21 61. REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES worked
22 for DEFENDANT for more than 30 days, triggering the protections of Labor Code section 246 as
23 described above. Nevertheless, DEFENDANTS failed to furnish upon REPRESENTATIVE
24 PLAINTIFFS and other AGGRIEVED EMPLOYEES, either on itemized wage statements or in a
25 separate writing accompanying such wage statements, the amount of sick leave available to
26 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES.

27 62. As such, DEFENDANTS unlawfully retained and continue to retain paid sick leave
28 that should have been paid to REPRESENTATIVE PLAINTIFFS and other AGGRIEVED

1 EMPLOYEES but for DEFENDANTS failure to properly institute and/or adhere to a legally
2 compliant paid sick leave program. REPRESENTATIVE PLAINTIFFS are informed and believe,
3 and based thereon allege, that these practices were experienced and continue to be experienced by
4 the other AGGRIEVED EMPLOYEES.

5 63. California Labor Code section 558(a) provides that any employer, including
6 individuals acting on behalf of employers, that violates, or causes to be violated, a section of the
7 Labor Code or any applicable Wage Orders are subject to the following penalties;

- 8 • \$50 for any initial violation for each underpaid employee for each pay period for
9 which the employee was underpaid in addition to an amount sufficient to recover
10 unpaid wages;
- 11 • \$100 for each subsequent violation for each underpaid employee for each pay period
12 for which the employee was underpaid in addition to an amount to recover unpaid
13 wages;

14 64. Labor Code section 558.1 permits joint and several liability as to both an individual
15 and employer for violations of Labor Code sections 203, 226, 226.7, 1194, and 2802. Labor Code
16 section 558(c) provides that the penalties in this section are in addition to any other civil penalty.

17 65. DEFENDANTS are employers, and DEFENDANT WANEK and DEFENDANT
18 HOU, acting on behalf thereof, violated REPRESENTATIVE PLAINTIFFS and other
19 AGGRIEVED EMPLOYEES' rights by violating, or causing to be violated, various sections of
20 this code as described throughout this Complaint.

21 **FIRST CAUSE OF ACTION**

22 **(VIOLATION OF LABOR CODE § 2698, ET SEQ.)**

23 **(By REPRESENTATIVE PLAINTIFF Against DEFENDANT(S) and Does 1 through 10,**
24 **inclusive)**

25 66. REPRESENTATIVE PLAINTIFFS incorporate by reference the allegations
26 contained in each of the preceding paragraphs and each and every part thereof with the same force
27 and effect as though fully set forth herein.

28 67. PAGA expressly establishes that any provisions of the California Labor Code which
14.

1 provides for a civil penalty to be assessed and collected by the LWDA, or any of its departments,
2 divisions, commissions, boards, agencies or employees for a violation of the California Labor
3 Code, may be recovered through a civil action brought by an aggrieved employee on behalf of
4 himself or herself, and other current or former employees.

5 68. Whenever the LWDA, or any of its departments, divisions, commissions, boards,
6 agencies, or employees has discretion to assess a civil penalty, a court in a civil action is authorized
7 to exercise the same discretion, subject to the same limitations and conditions, to assess a civil
8 penalty.

9 69. REPRESENTATIVE PLAINTIFFS and the other hourly-paid or non-exempt
10 employees, are "AGGRIEVED EMPLOYEES" within the meaning of California Labor Code
11 section 2699(c) as they are all current or former employees of DEFENDANT, and one or more of
12 the alleged violations was committed against them.

13 **Failure to Provide Employment Records**

14 70. DEFENDANTS failure to provide REPRESENTATIVE PLAINTIFFS and other
15 AGGRIEVED EMPLOYEES with employment records constitutes unlawful and/or unfair activity
16 and is prohibited by California Labor Code 226, 432, and 1198.5.

17 **Failure to Pay Overtime / Double Time**

18 71. DEFENDANTS failure to pay legally required overtime and double time wages to
19 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES is in violation of the
20 Wage Orders and constitutes unlawful and/or unfair activity prohibited by California Labor Code
21 sections 510 and 1198.

22 **Failure to Provide Meal and Rest Periods**

23 72. DEFENDANTS failure to provide legally required meal and rest periods to
24 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES constitutes unlawful
25 and/or unfair activity prohibited by California Labor Code sections 226.7, 512(a), and the
26 applicable Wage Orders.

27 **Failure to Pay Minimum Wages**

28 73. DEFENDANTS failure to pay legally required minimum wages to
15.

1 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES constitutes unlawful
2 and/or unfair activity prohibited by California Labor Code sections 1182.12, 1194, 1197, 1197.1,
3 and the applicable Wage Orders.

4 **Failure to Keep Accurate and Provide Itemized Wage Statements**

5 74. DEFENDANTS failure to keep accurate and provide itemized wage statements to
6 REPRESENTATIVE PLAINTIFFS and other AGGRIEVED EMPLOYEES constitutes unlawful
7 and/or unfair activity prohibited by California Labor Code section 226(a), 1174(d), and 1198.

8 **Failure to Pay Reporting Time**

9 75. DEFENDANTS failure to pay REPRESENTATIVE PLAINTIFFS and other
10 AGGRIEVED EMPLOYEES who were required to and did in fact report to work, but who were
11 then furnished less than half of such employees usual scheduled day's work, with at least half, and
12 in no event less than two (2) hours, of the employees' regular rate of pay constitutes unlawful
13 and/or unfair activity prohibited by California Code of Regulations 11050 (5)(A).

14 **Failure to Pay "Split Shift" Premiums**

15 76. DEFENDANTS failure to pay REPRESENTATIVE PLAINTIFFS and other
16 AGGRIEVED EMPLOYEES one (1) hour's pay at the minimum wage in addition to the wages for
17 that workday for any workday in which REPRESENTATIVE PLAINTIFFS and other
18 AGGRIEVED EMPLOYEES were scheduled for and required to work a "split shift" constitutes
19 unlawful or unfair activity prohibited by California Labor Code 1198 and California Code of
20 Regulations 11050(4)(C).

21 **Failure to Timely Pay Wages During Employment**

22 77. DEFENDANTS failure to timely pay wages to REPRESENTATIVE PLAINTIFFS
23 and other AGGRIEVED EMPLOYEES during their employment constitutes unlawful and/or
24 unfair activity prohibited by California Labor Code section 204.

25 **Failure to Timely Pay Wages Upon Termination**

26 78. DEFENDANTS failure to timely pay wages to REPRESENTATIVE PLAINTIFFS
27 and other AGGRIEVED EMPLOYEES upon termination constitutes unlawful and/or unfair
28 activity prohibited by California Labor Code sections 201, 202, and 203.

1 **Failure to Provide Information Required by the Wage Theft Prevention Act**

2 79. DEFENDANTS failure to provide basic information to REPRESENTATIVE
3 PLAINTIFFS and other AGGRIEVED EMPLOYEES related to the conditions of their pay and
4 their rights regarding sick leave constitutes unlawful and/or unfair activity prohibited by California
5 Labor Code section 2810.5(a)(1)(A)-(C).

6 **Failure to Reimburse Necessary Business-Related Expenses and Costs**

7 80. DEFENDANTS failure to reimburse REPRESENTATIVE PLAINTIFFS and other
8 AGGRIEVED EMPLOYEES for necessary business-related expenses and costs constitutes
9 unlawful and/or unfair activity prohibited by California Labor Code sections 2800 and 2802.

10 **Failure to Provide Notice of Paid Sick Time and Accrual**

11 81. DEFENDANTS failure to provide REPRESENTATIVE PLAINTIFFS and other
12 AGGRIEVED EMPLOYEES that work for DEFENDANTS for more than 30 days with written
13 notice setting the amount of sick leave available (or paid time off in lieu thereof) for use in their
14 itemized wage statements or in a separate writing accompanying such statements constitutes
15 unlawful and/or unfair activity prohibited by California Labor Code section 246.

16 **Civil Penalties**

17 82. DEFENDANT WANEK and DEFENDANT HOU, by their actions as outlined
18 above, on behalf of DEFENDANTS that violated, or caused to be violated, the above-mentioned
19 labor codes constitute unfair and/or unlawful activity in violation of California Labor Code section
20 558(c). California Labor Code section 558(c) specifically clarifies that penalties in this section are
21 in addition to any other civil penalty.

22 83. Pursuant to California Labor Code section 2699, REPRESENTATIVE
23 PLAINTIFFS, individually, and on behalf of all AGGRIEVED EMPLOYEES, requests and is
24 entitled to recover penalties from DEFENDANTS and each of them, for violations of the Labor
25 Code as more fully described herein according to proof, interest, attorneys' fees and costs pursuant
26 to California Labor Code section 218.5, including but not limited to:

27 a. Penalties under California Labor Code section 2699 in the amount of a
28 hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation,

1 and two hundred dollars (\$200) for each aggrieved employee per pay period for each
2 subsequent violation;

3 b. Penalties under California Code of Regulations Title 8 section 11010, et seq.
4 in the amount of fifty dollars (\$50) for each aggrieved employee per pay period for the
5 initial violation, and one hundred dollars (\$100) for each aggrieved employee per pay
6 period for each subsequent violation;

7 c. Penalties under California Labor Code section 210 in addition to, and
8 entirely independent and apart from, any other penalties provided in the California Labor
9 Code in the amount of a hundred dollars (\$100) for each aggrieved employee per pay
10 period for the initial violation, and two hundred dollars (\$200) for each aggrieved employee
11 per pay period for each subsequent violation; and

12 d. Any and all additional penalties and sums as provided by the California
13 Labor Code and/or other statutes, including, but not limited to, penalties pursuant to
14 California Labor Code 558(a).

15 84. Pursuant to California Labor Code section 2699(i), civil penalties recovered shall be
16 distributed as follows: seventy-five percent (75%) to the Labor and Workforce Development
17 Agency for the enforcement of labor laws and education of employers and employees about their
18 rights and responsibilities and twenty-five percent (25%) to the AGGRIEVED EMPLOYEES.

19 85. Further, **REPRESENTATIVE PLAINTIFFS** are entitled to seek and recover
20 reasonable attorneys' fees and costs pursuant to California Labor Code sections 210, 218.5 and
21 2699 and any other applicable statute.

22 THEREFORE, REPRESENTATIVE PLAINTIFFS and the individuals they seek to
23 represent request relief as described below:

24 **PRAYER**

25 THEREFORE, REPRESENTATIVE PLAINTIFFS pray for judgment against
26 DEFENDANTS, and Does 1 through 100, and each of them, as follows:

27 1. Statutory attorneys' fees and costs under PAGA and California Code of Civil
28 Procedure Section 1021.5;

2. Statutory penalties under PAGA;
3. Costs of suit; and
4. Such further relief as the Court deems just and proper.

Dated: March 29, 2021

HAIG B. KAZANDJIAN LAWYERS, APC.

By: /s/ Haig B. Kazandjian

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SANCHEZ and AARON SANCHEZ,
individually and on behalf of other
AGGRIEVED EMPLOYEES

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