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14 Attorneys for Plaintiff KALIYAH MARTIN

15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
16 **IN AND FOR THE COUNTY OF SAN FRANCISCO**

17 KALIYAH MARTIN, an individual(s), on
18 behalf of herself and on behalf of all persons
19 similarly situated,

20 Plaintiff,

21 v.

22 BLEND LABS, INC. a Delaware Corporation;
BLEND OPERATIONS, INC., a Delaware
23 Corporation; BLEND TITLE INSURANCE
AGENCY, INC., a Delaware Corporation;
24 BLEND INSURANCE AGENCY, INC., a
Delaware Corporation; and DOES 1-50,
25 Inclusive,

26 Defendants.

Case No.: _____

**REPRESENTATIVE ACTION
COMPLAINT FOR:**

1. VIOLATIONS OF THE PRIVATE
ATTORNEY GENERAL ACT AT
LABOR CODE SECTIONS 2698, et
seq.

**ELECTRONICALLY
FILED**

*Superior Court of California,
County of San Francisco*

06/28/2022
Clerk of the Court
BY: JEFFREY FLORES
Deputy Clerk

CGC-22-600420

1 Plaintiff KALIYAH MARTIN (“PLAINTIFF”) on behalf of the people of the State of
2 California and as “aggrieved employees” acting as a private attorney general under the Labor
3 Code Private Attorney General Action of 2004, § 2699, *et seq.* (“PAGA”) only, alleges on
4 information and belief, except for her own acts and knowledge which are based on personal
5 knowledge, the following:

6 **INTRODUCTION**

7 1. PLAINTIFF brings this action against BLEND LABS, INC., BLEND
8 OPERATIONS, INC., BLEND TITLE INSURANCE AGENCY, INC., and BLEND
9 INSURANCE AGENCY, INC. (collectively “DEFENDANTS”), seeking only to recover PAGA
10 civil penalties for herself, and on behalf of all current and former aggrieved employees that
11 worked for DEFENDANTS. PLAINTIFF does **not seek to recover anything other than**
12 **penalties as permitted by California Labor Code § 2699.** To the extent that statutory violations
13 are mentioned for wage violations, PLAINTIFF does not seek underlying general and/or special
14 damages for those violations in this action, but simply the civil penalties permitted by California
15 Labor Code § 2699. Notwithstanding, PLAINTIFF is not abandoning her right to pursue her
16 individual claims for, *inter alia*, DEFENDANTS’ alleged wage violations, and/or general or
17 special damages arising from those violations, and she fully intends to, at a future date, pursue
18 claims for those individual claims and damages.

19 2. California has enacted the PAGA to permit an individual to bring an action on
20 behalf of herself and on behalf of others for PAGA penalties *only*, which is the precise and sole
21 nature of this action.

22 3. Accordingly, PLAINTIFF seeks to obtain all applicable relief for
23 DEFENDANTS’ violations under PAGA and solely for the relief as permitted by PAGA – that
24 is, penalties and any other relief the Court deems proper pursuant to the PAGA. Nothing in this
25 complaint should be construed as attempting to obtain any relief that would not be available in a
26 PAGA-only action.

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1 **THE PARTIES**

2 4. Defendant BLEND LABS, INC. (“Defendant Blend Labs”) is a Delaware
3 corporation that at all relevant times mentioned herein conducted and continues to conduct
4 substantial and regular business in the state of California, county of San Francisco.

5 5. Defendant BLEND OPERATIONS, INC. (“Defendant Blend Operations”) is a
6 Delaware corporation that at all relevant times mentioned herein conducted and continues to
7 conduct substantial and regular business in the state of California, county of San Francisco.

8 6. Defendant BLEND TITLE INSURANCE AGENCY, INC. (“Defendant Blend
9 Title”) is a Delaware corporation that at all relevant times mentioned herein conducted and
10 continues to conduct substantial and regular business in the state of California, county of San
11 Francisco.

12 7. Defendant BLEND INSURANCE AGENCY, INC. (“Defendant Blend
13 Insurance”) is a Delaware corporation that at all relevant times mentioned herein conducted and
14 continues to conduct substantial and regular business in the state of California, county of San
15 Francisco.

16 8. Defendants Defendant Blend Labs, Defendant Blend Operations, Defendant Blend
17 Title, and Defendant Blend Insurance were the joint employers of PLAINTIFF as evidenced by
18 paycheck and by the company PLAINTIFF performed work for respectively, and are therefore
19 jointly responsible as employers for the conduct alleged herein, and are therefore collectively
20 referred to herein as "DEFENDANT" and/or “DEFENDANTS.”

21 9. The true names and capacities, whether individual, corporate, subsidiary,
22 partnership, associate or otherwise of defendants DOES 1 through 50, inclusive, are presently
23 unknown to PLAINTIFF who therefore sues these defendants by such fictitious names pursuant to
24 Cal. Civ. Proc. Code § 474. PLAINTIFF will seek leave to amend this Complaint to allege the
25 true names and capacities of Does 1 through 50, inclusive, when they are ascertained. PLAINTIFF
26 is informed and believes, and based upon that information and belief alleges, that the Defendant
27 named in this Complaint, including DOES 1 through 50, inclusive (hereinafter collectively
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1 “DEFENDANTS”), are responsible in some manner for one or more of the events and happenings
2 that proximately caused the injuries and damages hereinafter alleged.

3 10. The agents, servants and/or employees of the DEFENDANTS and each of them
4 acting on behalf of the DEFENDANTS acted within the course and scope of his, her or its authority
5 as the agent, servant and/or employee of the DEFENDANTS, and personally participated in the
6 conduct alleged herein on behalf of the DEFENDANTS with respect to the conduct alleged herein.
7 Consequently, the acts of each of the DEFENDANTS are legally attributable to the other and all
8 DEFENDANTS are jointly and severally liable to PLAINTIFF and those similarly situated, for
9 the loss sustained as a proximate result of the conduct of the DEFENDANTS’ agents, servants
10 and/or employees.

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

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

22 13. PLAINTIFF was employed by DEFENDANT in California from June of 2021 to
23 September of 2021 and was at all times classified by DEFENDANT as a non-exempt employee,
24 paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of
25 minimum and overtime wages due for all time worked.

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1 14. PLAINTIFF, and such persons that may be added from time to time who satisfy the
2 requirements and exhaust the administrative procedures under the Private Attorney General Act,
3 bring this Representative Action on behalf of the State of California with respect to herself and all
4 non-exempt and exempt employees who worked for Defendant Blend Labs and/or Defendant
5 Blend Operations and/or Defendant Blend Title and/or Defendant Blend Insurance in California
6 (the "AGGRIEVED EMPLOYEES") during the time period of April 21, 2021 until the present
7 (the "PAGA PERIOD").

8 15. PLAINTIFF, on behalf of herself and all AGGRIEVED EMPLOYEES presently
9 or formerly employed by DEFENDANTS during the PAGA PERIOD, brings this representative
10 action pursuant to Labor Code § 2699, *et seq.* seeking penalties for DEFENDANTS' violation of
11 California Labor Code §§ 201, 201.3, 202, 203, 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3,
12 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 1199, 2802, &
13 2804 and the applicable Wage Order. Based upon the foregoing, PLAINTIFF and all
14 AGGRIEVED EMPLOYEES are aggrieved employees within the meaning of Labor Code § 2699,
15 *et seq.*

16 **JURISDICTION AND VENUE**

17 16. This Court has jurisdiction over this Action pursuant to California Code of Civil
18 Procedure, Section 410.10.

19 17. Venue is proper in this Court pursuant to California Code of Civil Procedure,
20 Sections 395 and 395.5, because DEFENDANTS (i) currently maintains and at all relevant times
21 maintained offices and facilities in this County and/or conducts substantial business in this County,
22 and (ii) committed the wrongful conduct herein alleged in this County against PLAINTIFF and
23 the AGGRIEVED EMPLOYEES.

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1 **THE CONDUCT**

2 18. In violation of the applicable sections of the California Labor Code and the
3 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a
4 matter of company policy, practice and procedure, intentionally, knowingly and systematically
5 failed to provide legally compliant meal and rest periods, failed to accurately compensate
6 PLAINTIFF and the other AGGRIEVED EMPLOYEES for missed meal and rest periods, failed
7 to pay PLAINTIFF and the other AGGRIEVED EMPLOYEES for all time worked, failed to pay
8 PLAINTIFF and the other AGGRIEVED EMPLOYEES overtime at the regular rate, failed to
9 compensate PLAINTIFF for off-the-clock work, failed to reimburse PLAINTIFF and other
10 AGGRIEVED EMPLOYEES for business expenses, and failed to issue to PLAINTIFF and the
11 members of the CALIFORNIA CLASS with accurate itemized wage statements showing, among
12 other things, the accurate total hours worked and the name and address of the legal entity that is
13 the employer of PLAINTIFF and other AGGRIEVED EMPLOYEES. DEFENDANTS' uniform
14 policies and practices are intended to purposefully avoid the accurate and full payment for all time
15 worked as required by California law which allows DEFENDANTS to illegally profit and gain an
16 unfair advantage over competitors who comply with the law. To the extent equitable tolling
17 operates to toll claims by the AGGRIEVED EMPLOYEES against DEFENDANTS, the PAGA
18 PERIOD should be adjusted accordingly.

19 **A. Meal Period Violations**

20 19. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANTS
21 were required to pay PLAINTIFF and AGGRIEVED EMPLOYEES for all their time worked,
22 meaning the time during which an employee is subject to the control of an employer, including all
23 the time the employee is suffered or permitted to work. From time-to-time during the PAGA
24 PERIOD, DEFENDANTS required PLAINTIFF and AGGRIEVED EMPLOYEES to work
25 without paying them for all the time they were under DEFENDANTS' control. Specifically, as a
26 result of PLAINTIFF's demanding work requirements and DEFENDANT'S understaffing,
27 DEFENDANTS required PLAINTIFF to work while clocked out during what was supposed to be
28 PLAINTIFF's off-duty meal break. PLAINTIFF was from time to time interrupted by work

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

8 20. From time-to-time during the PAGA PERIOD, as a result of their rigorous work
9 requirements and DEFENDANTS' inadequate staffing practices, PLAINTIFF and other
10 AGGRIEVED EMPLOYEES were 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 AGGRIEVED EMPLOYEES were required from time to time to perform work as ordered by
13 DEFENDANTS for more than five (5) hours during some shifts without receiving a meal break.
14 The nature of the work performed by PLAINTIFF and other AGGRIEVED EMPLOYEES does
15 not qualify for limited and narrowly construed "on-duty" meal period exception. When they were
16 provided with meal periods, PLAINTIFF and other AGGRIEVED EMPLOYEES were, from
17 time to time, required to remain on duty, and on call. PLAINTIFF and other AGGRIEVED
18 EMPLOYEES therefore forfeited meal breaks without additional compensation and in
19 accordance with DEFENDANTS' strict corporate policy and practice.

20 **B. Rest Period Violations**

21 21. From time-to-time during the PAGA PERIOD, PLAINTIFF and other
22 AGGRIEVED EMPLOYEES were also required from time to time to work in excess of four (4)
23 hours without being provided ten (10) minute rest periods as a result of their rigorous work
24 requirements and DEFENDANTS' inadequate staffing. Further, for the same reasons these
25 employees were denied their first rest periods of at least ten (10) minutes for some shifts worked
26 of at least two (2) to four (4) hours from time to time, a first and second rest period of at least ten
27 (10) minutes for some shifts worked of between six (6) and eight (8) hours from time to time, and
28 a first, second and third rest period of at least ten (10) minutes for some shifts worked of ten (10)

1 hours or more from time to time. When they were provided with rest breaks, PLAINTIFF and
2 other AGGRIEVED EMPLOYEES were, from time to time, required to remain on duty and/or on
3 call. PLAINTIFF and other AGGRIEVED EMPLOYEES were also not provided with one-hour
4 wages *in lieu* thereof. Further, from time to time, PLAINTIFF and other AGGRIEVED
5 EMPLOYEES were required to remain on duty, on call, and respond to communications received
6 on during what was supposed to be their off-duty rest periods. As a result of their rigorous work
7 schedules and DEFENDANTS' inadequate staffing, PLAINTIFF and other AGGRIEVED
8 EMPLOYEES were from time to time denied their proper rest periods by DEFENDANTS and
9 DEFENDANTS' managers.

10 **C. Unreimbursed Business Expenses**

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

22 23. In the course of their employment, DEFENDANTS required PLAINTIFF and other
23 AGGRIEVED EMPLOYEES to use their personal cell phone to perform work-related tasks,
24 correspond and coordinate tasks with their supervisors and/or other employees as a result of and
25 in furtherance of their job duties as employees for DEFENDANT. But for the use of their own
26 personal cell phones, PLAINTIFF and the AGGRIEVED EMPLOYEES could not complete their
27 essential job duties, including but not limited to sending and receiving work-related
28 communications from DEFENDANTS and completing various work-related tasks. However,

1 DEFENDANTS unlawfully failed to reimburse PLAINTIFF and other AGGRIEVED
2 EMPLOYEES for their use of their personal cell phones. Further, as a result of being required to
3 work remotely in their home offices, PLAINTIFF and other AGGRIEVED EMPLOYEES
4 incurred additional unreimbursed business expenses in the form of rent and/or mortgage expenses.
5 As a result, in the course of their employment with DEFENDANTS, the PLAINTIFF and other
6 AGGRIEVED EMPLOYEES incurred unreimbursed business expenses, but were not limited to,
7 costs related to the use of their personal cellular phones, plus any pro rata expenses for rent and/or
8 mortgage, all on behalf of and for the benefit of DEFENDANT.

9 **D. Wage Statement Violations**

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

18 25. From time to time during the PAGA PERIOD, when PLAINTIFF and other
19 AGGRIEVED EMPLOYEES missed meal and rest breaks, or were not paid for all hours worked,
20 DEFENDANTS failed to provide PLAINTIFF and other AGGRIEVED EMPLOYEES with
21 complete and accurate wage statements that include, among other things, the accurate gross wages
22 earned, total hours worked, net wages earned, and all applicable hourly rates in effect during the
23 pay period and the corresponding amount of time worked at each hourly rate.

24 26. In addition to the violations described above, DEFENDANTS, from time to time,
25 failed to provide PLAINTIFF and the AGGRIEVED EMPLOYEES with wage statements that
26 comply with Cal. Lab. Code § 226.

27 27. As a result, DEFENDANTS issued PLAINTIFF and the other AGGRIEVED
28 EMPLOYEES with wage statements that violate Cal. Lab. Code § 226. Further, DEFENDANTS'

1 violations are knowing and intentional, were not isolated or due to an unintentional payroll error
2 due to clerical or inadvertent mistake.

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

4 28. During the PAGA PERIOD, from time-to-time DEFENDANTS failed and
5 continue to fail to accurately pay PLAINTIFF and the other AGGRIEVED EMPLOYEES for
6 all hours worked.

7 29. During the PAGA PERIOD, from time-to-time DEFENDANTS required
8 PLAINTIFF and other AGGRIEVED EMPLOYEES to perform work pre-shift, post-shift, and
9 during a scheduled meal break while off the clock. This resulted in PLAINTIFF and other
10 AGGRIEVED EMPLOYEES having to work while off-the-clock.

11 30. DEFENDANTS directed and directly benefited from the uncompensated off-the-
12 clock work performed by PLAINTIFF and the other members of the CALIFORNIA CLASS.

13 31. DEFENDANTS controlled the work schedules, duties, protocols, applications,
14 assignments, and employment conditions of PLAINTIFF and the other AGGRIEVED
15 EMPLOYEES.

16 32. DEFENDANTS were able to track the amount of time PLAINTIFF and the other
17 AGGRIEVED EMPLOYEES spent working; however, DEFENDANTS failed to document,
18 track, or pay PLAINTIFF and the other AGGRIEVED EMPLOYEES all wages earned and owed
19 for all the work they performed, including pre-shift, post-shift, and during meal period off-the-
20 clock work.

21 33. PLAINTIFF and the other AGGRIEVED EMPLOYEES were non-exempt
22 employees, subject to the requirements of the California Labor Code.

23 34. DEFENDANTS' policies and practices deprived PLAINTIFF and the other
24 AGGRIEVED EMPLOYEES of all minimum, regular, overtime, and double time wages owed
25 for the off-the-clock work activities. Because PLAINTIFF and the other AGGRIEVED
26 EMPLOYEES typically worked over 40 hours in a workweek, and more than eight (8) hours per
27 day, DEFENDANTS' policies and practices also deprived them of overtime pay.

1 35. DEFENDANTS knew or should have known that PLAINTIFF and the other
2 AGGRIEVED EMPLOYEES off-the-clock work was compensable under the law.

3 36. As a result, PLAINTIFF and the other AGGRIEVED EMPLOYEES forfeited
4 wages due them for all hours worked at DEFENDANTS’ direction, control and benefit for the
5 time spent performing work before and after shifts, receiving and responding to work-related
6 communications on personal cell phones outside of their scheduled shifts and working while
7 clocked out for meal periods. DEFENDANTS’ uniform policy and practice to not pay
8 PLAINTIFF and the AGGRIEVED EMPLOYEES wages for all hours worked in accordance
9 with applicable law is evidenced by DEFENDANTS’ business records.

10 **F. Regular Rate Violation – Overtime, Double Time, Meal and Rest Period Premiums,**
11 **and Sick Pay**

12 37. From time-to-time during the PAGA PERIOD, DEFENDANTS failed and
13 continue to fail to accurately calculate and pay PLAINTIFF and the other AGGRIEVED
14 EMPLOYEES members for their overtime and double time hours worked, meal and rest period
15 premiums, and sick pay. As a result, PLAINTIFF and the other AGGRIEVED EMPLOYEES
16 forfeited wages due them for working overtime without compensation at the correct overtime
17 and double time rates, meal and rest period premiums, and sick pay rates. DEFENDANTS’
18 uniform policy and practice to not pay the AGGRIEVED EMPLOYEES the correct rate for all
19 overtime and double time worked, meal and rest period premiums, and sick pay in accordance
20 with applicable law is evidenced by DEFENDANTS’ business records.

21 38. State law provides that employees must be paid overtime at one-and-one-half
22 times their “regular rate of pay.” PLAINTIFF and other AGGRIEVED EMPLOYEES were
23 compensated at an hourly rate plus incentive pay that was tied to specific elements of an
24 employee’s performance.

25 39. The second component of PLAINTIFF’S and other AGGRIEVED
26 EMPLOYEES’ compensation was DEFENDANTS’ non-discretionary incentive program that
27 paid PLAINTIFF and other AGGRIEVED EMPLOYEES incentive wages based on their
28

1 performance for DEFENDANTS. The non-discretionary bonus program provided all employees
2 paid on an hourly basis with bonus compensation when the employees met the various
3 performance goals set by DEFENDANTS.

4 40. However, from-time-to-time, when calculating the regular rate of pay, in those
5 pay periods where PLAINTIFF and other AGGRIEVED EMPLOYEES worked overtime,
6 double time, paid meal and rest period premium payments, and/or paid sick pay, and earned non-
7 discretionary compensation, DEFENDANTS failed to accurately include the non-discretionary
8 compensation as part of the employees' "regular rate of pay" and/or calculated all hours worked
9 rather than just all non-overtime hours worked. As a matter of law, the compensation received
10 by PLAINTIFF and other AGGRIEVED EMPLOYEES must be included in the "regular rate of
11 pay." The failure to do so has resulted in a systematic underpayment of overtime and double
12 time compensation, meal and rest period premiums, and sick pay to PLAINTIFF and other
13 AGGRIEVED EMPLOYEES by DEFENDANTS. Specifically, California Labor Code Section
14 246 mandates that paid sick time for non-employees shall be calculated in the same manner as
15 the regular rate of pay for the workweek in which the non-exempt employee uses paid sick time,
16 whether or not the employee actually works overtime in that workweek. DEFENDANTS'
17 conduct, as articulated herein, by failing to include the incentive compensation as part of the
18 "regular rate of pay" for purposes of overtime, double time, paid meal and rest period premium
19 payments, and/or paid sick pay compensation was in violation of Cal. Lab. Code § 246 the
20 underpayment of which is recoverable under Cal. Labor Code Sections 201, 202, 203 and/or 204.

21 41. In violation of the applicable sections of the California Labor Code and the
22 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a
23 matter of company policy, practice and procedure, intentionally and knowingly failed to
24 compensate PLAINTIFF and the other members of the AGGRIEVED EMPLOYEES at the
25 correct rate of pay for all overtime and double time worked, meal and rest period premiums, and
26 sick pay. This uniform policy and practice of DEFENDANTS is intended to purposefully avoid
27 the payment of the correct overtime and double time compensation, meal and rest period
28

1 premiums, and sick pay as required by California law which allowed DEFENDANTS to illegally
2 profit and gain an unfair advantage over competitors who complied with the law. To the extent
3 equitable tolling operates to toll claims by the AGGRIEVED EMPLOYEES against
4 DEFENDANTS, the PAGA PERIOD should be adjusted accordingly.

5 **G. Unlawful Deductions**

6 42. DEFENDANTS, from time-to-time unlawfully deducted wages from
7 PLAINTIFF and AGGRIEVED EMPLOYEES' pay without explanations and without
8 authorization to do so or notice to PLAINTIFF and the AGGRIEVED EMPLOYEES. As a
9 result, DEFENDANTS violated Labor Code § 221.

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

11 43. Pursuant to California Labor Code section 204, PLAINTIFF and the
12 AGGRIEVED EMPLOYEES were entitled to timely payment of wages during their
13 employment. PLAINTIFF and the AGGRIEVED EMPLOYEES, from time to time, did not
14 receive payment of all wages, including, but not limited to, overtime wages, minimum wages,
15 meal period premium wages, and rest period premium wages within permissible time period.

16 44. Specifically, as to PLAINTIFF, PLAINTIFF was from time to time unable to take
17 off duty meal and rest breaks and was not fully relieved of duty for her rest and meal periods.
18 PLAINTIFF was required to perform work as ordered by DEFENDANTS for more than five (5)
19 hours during a shift without receiving an off-duty meal break. Further, DEFENDANTS failed to
20 provide PLAINTIFF with a second off-duty meal period each workday in which she was required
21 by DEFENDANT to work ten (10) hours of work. When DEFENDANTS provided PLAINTIFF
22 with a rest break, they required PLAINTIFF to remain on-duty and on-call, for the rest break.
23 DEFENDANTS' policy caused PLAINTIFF to remain on-call and/or on-duty during what was
24 supposed to be her off-duty meal periods. PLAINTIFF therefore forfeited meal and rest breaks
25 without additional compensation and in accordance with DEFENDANTS' strict corporate policy
26 and practice. Moreover, DEFENDANTS also provided PLAINTIFF with a paystub that failed
27 to comply with Cal. Lab. Code § 226. Further, DEFENDANTS also failed to reimburse
28

1 PLAINTIFF for required business expenses related to the use of her personal cell phone, plus
2 any pro rata expenses for rent and/or mortgage on behalf of and in furtherance of her employment
3 with DEFENDANTS. To date, DEFENDANTS have not fully paid PLAINTIFF the minimum,
4 overtime and double time compensation still owed to her or any penalty wages owed to him
5 under Cal. Lab. Code § 203. The amount in controversy for PLAINTIFF individually does not
6 exceed the sum or value of \$75,000

7
8 **FIRST CAUSE OF ACTION**

9 **VIOLATION OF THE PRIVATE ATTORNEYS GENERAL ACT**

10 **[Cal. Lab. Code §§ 2698 et seq.]**

11 **(Alleged by PLAINTIFF against all Defendants)**

12 45. PLAINTIFF realleges and incorporate by this reference, as though fully set forth
13 herein, the prior paragraphs of this Complaint.

14 46. PAGA is a mechanism by which the State of California itself can enforce state labor
15 laws through the employee suing under the PAGA who does so as the proxy or agent of the state's
16 labor law enforcement agencies. An action to recover civil penalties under PAGA is
17 fundamentally a law enforcement action designed to protect the public and not to benefit private
18 parties. The purpose of the PAGA is not to recover damages or restitution, but to create a means
19 of "deputizing" citizens as private attorneys general to enforce the Labor Code. In enacting PAGA,
20 the California Legislature specified that "it was ... in the public interest to allow aggrieved
21 employees, acting as private attorneys general to recover civil penalties for Labor Code violations
22 ..." (Stats. 2003, ch. 906, § 1). Accordingly, PAGA claims cannot be subject to arbitration.

23 47. PLAINTIFF, and such persons that may be added from time to time who satisfy the
24 requirements and exhaust the administrative procedures under the Private Attorney General Act,
25 bring this Representative Action on behalf of the State of California with respect to herself and all
26 and all non-exempt and exempt employees who worked for Defendant Blend Labs and/or
27 Defendant Blend Operations and/or Defendant Blend Title and/or Defendant Blend Insurance in
28 California (the "AGGRIEVED EMPLOYEES") during the PAGA Period.

1 48. On April 21, 2022, PLAINTIFF gave written notice by certified mail to the Labor
2 and Workforce Development Agency (the "Agency") and the employer of the specific
3 provisions of this code alleged to have been violated as required by Labor Code § 2699.3. See
4 Exhibit #1, attached hereto and incorporated by this reference herein. The statutory waiting period
5 for PLAINTIFF to add these allegations to the Complaint has expired. As a result, pursuant to
6 Section 2699.3, PLAINTIFF may now commence a representative civil action under PAGA
7 pursuant to Section 2699 as the proxy of the State of California with respect to all AGGRIEVED
8 EMPLOYEES as herein defined.

9 49. The policies, acts and practices heretofore described were and are an unlawful
10 business act or practice because Defendant (a) failed to pay PLAINTIFF and other AGGRIEVED
11 EMPLOYEES minimum wages and overtime wages, (b) failed to provide PLAINTIFF and other
12 AGGRIEVED EMPLOYEES legally required meal and rest breaks, (c) failed to pay PLAINTIFF
13 and other AGGRIEVED EMPLOYEES at the correct regular rate of pay, (d) failed to pay
14 PLAINTIFF and the other AGGRIEVED EMPLOYEES for all time worked, and (e) failed to
15 provide accurate itemized wage statements, all in violation of the applicable Labor Code sections
16 listed in Labor Code §2699.5, including but not limited to Labor Code §§ 201, 201.3, 202, 203,
17 204, 210, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 246, 510, 512, 558, 1174(d), 1174.5, 1194,
18 1197, 1197.1, 1197.14, 1198, 1199, 2802, and 2804 and the applicable Industrial Wage Order(s),
19 and thereby gives rise to statutory penalties as a result of such conduct. PLAINTIFF hereby seeks
20 recovery of civil penalties as prescribed by the Labor Code Private Attorney General Act of 2004
21 as the representative of the State of California for the illegal conduct perpetrated on PLAINTIFF
22 and the other AGGRIEVED EMPLOYEES.

23 50. Some or all of the conduct and violations alleged herein occurred during the PAGA
24 PERIOD. To the extent that any of the conduct and violations alleged herein did not affect
25 PLAINTIFF during the PAGA PERIOD, PLAINTIFF seeks penalties for those violations that
26 affected other AGGRIEVED EMPLOYEES. (*Carrington v. Starbucks Corp.* (2018) 30
27 Cal.App.5th 504, 519; See also *Huff v. Securitas Security Services USA, Inc.* (2018) 23 Cal. App.
28

1 5th 745, 751 [“PAGA allows an “aggrieved employee”—a person affected by **at least one** Labor
2 Code violation committed by an employer—to **pursue penalties for all the Labor Code**
3 **violations committed by that employer.**”], Emphasis added, reh'g denied (June 13, 2018.)

4 **PRAYER FOR RELIEF**

5 WHEREFORE, PLAINTIFF prays for judgment against DEFENDANT as follows:

6 (a) For reasonable attorney’s fees and costs of suit to the extent permitted by law,
7 including pursuant to Labor Code § 2699, *et seq.*;

8 (b) For civil penalties to the extent permitted by law pursuant to the Labor Code under
9 the Private Attorneys General Act; and

10 For such other relief as the Court deems just and proper.

11 Dated: June 28, 2022

JCL LAW FIRM, APC

12
13 

14 _____
Eduardo Garcia
Attorney for PLAINTIFF

15
16
17 Dated: June 28, 2022

JCL LAW FIRM, APC

18
19 

20 _____
Eduardo Garcia
Attorney for PLAINTIFF

EXHIBIT 1



ZAKAY LAW GROUP
A PROFESSIONAL LAW CORPORATION

Client #48401

April 21, 2022

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

BLEND LABS, INC.
BLEND OPERATIONS, INC.
BLEND TITLE INSURANCE AGENCY, INC.
BLEND INSURANCE AGENCY, INC.

c/o CSC – Lawyers Incorporating Service
2710 Gateway Oaks Drive, Suite 150N
Sacramento, CA 95833

Sent via Certified Mail and Return Receipt No. 7021 1970 0001 4068 3919

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, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 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 KALIYAH MARTIN (“Plaintiff”), and other aggrieved employees in a proposed lawsuit against Defendants BLEND LABS INC. (“Defendant Blend Labs”), BLEND OPERATIONS, INC. (“Defendant Blend Operations”), BLEND TITLE INSURANCE AGENCY, INC. (“Defendant Blend Title”), and BLEND INSURANCE AGENCY, INC. (“Defendant Blend Insurance”) (hereinafter collectively “Defendants”). Plaintiff was employed by Defendants in California from June of 2021 to September of 2021 as a non-exempt employee, paid on an hourly basis, and entitled to payment of all wages and the legally required meal and rest breaks and payment of minimum and overtime wages due for all time worked. Defendants, 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, Defendants failed to timely pay Plaintiff and other aggrieved employees for earned wages.

As a consequence of the aforementioned violations, Plaintiff further contends that Defendants failed to provide accurate wage statements to her, and other aggrieved employees, in violation 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, 246, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1197.14, 1198, 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 and exempt employees who worked for Defendant Blend Labs and/or Defendant Blend Operations and/or Defendant Blend Title and/or Defendant Blend Insurance in California during the relevant claim period.

A true and correct copy of the proposed Complaint by Plaintiff against Defendants, 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 Defendants, 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, Defendants are on notice that Plaintiff continues her 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 Defendants 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.

Sincerely,



Shani O. Zakay
Attorney for Plaintiff

ZAKAY LAW GROUP, APLC

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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF LOS ANGELES**

KALIYAH MARTIN, an individual(s), on behalf of herself and on behalf of all persons similarly situated,

Plaintiff,

v.

BLEND LABS, INC. a Delaware Corporation; BLEND OPERATIONS, INC., a Delaware Corporation; BLEND TITLE INSURANCE AGENCY, INC., a Delaware Corporation; BLEND INSURANCE AGENCY, INC., a Delaware Corporation; and DOES 1-50, Inclusive,

Defendants.

Case No:

CLASS ACTION COMPLAINT FOR:

- 1) WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY;
- 2) VIOLATION OF GOVT. CODE § 12940 – RACIAL DISCRIMINATION;
- 3) UNFAIR COMPETITION IN VIOLATION OF CAL. BUS. & PROF. CODE §17200 *et seq*;
- 4) FAILURE TO PAY MINIMUM WAGES IN VIOLATION OF CAL. LAB. CODE §§ 1194, 1197 & 1197.1;
- 5) FAILURE TO PAY OVERTIME WAGES IN VIOLATION OF CAL. LAB. CODE §§ 510 *et seq*;
- 6) FAILURE TO PROVIDE REQUIRED MEAL PERIODS IN VIOLATION OF CAL. LAB. CODE §§ 226.7 & 512 AND THE APPLICABLE IWC WAGE ORDER;
- 7) FAILURE TO PROVIDE REQUIRED REST PERIODS IN VIOLATION OF CAL. LAB. CODE §§ 226.7 & 512 AND

- 1 THE APPLICABLE IWC WAGE
2 ORDER;
3 8) FAILURE TO PROVIDE ACCURATE
4 ITEMIZED STATEMENTS IN
5 VIOLATION OF CAL. LAB. CODE §
6 226;
7 9) FAILURE TO PROVIDE WAGES WHEN
8 DUE IN VIOLATION OF CAL. LAB.
9 CODE §§ 201, 202 AND 203; and
10 10) FAILURE TO REIMBURSE
11 EMPLOYEES FOR REQUIRED
12 EXPENSES IN VIOLATION OF
13 CALIFORNIA LABOR CODE §2802.

14 **DEMAND FOR A JURY TRIAL**

15 Plaintiff KALIYAH MARTIN (“PLAINTIFF”), an individual, on behalf of herself
16 and all other similarly situated current and former employees, alleges on information and belief,
17 except for her own acts and knowledge which are based on personal knowledge, the following:

18 **THE PARTIES**

19 1. Defendant BLEND LABS, INC. (“Defendant Blend Labs”) is a Delaware
20 corporation that at all relevant times mentioned herein conducted and continues to conduct
21 substantial and regular business in the state of California, county of Los Angeles.

22 2. Defendant BLEND OPERATIONS, INC. (“Defendant Blend Operations”) is a
23 Delaware corporation that at all relevant times mentioned herein conducted and continues to
24 conduct substantial and regular business in the state of California, county of Los Angeles.

25 3. Defendant BLEND TITLE INSURANCE AGENCY, INC. (“Defendant Blend
26 Title”) is a Delaware corporation that at all relevant times mentioned herein conducted and
27 continues to conduct substantial and regular business in the state of California, county of Los
28 Angeles.

4. Defendant BLEND INSURANCE AGENCY, INC. (“Defendant Blend
Insurance”) is a Delaware corporation that at all relevant times mentioned herein conducted and
continues to conduct substantial and regular business in the state of California, county of Los
Angeles.

5. Defendant Blend Labs, Defendant Blend Operations, Defendant Blend Title and
Defendant Blend Insurance were the joint employers of PLAINTIFF as evidenced by the contracts
signed and by the company the PLAINTIFF performed work for respectively, and are therefore

1 jointly responsible as employers for the conduct alleged herein and collectively referred to herein
2 as “DEFENDANTS” and/or “DEFENDANT.”

3 6. DEFENDANTS design and develop software offering a platform that focuses on
4 mortgages, consumer loans and deposit accounts to its customers in the State of California,
5 including Los Angeles County, where PLAINTIFF worked.

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

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

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

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

6 11. PLAINTIFF was employed by DEFENDANT in California from June of 2021 to
7 September of 2021 and was at all times classified by DEFENDANT as a non-exempt employee,
8 paid on an hourly basis, and entitled to the legally required meal and rest periods and payment of
9 minimum and overtime wages due for all time worked.

10 12. PLAINTIFF brings this Class Action on behalf of herself and a California class,
11 defined as all persons who are or previously were employed by Defendant Blend Labs and/or
12 Defendant Blend Operations and/or Defendant Blend Title and/or Defendant Blend Insurance in
13 California and classified as non-exempt employees (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”). The amount in controversy for the
16 aggregate claim of the CALIFORNIA CLASS Members is under five million dollars
17 (\$5,000,000.00). PLAINTIFF reserves the right to amend the following class definitions before
18 the Court determines whether class certification is appropriate, or thereafter upon leave of Court.

19 13. PLAINTIFF brings this Class Action on behalf of herself and a CALIFORNIA
20 CLASS in order to fully compensate the CALIFORNIA CLASS for their losses incurred during
21 the CLASS PERIOD caused by DEFENDANT’s uniform policy and practice which failed to
22 lawfully compensate these employees.

23 14. DEFENDANTS’ uniform policies and practices alleged herein were unlawful,
24 unfair and deceptive business practices whereby DEFENDANTS retained and continues to retain
25 wages due PLAINTIFF and the other members of the CALIFORNIA CLASS.

26 15. PLAINTIFF and the other members of the CALIFORNIA CLASS seek an
27 injunction enjoining such conduct by DEFENDANTS in the future, relief for the named
28 PLAINTIFF and the other members of the CALIFORNIA CLASS who have been economically

1 injured by DEFENDANTS' past and current unlawful conduct, and all other appropriate legal and
2 equitable relief.

3 **JURISDICTION AND VENUE**

4 16. This has jurisdiction over this Action pursuant to California Code of Civil
5 Procedure, Section 410.10 and California Business & Professions Code, Section 17203. This
6 action is brought as a Class Action on behalf of PLAINTIFF and similarly situated employees of
7 DEFENDANT pursuant to Cal. Code of Civ. Proc. § 382.

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

13 **THE CONDUCT**

14 **Plaintiff's Individual Claims**

15 18. PLAINTIFF was employed by DEFENDANTS from July of 2020 to September
16 24, 2021 as a Product Manager Rotation at DEFENDANTS' Title Department. PLAINTIFF is
17 African-American. Throughout PLAINTIFF'S employment, PLAINTIFF was on track to be
18 promoted to a full-time Product Manager without the need to undergo an additional interview
19 process. The promotion to Product Manager was scheduled to take place in June of 2021, but was
20 continued to September of 2021 for reasons unknown to PLAINTIFF. Thereafter, in or around
21 September of 2021, instead of receiving a promotion to Product Manager, DEFENDANTS
22 informed PLAINTIFF that the position of Product Manager was no longer available. In reality,
23 DEFENDANT offered the Product Manager position to a less qualified candidate who was not
24 African-American. Thereafter, on September 24, 2021, PLAINTIFF was wrongfully
25 constructively terminated from her employment with DEFENDANTS.

26 19. Throughout PLAINTIFF'S employment, PLAINTIFF performed exceptionally
27 well compared to her colleagues. Specifically, PLAINTIFF was required to attend less managerial
28 support meetings, PLAINTIFF outperformed her other non-African-American colleagues, and
PLAINTIFF executed more products than her non-African-American colleagues. During

1 PLAINTIFF'S employment in or around November of 2020, and while PLAINTIFF was a
2 Product Manager Rotation for DEFENDANT, Hayden Colbert, who was a manager for
3 DEFENDANT at the time, relayed to PLAINTIFF his concerns regarding DEFENDANT'S hiring
4 bias practices against African-American candidates for the Product Manager position. Mr. Colbert
5 previously advocated for PLAINTIFF'S sister for an internal failure to promote due to
6 PLAINTIFF'S sister being African-American. Accordingly, DEFENDANTS have engaged and
7 continue to engage in systemic hiring bias practices against African-American candidates

8 20. PLAINTIFF is informed and believes, and upon such information and belief
9 alleges, that, during PLAINTIFF's employment with DEFENDANT and at the time of her
10 termination, DEFENDANT'S business in particular is comprised of employees who are not
11 African-American. PLAINTIFF is African-American. PLAINTIFF never felt that she was
12 accepted by DEFENDANT and some of her fellow employees because of her race.

13 21. PLAINTIFF is informed and believes, and upon such information and belief
14 alleges, that, during PLAINTIFF's employment with DEFENDANT and at the time of her
15 termination, DEFENDANT hired and treated its non-African-American employees far better than
16 DEFENDANT treated PLAINTIFF, and solely on the basis that PLAINTIFF is African-
17 American.

18 22. PLAINTIFF is informed and believes, and upon such information and belief
19 alleges that, DEFENDANTS forced her to resign for reasons that violate public policy.

20 23. PLAINTIFF is informed and believes, and upon such information and belief
21 alleges that, DEFENDANTS intentionally created or knowingly permitted these working
22 conditions, including but not limited to, discriminatory hiring and promoting practices against
23 African-American employees.

24 24. PLAINTIFF is informed and believes, and upon such information and belief
25 alleges that, the discriminatory hiring and promoting practices were so intolerable that a
26 reasonable person in PLAINTIFF'S position would have had no reasonable alternative except to
27 resign.

28 25. PLAINTIFF is informed and believes, and upon such information and belief

1 alleges, that, DEFENDANTS' conduct in terminating her was part of a systemic pattern of
2 behavior by DEFENDANT aimed at removing African-American employees like PLAINTIFF.

3 26. PLAINTIFF is informed and believes, and upon such information and belief
4 alleges that she was harmed as a result of being forced to resign and that the discriminatory hiring
5 and promoting practices of DEFENDANTS were a substantial factor in causing PLAINTIFF'S
6 harm.

7 27. PLAINTIFF filed a complaint with the California Department of Fair Employment
8 and Housing and received a "right to sue" letter on [REDACTED] thereby exhausting her
9 administrative remedies.

10 **Labor Code Violations**

11 28. In violation of the applicable sections of the California Labor Code and the
12 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a
13 matter of company policy, practice and procedure, intentionally, knowingly and systematically
14 failed to provide legally compliant meal and rest periods, failed to accurately compensate
15 PLAINTIFF and the other members of the CALIFORNIA CLASS for missed meal and rest
16 periods, failed to pay PLAINTIFF and the other members of the CALIFORNIA CLASS for all
17 time worked, failed to pay PLAINTIFF and the other members of the CALIFORNIA CLASS
18 overtime at the regular rate, failed to compensate PLAINTIFF for off-the-clock work, failed to
19 reimburse PLAINTIFF and other CALIFORNIA CLASS Members for business expenses, and
20 failed to issue to PLAINTIFF and the members of the CALIFORNIA CLASS with accurate
21 itemized wage statements showing, among other things, the accurate total hours worked and the
22 name and address of the legal entity that is the employer of PLAINTIFF and other CALIFORNIA
23 CLASS Members. DEFENDANTS' uniform policies and practices are intended to purposefully
24 avoid the accurate and full payment for all time worked as required by California law which
25 allows DEFENDANTS to illegally profit and gain an unfair advantage over competitors who
26 comply with the law. To the extent equitable tolling operates to toll claims by the CALIFORNIA
27 CLASS against DEFENDANTS, the CLASS PERIOD should be adjusted accordingly.

28 ///

1 **A. Meal Period Violations**

2 29. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANTS
3 were required to pay PLAINTIFF and CALIFORNIA CLASS Members for all their time worked,
4 meaning the time during which an employee is subject to the control of an employer, including
5 all the time the employee is suffered or permitted to work. From time-to-time during the CLASS
6 PERIOD, DEFENDANTS required PLAINTIFF and CALIFORNIA CLASS Members to work
7 without paying them for all the time they were under DEFENDANTS’ control. Specifically, as a
8 result of PLAINTIFF’s demanding work requirements and DEFENDANT’S understaffing,
9 DEFENDANTS required PLAINTIFF to work while clocked out during what was supposed to
10 be PLAINTIFF’s off-duty meal break. PLAINTIFF was from time to time interrupted by work
11 assignments while clocked out for what should have been PLAINTIFF’s off-duty meal break.
12 Indeed, there were many days where PLAINTIFF did not even receive a partial lunch. As a result,
13 the PLAINTIFF and other CALIFORNIA CLASS Members forfeited minimum wage and
14 overtime wages by regularly working without their time being accurately recorded and without
15 compensation at the applicable minimum wage and overtime rates. DEFENDANTS’ uniform
16 policy and practice not to pay PLAINTIFF and other CALIFORNIA CLASS Members for all
17 time worked is evidenced by DEFENDANTS’ business records.

18 30. From time-to-time during the CLASS PERIOD, as a result of their rigorous work
19 requirements and DEFENDANTS’ inadequate staffing practices, PLAINTIFF and other
20 CALIFORNIA CLASS Members were from time to time unable to take thirty (30) minute off-
21 duty meal breaks and were not fully relieved of duty for their meal periods. PLAINTIFF and
22 other CALIFORNIA CLASS Members were required from time to time to perform work as
23 ordered by DEFENDANTS for more than five (5) hours during some shifts without receiving a
24 meal break. The nature of the work performed by PLAINTIFF and other CALIFORNIA CLASS
25 Members does not qualify for limited and narrowly construed “on-duty” meal period exception.
26 When they were provided with meal periods, PLAINTIFF and other CALIFORNIA CLASS
27 Members were, from time to time, required to remain on duty, and on call. PLAINTIFF and other
28

1 CALIFORNIA CLASS Members therefore forfeited meal breaks without additional
2 compensation and in accordance with DEFENDANTS' strict corporate policy and practice.

3 **B. Rest Period Violations**

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

21 **C. Unreimbursed Business Expenses**

22 32. DEFENDANTS as a matter of corporate policy, practice, and procedure,
23 intentionally, knowingly, and systematically failed to reimburse and indemnify the PLAINTIFF
24 and the CALIFORNIA CLASS for required business expenses incurred by the PLAINTIFF and
25 other CALIFORNIA CLASS Members in direct consequence of discharging their duties on behalf
26 of DEFENDANTS. Under California Labor Code Section 2802, employers are required to
27 indemnify employees for all expenses incurred in the course and scope of their employment. Cal.
28 Lab. Code § 2802 expressly states that "an employer shall indemnify his or her employee for all

1 necessary expenditures or losses incurred by the employee in direct consequence of the discharge
2 of his or her duties, or of his or her obedience to the directions of the employer, even though
3 unlawful, unless the employee, at the time of obeying the directions, believed them to be
4 unlawful."

5 33. In the course of their employment, DEFENDANTS required PLAINTIFF and
6 other CALIFORNIA CLASS Members to use their personal cell phone to perform work-related
7 tasks, correspond and coordinate tasks with their supervisors and/or other employees as a result
8 of and in furtherance of their job duties as employees for DEFENDANT. But for the use of their
9 own personal cell phones, PLAINTIFF and the CALIFORNIA CLASS Members could not
10 complete their essential job duties, including but not limited to sending and receiving work-related
11 communications from DEFENDANTS and completing various work-related tasks. However,
12 DEFENDANTS unlawfully failed to reimburse PLAINTIFF and other CALIFORNIA CLASS
13 Members for their use of their personal cell phones. Further, as a result of being required to work
14 remotely in their home offices, PLAINTIFF and other CALIFORNIA CLASS Members incurred
15 additional unreimbursed business expenses in the form of rent and/or mortgage expenses. As a
16 result, in the course of their employment with DEFENDANTS, the PLAINTIFF and other
17 CALIFORNIA CLASS Members incurred unreimbursed business expenses, but were not limited
18 to, costs related to the use of their personal cellular phones, plus any pro rata expenses for rent
19 and/or mortgage, all on behalf of and for the benefit of DEFENDANT.

20 **D. Wage Statement Violations**

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

1 35. From time to time during the CLASS PERIOD, when PLAINTIFF and other
2 CALIFORNIA CLASS Members missed meal and rest breaks, or were not paid for all hours
3 worked, DEFENDANTS failed to provide PLAINTIFF and other CALIFORNIA CLASS
4 Members with complete and accurate wage statements that include, among other things, the
5 accurate gross wages earned, total hours worked, net wages earned, and all applicable hourly rates
6 in effect during the pay period and the corresponding amount of time worked at each hourly rate.

7 36. In addition to the violations described above, DEFENDANTS, from time to time,
8 failed to provide PLAINTIFF and the CALIFORNIA CLASS Members with wage statements
9 that comply with Cal. Lab. Code § 226.

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

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

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

18 39. During the CLASS PERIOD, from time-to-time DEFENDANTS required
19 PLAINTIFF and other members of the CALIFORNIA CLASS to perform work pre-shift, post-
20 shift, and during a scheduled meal break while off the clock. This resulted in PLAINTIFF and
21 other members of the CALIFORNIA CLASS having to work while off-the-clock.

22 40. DEFENDANTS directed and directly benefited from the uncompensated off-the-
23 clock work performed by PLAINTIFF and the other members of the CALIFORNIA CLASS.

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

27 42. DEFENDANTS were able to track the amount of time PLAINTIFF and the other
28 members of the CALIFORNIA CLASS spent working; however, DEFENDANTS failed to

1 document, track, or pay PLAINTIFF and the other members of the CALIFORNIA CLASS all
2 wages earned and owed for all the work they performed, including pre-shift, post-shift, and during
3 meal period off-the-clock work.

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

6 44. DEFENDANTS' policies and practices deprived PLAINTIFF and the other
7 members of the CALIFORNIA CLASS of all minimum, regular, overtime, and double time wages
8 owed for the off-the-clock work activities. Because PLAINTIFF and the other members of the
9 CALIFORNIA CLASS typically worked over 40 hours in a workweek, and more than eight (8)
10 hours per day, DEFENDANTS' policies and practices also deprived them of overtime pay.

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

13 46. As a result, PLAINTIFF and the other members of the CALIFORNIA CLASS
14 forfeited wages due them for all hours worked at DEFENDANTS' direction, control and benefit
15 for the time spent performing work before and after shifts, receiving and responding to work-
16 related communications on personal cell phones outside of their scheduled shifts and working
17 while clocked out for meal periods. DEFENDANTS' uniform policy and practice to not pay
18 PLAINTIFF and the members of the CALIFORNIA CLASS wages for all hours worked in
19 accordance with applicable law is evidenced by DEFENDANTS' business records.

20 **F. Regular Rate Violation- Overtime, Double Time, Meal and Rest Period Premiums, and**
21 **Sick Pay**

22 47. From time-to-time during the CLASS PERIOD, DEFENDANTS failed and
23 continue to fail to accurately calculate and pay PLAINTIFF and the other CALIFORNIA CLASS
24 members for their overtime and double time hours worked, meal and rest period premiums, and
25 sick pay. As a result, PLAINTIFF and the other CALIFORNIA CLASS members forfeited wages
26 due them for working overtime without compensation at the correct overtime and double time
27 rates, meal and rest period premiums, and sick pay rates. DEFENDANTS' uniform policy and
28 practice to not pay the CALIFORNIA CLASS members the correct rate for all overtime and

1 double time worked, meal and rest period premiums, and sick pay in accordance with applicable
2 law is evidenced by DEFENDANTS’ business records.

3 48. State law provides that employees must be paid overtime at one-and-one-half times
4 their “regular rate of pay.” PLAINTIFF and other CALIFORNIA CLASS members were
5 compensated at an hourly rate plus incentive pay that was tied to specific elements of an
6 employee’s performance.

7 49. The second component of PLAINTIFF’S and other CALIFORNIA CLASS
8 members’ compensation was DEFENDANTS’ non-discretionary incentive program that paid
9 PLAINTIFF and other CLASS MEMBERS incentive wages based on their performance for
10 DEFENDANTS. The non-discretionary bonus program provided all employees paid on an hourly
11 basis with bonus compensation when the employees met the various performance goals set by
12 DEFENDANTS.

13 50. However, from-time-to-time, when calculating the regular rate of pay, in those pay
14 periods where PLAINTIFF and other CALIFORNIA CLASS members worked overtime, double
15 time, paid meal and rest period premium payments, and/or paid sick pay, and earned non-
16 discretionary compensation, DEFENDANTS failed to accurately include the non-discretionary
17 compensation as part of the employees’ “regular rate of pay” and/or calculated all hours worked
18 rather than just all non-overtime hours worked. As a matter of law, the compensation received
19 by PLAINTIFF and other CALIFORNIA CLASS members must be included in the “regular rate
20 of pay.” The failure to do so has resulted in a systematic underpayment of overtime and double
21 time compensation, meal and rest period premiums, and sick pay to PLAINTIFF and other
22 CALIFORNIA CLASS members by DEFENDANTS. Specifically, California Labor Code
23 Section 246 mandates that paid sick time for non-employees shall be calculated in the same
24 manner as the regular rate of pay for the workweek in which the non-exempt employee uses paid
25 sick time, whether or not the employee actually works overtime in that workweek.
26 DEFENDANTS’ conduct, as articulated herein, by failing to include the incentive compensation
27 as part of the “regular rate of pay” for purposes of overtime, double time, paid meal and rest period
28 premium payments, and/or paid sick pay compensation was in violation of Cal. Lab. Code § 246

1 the underpayment of which is recoverable under Cal. Labor Code Sections 201, 202, 203 and/or
2 204.

3 51. In violation of the applicable sections of the California Labor Code and the
4 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a
5 matter of company policy, practice and procedure, intentionally and knowingly failed to
6 compensate PLAINTIFF and the other members of the CALIFORNIA CLASS at the correct rate
7 of pay for all overtime and double time worked, meal and rest period premiums, and sick pay.
8 This uniform policy and practice of DEFENDANTS is intended to purposefully avoid the
9 payment of the correct overtime and double time compensation, meal and rest period premiums,
10 and sick pay as required by California law which allowed DEFENDANTS to illegally profit and
11 gain an unfair advantage over competitors who complied with the law. To the extent equitable
12 tolling operates to toll claims by the CALIFORNIA CLASS members against DEFENDANTS,
13 the CLASS PERIOD should be adjusted accordingly.

14 **G. Unlawful Deductions**

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

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

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

25 **I. Plaintiff's Individual Claims**

26 54. Specifically, as to PLAINTIFF, PLAINTIFF was from time to time unable to take
27 off duty meal and rest breaks and was not fully relieved of duty for her rest and meal periods.
28 PLAINTIFF was required to perform work as ordered by DEFENDANTS for more than five (5)

1 hours during a shift without receiving an off-duty meal break. Further, DEFENDANTS failed to
2 provide PLAINTIFF with a second off-duty meal period each workday in which she was required
3 by DEFENDANT to work ten (10) hours of work. When DEFENDANTS provided PLAINTIFF
4 with a rest break, they required PLAINTIFF to remain on-duty and on-call, for the rest break.
5 DEFENDANTS' policy caused PLAINTIFF to remain on-call and/or on-duty during what was
6 supposed to be her off-duty meal periods. PLAINTIFF therefore forfeited meal and rest breaks
7 without additional compensation and in accordance with DEFENDANTS' strict corporate policy
8 and practice. Moreover, DEFENDANTS also provided PLAINTIFF with a paystub that failed to
9 comply with Cal. Lab. Code § 226. Further, DEFENDANTS also failed to reimburse PLAINTIFF
10 for required business expenses related to the use of her personal cell phone, plus any pro rata
11 expenses for rent and/or mortgage on behalf of and in furtherance of her employment with
12 DEFENDANTS. To date, DEFENDANTS have not fully paid PLAINTIFF the minimum,
13 overtime and double time compensation still owed to her or any penalty wages owed to him under
14 Cal. Lab. Code § 203. The amount in controversy for PLAINTIFF individually does not exceed
15 the sum or value of \$75,000.

16 **J. CLASS ACTION ALLEGATIONS**

17 55. PLAINTIFF brings the Third through Tenth Causes of Action as a class action
18 pursuant to California Code of Civil Procedure § 382 on behalf of all persons who are or previously
19 were employed by Defendant Blend Labs and/or Defendant Blend Operations and/or Defendant
20 Blend Title and/or Defendant Blend Insurance in California and classified as non-exempt
21 employees ("CALIFORNIA CLASS") during the period beginning four years prior to the filing of
22 the Complaint and ending on a date determined by the Court ("CLASS PERIOD").

23 56. PLAINTIFF and the other CALIFORNIA CLASS Members have uniformly been
24 deprived of wages and penalties from unpaid wages earned and due, including but not limited to
25 unpaid minimum wages, unpaid overtime compensation, unpaid meal and rest period premiums,
26 illegal meal and rest period policies, failure to reimburse for business expenses, failure to
27 compensate for off-the-clock work, failure to provide accurate itemized wage statements, failure
28

1 to maintain required records, and interest, statutory and civil penalties, attorney's fees, costs, and
2 expenses.

3 57. The members of the class are so numerous that joinder of all class members is
4 impractical.

5 58. Common questions of law and fact regarding DEFENDANTS' conduct, including
6 but not limited to, the off-the-clock work, unpaid meal and rest period premiums, failure to
7 provide legally compliant meal and rest periods, failure to reimburse for business expenses, failure
8 to provide accurate itemized wage statements, and failure to ensure they are paid at least minimum
9 wage and overtime, exist as to all members of the class and predominate over any questions
10 affecting solely any individual members of the class. Among the questions of law and fact
11 common to the class are:

- 12 a. Whether DEFENDANTS maintained legally compliant meal period policies and
13 practices;
- 14 b. Whether DEFENDANTS maintained legally compliant rest period policies and
15 practices;
- 16 c. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA
17 CLASS Members accurate premium payments for missed meal and rest periods;
- 18 d. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA
19 CLASS Members accurate overtime and double time wages;
- 20 e. Whether DEFENDANTS failed to pay PLAINTIFF and the CALIFORNIA
21 CLASS Members at least minimum wage for all hours worked;
- 22 f. Whether DEFENDANTS failed to compensate PLAINTIFF and the
23 CALIFORNIA CLASS Members for required business expenses;
- 24 g. Whether DEFENDANTS unlawfully deducted earned wages from PLAINTIFF
25 and the CALIFORNIA CLASS Members' pay;
- 26 h. Whether DEFENDANTS issued legally compliant wage statements;

- 1 i. Whether DEFENDANTS committed an act of unfair competition by
- 2 systematically failing to record and pay PLAINTIFF and the other members of the
- 3 CALIFORNIA CLASS for all time worked;
- 4 j. Whether DEFENDANTS committed an act of unfair competition by
- 5 systematically failing to record all meal and rest breaks missed by PLAINTIFF
- 6 and other CALIFORNIA CLASS Members, even though DEFENDANTS enjoyed
- 7 the benefit of this work, required employees to perform this work and permits or
- 8 suffers to permit this work;
- 9 k. Whether DEFENDANTS committed an act of unfair competition in violation of
- 10 the UCL, by failing to provide the PLAINTIFF and the other members of the
- 11 CALIFORNIA CLASS with the legally required meal and rest periods.

12 59. PLAINTIFF is a member of the CALIFORNIA CLASS and suffered damages as
13 a result of DEFENDANTS' conduct and actions alleged herein.

14 60. PLAINTIFF's claims are typical of the claims of the class, and PLAINTIFF has
15 the same interests as the other members of the class.

16 61. PLAINTIFF will fairly and adequately represent and protect the interests of the
17 CALIFORNIA CLASS Members.

18 62. PLAINTIFF retained able class counsel with extensive experience in class action
19 litigation.

20 63. Further, PLAINTIFF's interests are coincident with, and not antagonistic to, the
21 interests of the other CALIFORNIA CLASS Members.

22 64. There is a strong community of interest among PLAINTIFF and the members of
23 the CALIFORNIA CLASS to, inter alia, ensure that the combined assets of DEFENDANTS are
24 sufficient to adequately compensate the members of the CALIFORNIA CLASS for the injuries
25 sustained.

26 65. The questions of law and fact common to the CALIFORNIA CLASS Members
27 predominate over any questions affecting only individual members, including legal and factual
28 issues relating to liability and damages.

1 66. A class action is superior to other available methods for the fair and efficient
2 adjudication of this controversy because joinder of all class members is impractical. Moreover,
3 since the damages suffered by individual members of the class may be relatively small, the
4 expense and burden of individual litigation makes it practically impossible for the members of the
5 class individually to redress the wrongs done to them. Without class certification and
6 determination of declaratory, injunctive, statutory and other legal questions within the class
7 format, prosecution of separate actions by individual members of the CALIFORNIA CLASS will
8 create the risk of:

- 9 a. Inconsistent or varying adjudications with respect to individual members of the
10 CALIFORNIA CLASS which would establish incompatible standards of conduct
11 for the parties opposing the CALIFORNIA CLASS; and/or,
- 12 b. Adjudication with respect to individual members of the CALIFORNIA CLASS
13 which would as a practical matter be dispositive of the interests of the other
14 members not party to the adjudication or substantially impair or impeded their
15 ability to protect their interests.

16 67. Class treatment provides manageable judicial treatment calculated to bring an
17 efficient and rapid conclusion to all litigation of all wage and hour related claims arising out of
18 the conduct of DEFENDANTS.

FIRST CAUSE OF ACTION

CONSTRUCTIVE DISCHARGE IN VIOLATION OF PUBLIC POLICY

(Alleged by PLAINTIFF and against all Defendants)

22 68. PLAINTIFF realleges and incorporates by this reference, as though fully set forth
23 herein, the prior paragraphs of this Complaint.

24 69. PLAINTIFF’s wrongful termination on or about September 24, 2021 was for a
25 pretextual reason(s) to disguise DEFENDANT’s unlawful employment practices directed at
26 PLAINTIFF.

27 70. Within the State of California there exists a substantial and fundamental public
28 policy, set forth in the California Government Code §12900 et seq., which forbids racial

1 harassment/discrimination, retaliation, and wrongful termination. Unlawful harassment includes
2 the right to be free from unwanted, offensive harassment, and the right to protest such conduct
3 without fear of retaliation or further harm. This public policy of the state is one that benefits the
4 public at large and guarantees the rights of an employee to perform their work free from racial
5 harassment/discrimination/retaliation.

6 71. The motivating reason(s) for PLAINTIFF's termination was racial
7 harassment/discrimination and PLAINTIFF's protests and/or resistance thereof. PLAINTIFF's
8 discharge from her position of employment was in violation of the public policies of the State of
9 California.

10 72. As a result of DEFENDANT's actions, PLAINTIFF has suffered substantial
11 losses in earnings and employment benefits and emotional distress in an amount to be determined
12 according to proof at trial.

13 73. In doing the acts herein alleged, DEFENDANT acted with malice and oppression,
14 and with a conscious disregard of PLAINTIFF's rights, and PLAINTIFF is entitled to exemplary
15 and punitive damages from DEFENDANT in an amount to be determined to punish
16 DEFENDANT and to deter such wrongful conduct in the future.

17 74. PLAINTIFF was harmed by DEFENDANT'S wrongful and illegal termination of
18 her employment.

19 75. The wrongful termination of the employment of PLAINTIFF was and is a
20 substantial factor causing harm to PLAINTIFF.

21 76. On , PLAINTIFF filed a complaint with the Department of Fair
22 Employment & Housing ("DFEH"), and received an immediate Right to Sue that same day. (See
23 Exhibit #_).

24 **SECOND CAUSE OF ACTION**

25 **VIOLATION OF GOVERNMENT CODE §12940 et seq. – RACIAL DISCRIMINATION**

26 **(Alleged by PLAINTIFF and against all Defendants)**

27 77. PLAINTIFF realleges and incorporates by this reference, as though fully set forth
28 herein, the prior paragraphs of this Complaint.

1 78. PLAINTIFF was employed by DEFENDANT.

2 79. DEFENDANT is an employer covered by Government Code §12940 *et seq.*

3 80. PLAINTIFF was terminated from her employment and/or suffered other adverse
4 employment actions.

5 81. PLAINTIFF's race was a substantial motivating reason(s) for her termination and
6 other adverse employment actions.

7 82. As a result of DEFENDANT's conduct, PLAINTIFF has suffered substantial
8 losses in earnings and employment benefits and emotional distress in an amount to be determined
9 according to proof at trial.

10 83. In doing the acts herein alleged, DEFENDANT acted with malice and oppression,
11 and with a conscious disregard of PLAINTIFF's rights, and PLAINTIFF is entitled to exemplary
12 and punitive damages from DEFENDANT in an amount to be punish DEFENDANT and to deter
13 such wrongful conduct in the future.

14 **THIRD CAUSE OF ACTION**

15 **Unlawful Business Practices**

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

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

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

21 85. DEFENDANT is a "person" as that term is defined under Cal. Bus. And Prof.
22 Code § 17021.

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

27 Any person who engages, has engaged, or proposes to engage in unfair competition
28 may be enjoined in any court of competent jurisdiction. The court may make such
orders or judgments, including the appointment of a receiver, as may be necessary
to prevent the use or employment by any person of any practice which constitutes

1 unfair competition, as defined in this chapter, or as may be necessary to restore to
2 any person in interest any money or property, real or personal, which may have
3 been acquired by means of such unfair competition. (Cal. Bus. & Prof. Code §
4 17203).

5 87. By the conduct alleged herein, DEFENDANT has engaged and continues to
6 engage in a business practice which violates California law, including but not limited to, the
7 applicable Wage Order(s), the California Code of Regulations and the California Labor Code
8 including Sections 201, 202, 203, 204, 221, 226, 226.7, 246, 510, 512, 558, 1194, 1197, 1197.1,
9 1198, 2802, for which this Court should issue declaratory and other equitable relief pursuant to
10 Cal. Bus. & Prof. Code § 17203 as may be necessary to prevent and remedy the conduct held to
11 constitute unfair competition, including restitution of wages wrongfully withheld.

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

17 89. By the conduct alleged herein, DEFENDANT's practices were deceptive and
18 fraudulent in that DEFENDANT's uniform policy and practice failed to provide the legally
19 mandated meal and rest periods and the required amount of compensation for missed meal and
20 rest periods and, due to a systematic business practice that cannot be justified, pursuant to the
21 applicable Cal. Lab. Code, and Industrial Welfare Commission requirements in violation of Cal.
22 Bus. Code §§ 17200, *et seq.*, and for which this Court should issue injunctive and equitable relief,
23 pursuant to Cal. Bus. & Prof. Code § 17203, including restitution of wages wrongfully withheld.

24 90. By the conduct alleged herein, DEFENDANT's practices were also unlawful,
25 unfair and deceptive in that DEFENDANT's employment practices caused PLAINTIFF and the
26 other members of the CALIFORNIA CLASS to be underpaid during their employment with
27 DEFENDANT.

28 91. By the conduct alleged herein, DEFENDANT's practices were also unfair and
deceptive in that DEFENDANT's uniform policies, practices and procedures failed to provide

1 legally required meal and/or rest breaks to PLAINTIFF and the CALIFORNIA CLASS members
2 as required by Cal. Lab. Code §§ 226.7 and 512.

3 92. Therefore, PLAINTIFF demands on behalf of herself and on behalf of each
4 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which an off-duty meal
5 period was not timely provided for each five (5) hours of work, and/or one (1) hour of pay for
6 each workday in which a second off-duty meal period was not timely provided for each ten (10)
7 hours of work.

8 93. PLAINTIFF further demands on behalf of herself and on behalf of each
9 CALIFORNIA CLASS member, one (1) hour of pay for each workday in which a rest period was
10 not timely provided as required by law.

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

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

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

27 97. PLAINTIFF and the other members of the CALIFORNIA CLASS are further
28 entitled to, and do, seek a declaration that the described business practices are unlawful, unfair,

1 and deceptive, and that injunctive relief should be issued restraining DEFENDANT from
2 engaging in any unlawful and unfair business practices in the future.

3 98. PLAINTIFF and the other members of the CALIFORNIA CLASS have no plain,
4 speedy and/or adequate remedy at law that will end the unlawful and unfair business practices of
5 DEFENDANT. Further, the practices herein alleged presently continue to occur unabated. As a
6 result of the unlawful and unfair business practices described herein, PLAINTIFF and the other
7 members of the CALIFORNIA CLASS have suffered and will continue to suffer irreparable legal
8 and economic harm unless DEFENDANT is restrained from continuing to engage in these
9 unlawful and unfair business practices.

10 **FOURTH CAUSE OF ACTION**

11 **Failure To Pay Minimum Wages**

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

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

14 99. 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.

17 100. PLAINTIFF and the other members of the CALIFORNIA CLASS bring a claim
18 for DEFENDANT’S willful and intentional violations of the California Labor Code and the
19 Industrial Welfare Commission requirements for DEFENDANT’S failure to accurately calculate
20 and pay minimum wages to PLAINTIFF and the CALIFORNIA CLASS Members.

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

23 102. Cal. Lab. Code § 1197 provides the minimum wage for employees fixed by the
24 commission is the minimum wage to be paid to employees, and the payment of a lesser wage than
25 the minimum so fixed is unlawful.

26 103. Cal. Lab. Code § 1194 establishes an employee’s right to recover unpaid wages,
27 including minimum wage compensation and interest thereon, together with the costs of suit.

28

1 104. DEFENDANT maintained a uniform wage practice of paying PLAINTIFF and the
2 other members of the CALIFORNIA CLASS without regard to the correct amount of time they
3 worked. As set forth herein, DEFENDANT’S uniform policy and practice was to unlawfully and
4 intentionally deny timely payment of wages due to PLAINTIFF and the other members of the
5 CALIFORNIA CLASS.

6 105. DEFENDANT’S uniform pattern of unlawful wage and hour practices manifested,
7 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of
8 implementing a uniform policy and practice that denied accurate compensation to PLAINTIFF
9 and the other members of the CALIFORNIA CLASS in regards to minimum wage pay.

10 106. In committing these violations of the California Labor Code, DEFENDANT
11 inaccurately calculated the amount of time worked and consequently underpaid the actual time
12 worked by PLAINTIFF and other members of the CALIFORNIA CLASS. DEFENDANT acted
13 in an illegal attempt to avoid the payment of all earned wages, and other benefits in violation of
14 the California Labor Code, the Industrial Welfare Commission requirements and other applicable
15 laws and regulations.

16 107. As a direct result of DEFENDANT’S unlawful wage practices as alleged herein,
17 PLAINTIFF and the other members of the CALIFORNIA CLASS did not receive the correct
18 minimum wage compensation for their time worked for DEFENDANT.

19 108. During the CLASS PERIOD, PLAINTIFF and the other members of the
20 CALIFORNIA CLASS were paid less for time worked than they were entitled to, constituting a
21 failure to pay all earned wages.

22 109. 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 time they worked, PLAINTIFF and the other members of the CALIFORNIA CLASS have
25 suffered and will continue to suffer an economic injury in amounts which are presently unknown
26 to them, and which will be ascertained according to proof at trial.

27 110. DEFENDANT knew or should have known that PLAINTIFF and the other
28 members of the CALIFORNIA CLASS are under-compensated for their time worked.

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

6 111. 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 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.

14 112. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore
15 request recovery of all unpaid 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 minimum wage
18 compensation is determined to be owed to the CALIFORNIA CLASS Members who have
19 terminated their employment, DEFENDANT'S conduct also violates Labor Code §§ 201 and/or
20 202, and therefore these individuals are also be entitled to waiting time penalties under Cal. Lab.
21 Code § 203, which penalties are sought herein on behalf of these CALIFORNIA CLASS
22 Members. DEFENDANT'S conduct as alleged herein was willful, intentional and not in good
23 faith. Further, PLAINTIFF and other CALIFORNIA CLASS Members are entitled to seek and
24 recover statutory costs.

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1 **FIFTH CAUSE OF ACTION**

2 **Failure To Pay Overtime Compensation**

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

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

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

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

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

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

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

23 118. During the CLASS PERIOD, PLAINTIFF and CALIFORNIA CLASS Members
24 were required by DEFENDANT to work for DEFENDANT and were not paid for all the time
25 they worked, including overtime work.

26 119. DEFENDANT's uniform pattern of unlawful wage and hour practices manifested,
27 without limitation, applicable to the CALIFORNIA CLASS as a whole, as a result of
28 implementing a uniform policy and practice that failed to accurately record overtime worked by

1 PLAINTIFF and other CALIFORNIA CLASS Members and denied accurate compensation to
2 PLAINTIFF and the other members of the CALIFORNIA CLASS for overtime worked,
3 including, the overtime work performed in excess of eight (8) hours in a workday, and/or twelve
4 (12) hours in a workday, and/or forty (40) hours in any workweek.

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

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

14 122. Cal. Lab. Code § 515 sets out various categories of employees who are exempt
15 from the overtime requirements of the law. None of these exemptions are applicable to the
16 PLAINTIFF and the other members of the CALIFORNIA CLASS. Further, PLAINTIFF and the
17 other members of the CALIFORNIA CLASS were not subject to a valid collective bargaining
18 agreement that would preclude the causes of action contained herein this Complaint. Rather,
19 PLAINTIFF brings this Action on behalf of herself and the CALIFORNIA CLASS based on
20 DEFENDANT's violations of non- negotiable, non-waivable rights provided by the State of
21 California.

22 123. During the CLASS PERIOD, PLAINTIFF and the other members of the
23 CALIFORNIA CLASS have been paid less for overtime worked that they are entitled to,
24 constituting a failure to pay all earned wages.

25 124. DEFENDANT failed to accurately pay the PLAINTIFF and the other members of
26 the CALIFORNIA CLASS overtime wages for the time they worked which was in excess of the
27 maximum hours permissible by law as required by Cal. Lab. Code §§ 510, 1194 & 1198, even
28 though PLAINTIFF and the other members of the CALIFORNIA CLASS were required to work,

1 and did in fact work, overtime as to which DEFENDANT failed to accurately record and pay as
2 evidenced by DEFENDANT's business records and witnessed by employees.

3 125. By virtue of DEFENDANT'S unlawful failure to accurately pay all earned
4 compensation to PLAINTIFF and the other members of the CALIFORNIA CLASS for all
5 overtime worked by these employees, PLAINTIFF and the other members of the CALIFORNIA
6 CLASS have suffered and will continue to suffer an economic injury in amounts which are
7 presently unknown to them, and which will be ascertained according to proof at trial.

8 126. DEFENDANTS knew or should have known that PLAINTIFF and the other
9 members of the CALIFORNIA CLASS were under compensated for all overtime worked.
10 DEFENDANT systematically elected, either through intentional malfeasance or gross
11 nonfeasance, to not pay employees for their labor as a matter of uniform company policy, practice
12 and procedure, and DEFENDANT perpetrated this systematic scheme by refusing to pay
13 PLAINTIFF and the other members of the CALIFORNIA CLASS for overtime worked.

14 127. In performing the acts and practices herein alleged in violation of California labor
15 laws, and refusing to compensate the members of the CALIFORNIA CLASS for all overtime
16 worked and provide them with the requisite overtime compensation, DEFENDANT acted and
17 continues to act intentionally, oppressively, and maliciously toward PLAINTIFF and the other
18 members of the CALIFORNIA CLASS with a conscious and utter disregard for their legal rights,
19 or the consequences to them, and with the despicable intent of depriving them of their property
20 and legal rights, and otherwise causing them injury in order to increase company profits at the
21 expense of these employees.

22 128. PLAINTIFF and the other members of the CALIFORNIA CLASS therefore
23 request recovery of all unpaid wages, including overtime wages, according to proof, interest,
24 statutory costs, as well as the assessment of any statutory penalties against DEFENDANT, in a
25 sum as provided by the California Labor Code and/or other applicable statutes. To the extent
26 minimum and/or overtime compensation is determined to be owed to the CALIFORNIA CLASS
27 Members who have terminated their employment, DEFENDANT's conduct also violates Labor
28 Code §§ 201 and/or 202, and therefore these employees would also be entitled to waiting time

1 penalties under Cal. Lab. Code § 203, which penalties are sought herein on behalf of these
2 CALIFORNIA CLASS Members. DEFENDANT's conduct as alleged herein was willful,
3 intentional, and not in good faith. Further, PLAINTIFF and other CALIFORNIA CLASS
4 Members are entitled to seek and recover statutory costs.

5 **SIXTH CAUSE OF ACTION**

6 **Failure To Provide Required Meal Periods**

7 **(Cal. Lab. Code §§ 226.7 & 512)**

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

9
10 129. 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.

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

27 131. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable
28 IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA CLASS Members

1 who were not provided a meal period, in accordance with the applicable Wage Order, one
2 additional hour of compensation at each employee's regular rate of pay for each workday that a
3 meal period was not provided.

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

7 **SEVENTH CAUSE OF ACTION**

8 **Failure To Provide Required Rest Periods**

9 **(Cal. Lab. Code §§ 226.7 & 512)**

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

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

14 134. From time to time, PLAINTIFF and other CALIFORNIA CLASS Members were
15 required to work in excess of four (4) hours without being provided ten (10) minute rest periods.
16 Further, these employees were denied their first rest periods of at least ten (10) minutes for some
17 shifts worked of at least two (2) to four (4) hours, a first and second rest period of at least ten (10)
18 minutes for some shifts worked of between six (6) and eight (8) hours, and a first, second and
19 third rest period of at least ten (10) minutes for some shifts worked of ten (10) hours or more.
20 PLAINTIFF and other CALIFORNIA CLASS Members were also not provided with one-hour
21 wages in lieu thereof. As a result of their rigorous work schedules, PLAINTIFF and other
22 CALIFORNIA CLASS Members were periodically denied their proper rest periods by
23 DEFENDANT and DEFENDANT's managers. As a result, DEFENDANT's failure to provide
24 PLAINTIFF and the CALIFORNIA CLASS Members with all the legally required paid rest
25 periods is evidenced by DEFENDANT's business records.

26 135. DEFENDANT further violated California Labor Code §§ 226.7 and the applicable
27 IWC Wage Order by failing to compensate PLAINTIFF and CALIFORNIA CLASS Members
28 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.

3 136. 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 **EIGHTH CAUSE OF ACTION**

7 **Failure To Provide Accurate Itemized Statements**

8 **(Cal. Lab. Code §§ 226)**

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

10 137. 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.

13 138. Cal. Labor Code § 226 provides that an employer must furnish employees with an
14 “accurate itemized” statement in writing showing:

- 15 a. Gross wages earned,
- 16 b. (2) total hours worked by the employee, except for any employee whose
17 compensation is solely based on a salary and who is exempt from payment
18 of overtime under subdivision (a) of Section 515 or any applicable order of
19 the Industrial Welfare Commission,
- 20 c. the number of piecerate units earned and any applicable piece rate if the employee
21 is paid on a piece-rate basis,
- 22 d. all deductions, provided that all deductions made on written orders of the employee
23 may be aggregated and shown as one item,
- 24 e. net wages earned,
- 25 f. the inclusive dates of the period for which the employee is paid,
- 26 g. the name of the employee and his or her social security number, except that by
27 January 1, 2008, only the last four digits of his or her social security number of an
28

1 employee identification number other than social security number may be shown
2 on the itemized statement,

- 3 h. the name and address of the legal entity that is the employer, and
- 4 i. all applicable hourly rates in effect during the pay period and the corresponding
5 number of hours worked at each hourly rate by the employee.

6 139. During the CLASS PERIOD, when PLAINTIFF and other CALIFORNIA
7 CLASS Members missed meal and rest breaks, or were paid inaccurate missed meal and rest
8 period premiums, or were not paid for all hours worked, DEFENDANTS also failed to provide
9 PLAINTIFF and other CALIFORNIA CLASS Members with complete and accurate wage
10 statements which failed to show, among other things, the accurate gross wages earned, net wages
11 earned, the total hours worked and all applicable hourly rates in effect during the pay period and
12 the corresponding amount of time worked at each hourly rate, and correct rates of pay for penalty
13 payments or missed meal and rest periods.

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

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

28 ///

1 **NINTH CAUSE OF ACTION**

2 **Failure To Pay Wages When Due**

3 **(Cal. Lab. Code §§ 203)**

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

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

8 143. Cal. Lab. Code § 200 provides that:

9 As used in this article:

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

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

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

20 If an employee not having a written contract for a definite period quits his or her
21 employment, his or her wages shall become due and payable not later than 72 hours
22 thereafter, unless the employee has given 72 hours previous notice of his or her intention
23 to quit, in which case the employee is entitled to his or her wages at the time of quitting.
24 Notwithstanding any other provision of law, an employee who quits without providing a
25 72-hour notice shall be entitled to receive payment by mail if he or she so requests and
26 designates a mailing address. The date of the mailing shall constitute the date of payment
27 for purposes of the requirement to provide payment within 72 hours of the notice of
28 quitting.

29 146. There was no definite term in PLAINTIFF's or any CALIFORNIA CLASS
30 Members' employment contract.

31 147. Cal. Lab. Code § 203 provides:

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

1 148. The employment of PLAINTIFF and many CALIFORNIA CLASS Members
2 terminated, and DEFENDANT has not tendered payment of wages to these employees who were
3 underpaid for minimum wage and/or overtime wage, and/or missed meal and rest breaks, as
4 required by law.

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

10 **TENTH CAUSE OF ACTION**

11 **Failure To Reimburse Employees For Required Expenses**

12 **(Cal. Lab. Code §§ 2802)**

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

14 150. 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.

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

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

22 152. From time-to-time during the CLASS PERIOD, DEFENDANTS violated Cal.
23 Lab. Code § 2802, by failing to indemnify and reimburse PLAINTIFF and the members of the
24 CALIFORNIA CLASS for required expenses incurred in the discharge of their job duties for
25 DEFENDANTS' benefit. DEFENDANTS failed to reimburse PLAINTIFF and the members of
26 the CALIFORNIA CLASS for expenses which included, but were not limited to, costs related to
27 using their personal cell phone all on behalf of and for the benefit of DEFENDANTS.
28 Specifically, PLAINTIFF and the members of the CALIFORNIA CLASS were required by
DEFENDANTS to use their personal cell phones to execute their essential job duties on behalf of
DEFENDANTS. Further, as a result of being required to work remotely in their home offices,

1 PLAINTIFF and other CALIFORNIA CLASS Members incurred additional unreimbursed
2 business expenses in the form of rent and/or mortgage expenses. DEFENDANTS' uniform policy,
3 practice and procedure was to not reimburse PLAINTIFF and the members of the CALIFORNIA
4 CLASS for expenses resulting from using their personal cellular phones any pro rata expenses for
5 rent and/or mortgage, all on behalf of and for the benefit of DEFENDANTS within the course
6 and scope of their employment for DEFENDANTS. These expenses were necessary to complete
7 their principal job duties. DEFENDANTS are estopped by DEFENDANTS' conduct to assert any
8 waiver of their expectation. Although these expenses were necessary expenses incurred by
9 PLAINTIFF and the members of the CALIFORNIA CLASS, DEFENDANTS failed to indemnify
10 and reimburse PLAINTIFF and the members of the CALIFORNIA CLASS for these expenses as
11 an employer is required to do under the laws and regulations of California.

12 153. PLAINTIFF therefore demands reimbursement on behalf of the members of the
13 CALIFORNIA CLASS for expenditures or losses incurred in the discharge their job duties and
14 on behalf of DEFENDANTS, or his/her obedience to the directions of DEFENDANT, with
15 interest at the statutory rate and costs under Cal. Lab. Code § 2802.

16 **PRAYER FOR RELIEF**

17 WHEREFORE, PLAINTIFF prays for a judgment against each Defendant, jointly and
18 severally, as follows:

19
20 1. On behalf of the CALIFORNIA CLASS:

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

1 for restitution of the sums incidental to DEFENDANT's violations due to
2 PLAINTIFF and to the other members of the CALIFORNIA CLASS.

3 2. On behalf of the CALIFORNIA CLASS:

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

21 3. On PLAINTIFF'S individual claims:

- 22 a. For all special damages which were sustained as a result of DEFENDANTS'
23 conduct, including but not limited to, back pay, front pay, lost compensation and
24 job benefits that PLAINTIFF would have received but for the practices of
25 DEFENDANTS.
- 26 b. For all exemplary damages, according to proof, which were sustained as a result of
27 DEFENDANTS' conduct
- 28 c. An award of interest, including prejudgment interest at the legal rate.

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- d. Such other and further relief as the Court deems just and equitable.
 - e. An award of penalties, attorneys' fees and costs of suit, as allowable under the law.
4. On all claims:
- a. An award of interest, including prejudgment interest at the legal rate;
 - b. Such other and further relief as the Court deems just and equitable; and
 - c. An award of penalties, attorneys' fees and costs of suit, as allowable under the law.

DATED: April 21, 2022

ZAKAY LAW GROUP, APLC

By: 
Shani O. Zakay
Attorney for PLAINTIFF

DEMAND FOR A JURY TRIAL

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

DATED: April 21, 2022

ZAKAY LAW GROUP, APLC

By: 
Shani O. Zakay
Attorney for PLAINTIFF

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 Blend Labs, Inc. et al
 c/o CSC - Lawyers Incorporating Service
 2710 Gateway Oaks Dr, STE 150N
 Sacramento, CA 95833



9590 9402 6589 1028 8486 45

2. Article Number (Transfer from service label)

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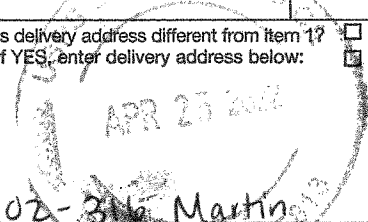
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