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12	SUPERIOR COURT OF THE S	TATE OF CALIFORNIA
13	IN AND FOR THE COUNTY OF SAN DIEGO – CENTRAL DIVISION	
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15	YVONNE BROWN, an individual;	Case No.: <b>37-2017-00025128-CU-OE-CTL</b>
16	Plaintiff,	COMPLAINT FOR DAMAGES
17	v. )	1. FAILURE TO REIMBURSE BUSINESS EXPENSES (Labor Code Section 2802);
18	POINT LOMA PATIENTS CONSUMER )	2. FAILURE TO PROVIDE MEAL PERIODS; 3. FAILURE TO PROVIDE REST PERIODS;
19	COOPERATIVE CORPORATION, a ) California corporation; FAR WEST )	4. FAILURE TO PAY WAGES (Labor Code Section 204, 210, 1194)
20	MANAGEMENT, LLC, a California limited )	5. FAILURE TO PROVIDE ACCURATE PAY-
21	liability company; JUSTUS HENKES, IV, an ) individual; ADAM KNOPF, an individual;	STUBS; 6. UNFAIR BUSINESS PRACTICES;
22	HEIDI RISING, an individual; and; DOES 1 – ) 50, inclusive;	7. LABOR CODE § 558 VIOLATIONS. 8. RETALIATION IN VIOLATION OF LABOR
23	)	CODE SECTION 1102.5;
24	Defendants. )	9. VIOLATION OF LABOR CODE SECTION 1198.5;
25	j ·	10. LABOR CODE § 2699 "PAGA" CLAIMS; 11. LABOR CODE SECTION 203 VIOLATION.
26	)	
27	Plaintiff Yvonne Brown alleges:	
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**PARTIES** 

- 1. Defendant Point Loma Patients' Consumer Cooperative Corporation ("PLPCCC") is a California corporation doing business in the State of California and in the County of San Diego. The unlawful employment practices complained of herein occurred in San Diego County.
- Defendant Far West Management, LLC is a California limited liability company doing business in the State of California and in the County of San Diego. The unlawful employment practices complained of herein occurred in San Diego County.
- 3. Defendant Justus Henkes, IV is believed to be a resident of San Diego County, California, and is subject to the jurisdiction of this Court.
- 4. Defendant Adam Knopf is believed to be a resident of San Diego County, California, and is subject to the jurisdiction of this Court.
- 5. Defendant Heidi Rising is believed to be a resident of San Diego County, California, and is subject to the jurisdiction of this Court.
- 6. Defendants DOES 1-50, inclusive, at all relevant times mentioned, were either business entities of unknown form doing business in the State of California and in the County of San Diego, and were affiliates, parents, subsidiaries, joint venturers, partners, members, fictitious business names, or were otherwise affiliated with PLPCCC or alternatively were individuals residing in the County of San Diego, State of California, and were employees, supervisors, officers, directors, owners, and/or managing agents of the named defendants. Plaintiff is unaware of the true names of these defendants and therefore sues them by such fictitious names. Plaintiff will amend this complaint to allege their true names and capacities when ascertained. Plaintiff is informed and believes and thereon alleges that each of these fictitiously named defendants is responsible in some manner for the occurrences alleged herein, and that Plaintiff's injuries and damages as alleged herein were caused by the aforementioned defendants
- 7. Plaintiff is informed and believe and based thereon allege that each of the Defendants named herein was, at all times relevant to this action, the agent, employee, representative, partner, managing member, or joint venturer of the remaining Defendants and was acting in the course and scope of that relationship. Plaintiff is further informed and believes, and based thereon alleges, that each of the Defendants

named herein gave consent to, ratified, and/or authorized the acts alleged herein to each of the remaining Defendants.

- 8. Plaintiff is informed and believes and based thereon alleges that at all times mentioned herein there existed a unity and identity of interest and ownership between all Defendants, such that any individuality and separateness between them have ceased. Each of the defendants is the alter ego of the other in that, *inter alia*, each is or was composed of the same or practically the same principals, the assets of the entities have been transferred and combined between the entities, and they carry on the same business.
- 9. Plaintiff is also informed and believes and based thereon alleges that adherence to the fiction of the separate existence of the defendants as distinct from one another would permit an abuse of the corporate privilege and would promote injustice in that it would permit these entities to evade their legal obligations.
- 10. The individual defendants, Defendants Henkes, Knopf, and Rising are personally liable for some, or all, of the claims alleged in this Complaint pursuant to Labor Code § 558.1.
- 11. The amount in controversy herein, exclusive of interest, attorneys' fees, and costs, exceeds \$25,000.00,
- 12. Within the four (4) years immediately preceding the filing of this Complaint and at all relevant times, Plaintiff was employed by Defendants, and each of them.

#### **FIRST CAUSE OF ACTION**

#### (Violation of Labor Code Section 2082 Against All Defendants)

- 13. Plaintiff hereby incorporates by this reference each and every preceding paragraph of this complaint as if fully set forth herein.
- 14. California Labor Code Section 2802 provides in pertinent part that: "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful."
- 15. Pursuant to Labor Code Section 2802, California employees who incur out of pocket for expenses like mileage must be reimbursed for those expenditures. If an employer fails to reimburse

an employee for necessary job expenses, the employee can bring a lawsuit to recover the reimbursable amounts.

- 16. Plaintiff drove her personal vehicle in connection with her employment with Defendants (making deliveries), but was not reimbursed for mileage. Plaintiff likewise spent money and incurred additional costs that Defendants were required to indemnify her, but for which she was not indemnified.
- 17. Under California law, Plaintiff could not waive her right to rnileage reimbursement.
  (Labor Code Section 2804.) And Plaintiff could not waive her right to reimbursement for Defendants' reimbursement of business costs.
- 18. In addition to reimbursement pursuant to Labor Code Section 2802, Plaintiff is entitled to recover from Defendants interest, penalties, attorney's fees, and costs of suit.
- 19. The individual Defendants are personally liable pursuant to Labor Code Sections 558 and 558.1, along with Labor Code Section 1197.1.
- 20. As a proximate result of the aforementioned violations, Plaintiff has been damaged in an amount according to proof at the time of trial, but in an amount in excess of the minimum jurisdiction of this Court.

#### SECOND CAUSE OF ACTION

## (Violation of California Labor Code § 226.7 - Failure to Provide Meal Periods Against All Defendants)

- 21. Plaintiff hereby incorporates by this reference each and every preceding paragraph of this complaint as if fully set forth herein.
- 22. At all times herein mentioned, Plaintiff was a non-exempt employee and subject to the "meal period" provisions of the Labor Code, Wage Orders, and Code of Regulations. No valid legal or applicable exception to the meal break requirement existed to allow Defendants to avoid providing Plaintiff with regular meal breaks as required by the Labor Code.
- 23. Defendants failed to allow Plaintiff to take 30-minute meal periods, uninterrupted, during which she was relieved of all duties, for every five hours worked. Defendants denied such meal periods and Defendants' agents and management were well aware that meal periods were being denied.

- 24. Wages are due to employees for "all hours worked" under applicable laws, rules, orders, requirements, and regulations. Plaintiff requests relief pursuant to California Labor Code § 226.7(b) which provides for one hour of additional pay at the employee's regular rate of pay for each work day the meal break is not provided. Plaintiff demands all applicable reimbursement and penalties for his lost meal breaks, including an hour of compensation due under the Labor Code.
- 25. The individual Defendants are personally liable pursuant to Labor Code Sections 558 and 558.1.

#### THIRD CAUSE OF ACTION

# (Violation of California Labor Code § 226.7 - Failure to Provide Rest Periods Against All Defendants)

- 26. Plaintiff hereby incorporates by this reference each and every preceding paragraph of this complaint as if fully set forth herein.
- 27. At all times herein mentioned, Plaintiff was a non-exempt employee and subject to the "rest period" provisions of the Labor Code, Wage Orders, and Code of Regulations. No valid legal or applicable exception to the rest period requirement existed to allow Defendants to avoid providing Plaintiff with regular rest period(s) as required by the Labor Code, Wage Orders and/or regulations.
- 28. Defendants failed to allow Plaintiff to take rest periods during every four-hour period worked, or major fraction thereof. The law requires that non-exempt employees be allowed a 10-minute break during every four-hour work period, or major fraction thereof. The prescribed break should be allowed, as close to the middle of the four-hour period as possible, according to the Industrial Welfare Commission Wage Order. Thus, Plaintiff should have been afforded a 10-minute break at approximately the two-hour point of each four-hour work period. Defendants denied them such breaks and Defendants were aware that rest periods were being denied to Plaintiff. Plaintiff regularly worked four-hour shifts or longer without receiving the required 10-minute breaks pursuant to the Labor Code and the applicable wage order. Wages are due to Plaintiff to compensate for the "rest periods" that were denied under applicable laws,

rules, requirements, and regulations. In addition, Plaintiff is entitled to recover interest on the unpaid rest period wages due.

- 29. Plaintiff requests relief pursuant to California Labor Code § 226.7(b) which provides for one hour of additional pay at the employee's regular rate of pay for each work day the rest period(s) is not provided.
- 30. The individual Defendants are personally liable pursuant to Labor Code Sections 558 and 558.1.

#### FOURTH CAUSE OF ACTION

(Failure to Pay Wages, Labor Code Sections 204, 210, 1194 Against All Defendants)

- 31. Plaintiff hereby incorporates by this reference each and every preceding paragraph of this complaint as if fully set forth herein.
- 32. Plaintiff is informed and believes, and thereon alleges, that she was not paid for all hours of work. Plaintiff is informed and believes she performed work for Defendants for which she was not paid at all.
- 33. Under the Labor Code, Plaintiff is entitled to recover her unpaid wages (in an amount to be determined), interest, penalties, liquidated damages, attorneys' fees, and costs of suit.
- 34. The individual Defendants are personally liable pursuant to Labor Code Sections 558 and 558.1, along with Labor Code Section 1197.1.

#### FIFTH CAUSE OF ACTION

(Failure to Provide Properly Itemized Wage Statements in

Violation of the California Labor Code Against All Defendants)

- 35. Plaintiff hereby incorporates by this reference each and every preceding paragraph of this complaint as if fully set forth herein.
- 36. Pursuant to California Labor Code § 226, among other authority, an employer is required to furnish each of its, his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately when wages are paid by personal check or cash, an accurate itemized statement in writing showing (1) gross wages earned, (2)

total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on apiece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and his or her social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

- 37. In violation of said sections of the Labor Code, Defendants have failed to provide properly itemized wage statements to Plaintiff.
- 38. As a result of such violations, Plaintiff requests the maximum amount of damages, penalties, and other relief allowed by law.
- 39. The individual Defendants are personally liable pursuant to Labor Code Sections 558 and 558.1.

#### **SIXTH CAUSE OF ACTION**

## (Unlawful and Unfair Business Acts and Practices in Violation of California Business & Professions Code § 17200, et seq. against PLPCCC)

- 40. Plaintiff hereby incorporates by reference and re-alleges each and every preceding paragraph of this complaint as if set forth fully herein.
- 41. The acts, omissions, and practices of Defendants as alleged herein constitute unlawful and unfair business acts and practices within the meaning of §17200, et seq. of the California Business & Professions Code.
- 42. Defendants have engaged in "unlawful" business acts and practices by their failure to pay overtime compensation, their failure to provide required meal and rest periods without premium wages therefore, by failing to pay overtime wages according to law, and by their failure to provide properly itemized wage statements, all in violation of the statutes and regulations referenced herein above.
- 43. Plaintiff reserves the right to allege other violations of law which constitute unlawful acts or practices.

- 44. Defendants have also engaged in "unfair" business acts or practices in that the harm caused by Defendants' wrongful conduct alleged above outweighs the utility of such conduct and such conduct offends public policy, is immoral, unscrupulous, unethical, deceitful and offensive, causes substantial injury to Plaintiff and provides Defendants with an unfair competitive advantage over those employers that abide by the law, properly classify employees, properly pay overtime wages, properly provide required meal and rest periods or wages in lieu thereof; and provide properly itemized wage statements in accordance with the law.
- 45. As a result of the conduct described above, Defendants have been and will be unjustly enriched at the expense of Plaintiff. Specifically, Defendants have been unjustly enriched by the retention of a significant sum of dollars in wages earned and wrongfully withheld from Plaintiff.
- 46. The aforementioned unlawful or unfair business acts or practices conducted by Defendants have been committed in the past and continues to this day. Defendants have not compensated Plaintiff properly and according to California law. Defendants have not provided full restitution and disgorgement of all ill-gotten monies either acquired or retained by them as a result thereof, thereby depriving Plaintiff the minimum working conditions and standards due them under California Labor Laws and Industrial Welfare Commission Wage Orders.
- 47. Pursuant to §17203 of the California Business & Professions Code, Plaintiff seeks an order of this Court requiring Defendants to disgorge all ill-gotten gains and awarding Plaintiff full restitution of all monies wrongfully acquired by Defendants by means of such "unlawful" and "unfair" conduct, plus interest and attorneys' fees pursuant to, *inter alia*, §1021.5 of the California Code of Civil Procedure, so as to restore any and all monies to Plaintiff and the general public which were acquired and obtained by means of such "unlawful" and "unfair" conduct, and which ill-gotten gains are still retained by Defendants. Plaintiff additionally requests that such funds be impounded by the Court or that an asset freeze or constructive trust be imposed upon such revenues and profits to avoid dissipation and/or fraudulent transfers or concealment of such monies by Defendants. Plaintiff may be irreparably harmed and/or denied an effective and complete remedy if such an order is not granted.

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48. Pursuant to the §17203 of the California Business & Professions Code, Plaintiff seeks an order of this Court for equitable and/or injunctive relief in the form of requiring Defendants to correct its illegal conduct, provide overtime compensation, provide required meal and rest periods or premium wages in lieu thereof, to provide properly itemized wage statements, to keep accurate records of time worked, and to insure the payment of earned wages henceforth.

#### SEVENTH CAUSE OF ACTION

### (Labor Code Section 558 Penalties – Failure to Properly Pay Wages Against All Defendants)

- 49. Plaintiff hereby incorporates by reference and re-alleges each and every preceding paragraph of this complaint as if set forth fully herein.
- 50. Labor Code Section 558 states that "[a]ny employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows: (1) For any initial violation, fifty dollars (\$50.00) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (2) For each subsequent violation, one hundred dollars (\$100.00) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages. (3) Wages recovered pursuant to this section shall be paid to the affected employee." DOES 1-10were believed to be persons acting on behalf of Crab Hut who violated, or caused to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission. The Section goes on to state that "[t]he civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law."
- 51. In addition to the aforementioned pay period penalties, Plaintiff is also entitled to receive all of his wages owed as a part of the Labor Code section 558 penalties pursuant to Thurman v. Bayshore Transit Management, Inc. (2012), 203 Cal.App.4th 1112 in which our own Fourth District Court of Appeals held that "[i]n our view, the language of section 558,

subdivision (a), is more reasonably construed as providing a civil penalty that consists of both the \$50 or \$100 penalty amount and any underpaid wages..." (*Id.* at 1144-1147.)

52. All Defendants, including the individually named defendants who were acting on behalf of PLPCCC who violated or caused to be violated Labor Code Sections and Wage Orders requiring payment of overtime, the provision of meal and rest periods and payment of associated premiums, and the unlawful deduction of ordinary business expenses incurred by Plaintiff as set forth in detail throughout this complaint. Accordingly, Plaintiff is entitled to recovery of penalties as described immediately above against all Defendants, including the individually named defendants, named in this Complaint.

#### **EIGHTH CAUSE OF ACTION**

#### (Retaliation in Violation of Labor Code Section 1102.5 Against PLPCCC)

- 53. Plaintiff hereby incorporates by reference and re-alleges each and every preceding paragraph of this complaint as if set forth fully herein.
- 54. It is unlawful under Labor Code § 1102.5(a) for an employer, or any person acting on behalf of the employer, to make, adopt or enforce any rule, regulation or policy that prevents an employee from disclosing information to a government or law enforcement agency, to a person with authority over the employee, or to another employee who has authority to investigate, discover, or correct the violation or noncompliance, or from providing information to, or testifying before, any public body conducting an investigation, hearing, or inquiry, if that employee has reasonable cause to believe that such information may disclose a violation of or noncompliance with a local, state, or federal rule or regulation.
- 55. It is unlawful under Labor Code § 1102.5(b) for an employer, or any person acting on behalf of the employer, to retaliate against an employee for disclosing information, or because the employer believes that the employee disclosed or may disclose information, to a government or law enforcement agency, to a person with authority over the employee or another employee who has the authority to investigate,

employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation.

- 56. It is unlawful under Labor Code § 1102.5(c) for an employer, or any person acting on behalf of the employer, to retaliate against an employee for refusing to participate in an activity that would result in a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation.
- 57. Through the actions as stated above, Defendants violated Labor Code § 1102.5(a), (b), and (c) in its treatment of Plaintiff while she was employed and in constructively terminating her employment in retaliation for making complaints regarding the payment of her wages.
- 58. The Civil Penalty for each violation of § 1102.5 is outlined in Labor Code §2699.
- 59. As a direct, foreseeable, and proximate result of Defendants' conduct, Plaintiff has sustained and continues to sustain substantial losses in earnings, employment benefits, employment opportunities, and Plaintiff has suffered other economic losses in an amount to be determined at time of trial. Plaintiff has sought to mitigate these damages.
- 60. As a direct, foreseeable, and proximate result of Defendants' conduct, Plaintiff has suffered and continues to suffer humiliation, emotional distress, loss of reputation, and mental and anguish, all to her damage in a sum to be established according to proof.
- As a result of Defendants' deliberate, outrageous, despicable conduct, Plaintiff is entitled to recover punitive and exemplary damages in an amount commensurate with Defendant's wrongful acts and sufficient to punish and deter future similar reprehensible conduct.

#### NINTH CAUSE OF ACTION

#### (Violation of Labor Code § 1198.5 Against PLPCCC)

- 62. Plaintiff hereby incorporates by reference and re-alleges each and every preceding paragraph of this complaint as if set forth fully herein.
- 63. Defendants have failed to comply with Labor Code § 1198.5 despite Plaintiff's request to inspect her personnel file.

64. Plaintiff is entitled to a penalty of \$750.00, as an injunction, to compel compliance, and costs and attorneys' fees.

#### **TENTH CAUSE OF ACTION**

#### (Labor Code § 2699 Penalties Against All Defendants)

- 65. Plaintiff hereby incorporates by reference and re-alleges each and every preceding paragraph of this Complaint as if set forth fully herein.
- 66. On or about March 29, 2017, pursuant Labor Code sections 2699(a) and 2699.3, Plaintiff provided notice in writing, by certified mail, to the California Labor Workforce Development Agency ("LWDA") and Defendants, that Plaintiff intended to assert PAGA claims pursuant to section 2699(a) on her own behalf, and in a representative capacity on behalf of other current or former employees, for Defendants' violations of specified provisions of the California Labor Code.
- 67. The LWDA did not respond to Plaintiff's notice within the statutory period, and, as a result, Plaintiff has perfected her respective right to sue Defendants, and each of them, in a civil action, and to collect statutory penalties, pursuant to Labor Code section 2699.3(a)(2)(A)(1).
- 68. As a result of the acts alleged above, Plaintiff brings this action on her own behalf and in his representative capacity on behalf of other current or former aggrieved employees, for penalties pursuant to California Labor Code section 2699 for Defendants' violations of the enumerated Labor Code sections, including, but not limited to sections 98.6, 201, 202, 203, 221, 223, 224, 226, 226.7, 227.3, 351, 510, 552, 558, 1102.5, 1174, 1182.12, 1194, 1194.2, 1197.1, and 2698, et seq.
- 69. Pursuant to California Labor Code section 2699, Plaintiff (and all aggrieved employees) are entitled to be awarded twenty-five (25%) percent of all penalties due under California law, in addition to interest, attorney's fees and costs.
- 70. The Court should award seventy-five (75%) percent of all penalties due under California law to the State of California.
- 71. In addition, pursuant to *Thurman v. Bayshore Transit Management, Inc.* (2012) 203 Cal.App.4th 1112, Plaintiff may recover a "civil penalty" under Labor Code § 558

consisting of the underpaid wages owed to the PAGA members, with the underpaid wages going entirely to the each affected employee.

72. Plaintiff therefore seeks to recover from Defendants, and each of them, allowable penalties, interest, costs, and attorneys' fees, in an amount according to proof at trial, in accordance with Labor Code sections 2699, et seq.

#### **ELEVENTH CAUSE OF ACTION**

#### (Violation of Labor Code § 203 Against All Defendants)

- 73. Plaintiff hereby incorporates by reference and re-alleges each and every preceding paragraph of this Complaint as if set forth fully herein.
- 74. California Labor Code Section 201 requires employers to furnish immediately the final wages of an employee who is terminated from employment and Labor Code Section 202 requires an employer to furnish an employee's final wages within 72 hours to an employee who has resigned or been constructively terminated.
  - 75. Plaintiff's employment ended at least 30 days prior to the filing of this lawsuit.
- 76. Defendants, and each of them, have failed and refused, and continue to fail and refuse, to provide Plaintiff her final wages, including but not limited to overtime compensation earned while employed by Defendants.
- 77. Accordingly, Defendants, and each of them, have willfully failed to pay Plaintiff all wages due in accordance with California Labor Code Section 201 and Section 202.
- 78. Defendants' failure to pay wages, as alleged above, was willful in that Plaintiff earned wages that were currently owed and the failure to pay said wages was without justification or excuse and no good faith dispute over the wages existed.
- 79. In denying Plaintiff payment of the wages, Defendants acted willfully, wantonly and intentionally. As such, Defendants' actions in not paying Plaintiff's wages owed are entirely in bad faith and warrants waiting time penalties.
- 80. Pursuant to the provisions of California Labor Code Section 203, Plaintiff is entitled to a waiting time penalty equal to not less than 30 days' wages in an amount to be proven at trial.
- 81. Pursuant to Section 218.5 of the California Labor Code, the relevant California Industrial Welfare Commission Wage Orders, or any other statutory, regulatory, or common

Christopher C. Taylor