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Los Angeles Superior Court

AUG 12 2011

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By *[Signature]*, Deputy
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CELESTINA CAMPOS, INDIVIDUALLY AND
6 ON BEHALF OF ALL OTHERS SIMILARLY SITUATED

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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 COUNTY OF LOS ANGELES – CENTRAL DISTRICT

11 BC467452

12 CELESTINA CAMPOS, INDIVIDUALLY)
AND ON BEHALF OF ALL OTHERS)
SIMILARLY SITUATED,)

13 Plaintiffs,

14 v.

15 J.K. RESIDENTIAL SERVICES, INC.,

16 Defendants.
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Case No.

Unlimited Civil Case

Class Action Complaint For:

- 1. Failure to Pay Minimum Wage, Including Overtime Compensation at the Minimum Wage Rate (Cal. Lab. Code §§ 1194, 1194.2, 1182.8, 1198, 510; IWC Wage Order No. 5-2001);
- 2. Failure to Furnish Wage And Hour Statements (Cal. Lab. Code § 226);
- 3. Waiting Time Penalties (Cal. Lab. Code § 203);
- 4. Unfair Competition (Cal. Bus. & Prof. Code § 17200, et seq.)
- 5. Breach of Oral Contract

Demand For Jury Trial

THE PEARL LAW FIRM

1 Plaintiff Celestina Campos (“Plaintiff”), individually and on behalf of all others similarly situated,
2 alleges:

3 **General Allegations**

4 1. Plaintiff brings this class action and representative action to remedy wage and hour
5 violations by defendant J.K. Residential Services, Inc. (“Defendant”). Plaintiff brings this action on her
6 own behalf and on behalf of the following class of individuals (the “Class Members”):

7 Plaintiff and all other persons who were employed by Defendants, or any
8 of them, as apartment managers in the State of California at any time
9 from August 12, 2007, and continuing while this action is pending (the
10 “Class Period”).

11 2. During the Class Period, Defendants: (1) failed to pay the Class Members minimum
12 wage, including overtime compensation at the minimum wage rate; (2) failed to provide the Class
13 Members timely and accurate wage and hour statements; (3) failed to pay the Class Members their
14 earned wages in a timely manner upon separation; (4) violated California’s Unfair Competition Law,
15 Business and Professions Code section 17200, et seq. (the “UCL”); and (5) breached the parties’ oral
16 employment agreement. The foregoing acts and other acts by the Defendants violated provisions of the
17 California Labor Code (the “Code”), including sections 201, 202, 203, 226, 510, 1182.8, 1194, 1194.2,
18 1197, and 1198, violated the applicable Wage Order issued by the Industrial Welfare Commission of
19 the State of California (the “Wage Order”), violated the UCL, and violated the Class Members’ rights.

20 3. Venue is proper in this Court because Defendant does substantial business in Los Angeles
21 County and employed Plaintiff and other Class Members in Los Angeles County

22 **The Parties**

23 4. Plaintiff is, and at all relevant times was, a competent adult residing in Los Angeles
24 County, California.

25 5. Plaintiff is informed and believes and on that basis alleges that Defendant is, and at all
26 relevant times was, a corporation organized under the laws of the State of California, with its corporate
27 headquarters and principal place of business in Los Angeles County, California.

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Defendant's Illegal Conduct

6. During the four years preceding the filing of this action, the Class Members were on-site apartment managers for Defendant. Defendant improperly credited the Class Members' lodging against their minimum wage, thus failing to pay the Class Members minimum wage for all their hours worked, including overtime compensation at the minimum wage rate for their overtime hours, in violation of Code sections 204, 510, 1182.8, 1194, 1197, and 1198, and the Wage Order.

7. Defendant knowingly and intentionally failed to provide the Class Members with timely and accurate wage and hour statements, in violation of Code section 226 and the Wage Order.

8. Defendant willfully failed to pay the Class Members their earned wages in a timely manner upon separation, in violation of Code section 203.

9. Defendant engaged in various acts of unfair competition, as defined in the UCL.

10. Defendant violated the terms and conditions of their oral agreements to employ the Class Members.

Class Action Allegations

11. The Class Members are so numerous that joinder of each such individual would be impracticable, and the disposition of their claims in a class action, rather than in numerous individual actions, will benefit the parties, the Court, and the interests of justice.

12. There is a well defined community of interest in the questions of law and fact involved affecting all Class Members in that Defendant uniformly treated the Class Members. Common questions of law and fact predominate over questions that affect only individual Class Members. Jaimez v. DAIOWS USA, Inc. (2010) 181 Cal.App.4th 1286, 1299-1300.

13. Plaintiff's claims are typical of those belonging to other Class Members.

14. Plaintiff can adequately represent and protect the interests of all Class Members. Plaintiff's counsel is competent and experienced in litigating class actions based on violations of California law.

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First Cause of Action

**For Failure to Pay Minimum Wage, Including Overtime Compensation at Minimum Wage
(Code Sections 510, 1194, 1194.2, 1182.8, 1198; IWC Wage Order No. 5-2001)
by Plaintiff Individually and on Behalf of All Class Members Against Defendant**

15. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 14, inclusive, as though set forth fully herein.

16. The Code and the Wage Order provide that an employer must pay a minimum wage to an employee, which is seven dollars and fifty cents (\$7.50) per hour for all hours worked effective January 1, 2007, and eight dollars and no cents (\$8.00) per hour for all hours worked effective January 1, 2008.

17. Defendant improperly credited the Class Members' lodging as a rent credit against their minimum wage and thus failed to pay the Class Members minimum wage for all the hours they worked, in violation of the Code and the Wage Order.

18. Further, the Code and the Wage Oder provide that a workday consists of eight hours, a workweek consists of 40 hours, and an employer must compensate an employee who works overtime hours with either one-and-one-half times or double the employee's regular rate of compensation. Defendant employed the Class Members for more than eight hours per day and more than 40 hours per workweek, but Defendants failed to pay Class Members the overtime compensation required by the California Labor Code and the Wage Order.

19. Defendant deprived the Class Members of their rightfully earned minimum wage compensation, including overtime compensation at the minimum wage rate, as a direct and proximate result of Defendants' failure to pay said compensation. Under Code section 1194, the Class Members are entitled to recover such amounts, plus interest thereon, attorney's fees, and costs.

20. In addition, under Code section 1194.2, the Class Members are entitled to recover liquidated damages in an amount equal to the minimum wages unlawfully unpaid, and interest thereon.

21. Defendants thus required the Class Members to work for longer hours than those fixed, or under conditions prohibited, by order of the IWC, in violation of those orders.

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Second Cause of Action

For Failure to Furnish Timely and Accurate Wage and Hour Statements

(Code Section 226)

by Plaintiff Individually and on Behalf of All Class Members Against Defendant

22. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 14, inclusive, as though set forth fully herein.

23. Code section 226(a) required Defendant “semimonthly or at the time of each payment of wages” to furnish the Class Members “an accurate itemized statement in writing” showing gross and net wages earned, total hours worked by the Class Members, rates of pay, and other information. Defendant knowingly and intentionally failed to provide the Class Members with such timely and accurate wage and hour statements.

24. The Class Members suffered injury as a result of Defendant’s knowing and intentional failure to provide them with the wage and hour statements required by law.

25. Code section 226(c) provides: “An employer who receives a written or oral request to inspect or copy records pursuant to subdivision (b) pertaining to a current or former employee shall comply with the request as soon as practicable, but no later than 21 calendar days from the date of the request.”

26. Before she filed this action, Plaintiff wrote a pre-litigation demand letter to Defendant in which she requested it produce: Plaintiff’s check stubs or other wage statements; any documents signed by Plaintiff relating to her employment; and Plaintiff’s personnel file. A true and correct copy of this letter is attached as Exhibit A. Defendant has failed to produce these documents within 21 days of Plaintiff’s written request.

27. Under Code section 226, subsections (e) and (f), and based on Defendant’s conduct as alleged herein, the Class Members each are entitled to (a) fifty dollars (\$50) for the initial pay period in which a wage and hour statement violation occurred, and one hundred dollars (\$100) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000) per employee; (b) an additional seven-hundred-fifty-dollar (\$750) penalty for Defendant’s failure to allow Plaintiff to timely inspect and copy pertinent records; (c) injunctive relief to ensure Defendant’s

1 compliance with Code section 226; and (d) an award of costs and reasonable attorney's fees.

2 **Third Cause of Action**

3 **For Waiting Time Penalties**

4 **(Code Sections 201 through 203)**

5 **by Plaintiff Individually and on Behalf of All Class Members Against Defendant**

6 28. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 14, inclusive, as
7 though set forth fully herein.

8 29. Defendant wilfully failed to pay the Class Members accrued wages due to them promptly
9 upon separation, as required by California Labor Code Sections 201 and 202.

10 30. Based on Defendant's conduct as alleged herein, Defendant is liable for statutory
11 penalties pursuant to California Labor Code Section 203.

12 **Fourth Cause of Action**

13 **For Unfair Competition**

14 **(California Business & Professions Code Section 17200, et seq.)**

15 **by Plaintiff Individually and on behalf of All Class Members and the Public**

16 **Against Defendant**

17 31. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 14, inclusive, as
18 though set forth fully herein.

19 32. Defendant's violations of the Code and the Wage Order, including its failure to pay the
20 Class Members their minimum wage, including overtime compensation at the minimum wage rate, and
21 failure to provide the Class Members with timely and accurate wage and hour statements, constitute
22 unfair business practices in violation of the UCL.

23 33. The Class Members have suffered injury in fact and have lost money or property as a
24 result of Defendant's unfair business practices, and Defendant has reaped unfair benefits and illegal
25 profits at the Class Members' expense.

26 34. The Class Members are entitled to immediate possession of all amounts owed to them
27 by Defendant, with interest. Before she filed this action, Plaintiff wrote a pre-litigation demand to
28 Defendant. Plaintiff detailed her claims, demanded Defendant pay the amounts owed, and offered to

1 discuss a pre-litigation resolution of this matter. A true and correct copy of Plaintiff's pre-litigation
2 demand to Defendant dated June 13, 2011, is attached as Exhibit A.

3 35. Defendant's unfair business practices entitle the Class Members to seek preliminary and
4 permanent injunctive relief, including but not limited to orders that Defendant account for and restore
5 to the Class Members the compensation unlawfully withheld from them.

6 **Fifth Cause of Action**

7 **For Breach of Oral Contract**

8 **by Plaintiff Individually and on Behalf of All Class Members Against Defendant**

9 36. Plaintiff incorporates by reference and re-alleges paragraphs 1 through 14, inclusive, as
10 though set forth fully herein.

11 37. On or about June, 21, 2010, Plaintiff and Defendant entered into an oral agreement
12 whereby Defendant agreed to employ Plaintiff and Plaintiff agreed to be employed by Defendant.

13 38. The parties' agreement was made in the light of and incorporated the provisions of
14 existing labor law. Lockheed Aircraft Corp. v. Superior Court (Cal. 1946) 28 Cal.2d 481, 486.

15 39. Plaintiff is informed and believes that each Class Member entered into a similar
16 agreement to be employed by Defendant during the Class Period.

17 40. The Class Members have performed all conditions to be performed by them under their
18 agreements to be employed by Defendant.

19 41. Defendant breached its employment agreements with the Class Members in that it: (1)
20 failed to pay the Class Members minimum wage, including overtime compensation at the minimum
21 wage rate; (2) failed to provide the Class Members with timely and accurate wage and hour statements;
22 (3) failed to pay the Class Members their earned wages in a timely manner upon their separation; and
23 (4) violated the UCL.

24 42. The Class Members have suffered damages as a direct and proximate result of
25 Defendant's breach of contract.

26 WHEREFORE, plaintiff Celestina Campos, individually and on behalf of all others similarly
27 situated, hereby prays that the Court enter judgment in her favor and against defendant J.K. Residential
28 Services, Inc., as follows:

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1. For payment of minimum wage compensation, including overtime compensation at the minimum wage rate, plus interest;
2. For statutory penalties pursuant to Code section 226;
3. For statutory "waiting time" penalties pursuant to Code section 203;
4. For preliminary and permanent injunctive relief prohibiting Defendants from continuing the conduct complained of;
5. For an order requiring Defendant to make restitution to the Class Members in the amounts set forth above;
6. For reasonable attorney fees on the Class Members' First and Second Causes of Action;
7. For costs of suit incurred herein; and
8. For such further relief as the Court may deem appropriate.

DATED: August 12, 2011

THE PEARL LAW FIRM,
A PROFESSIONAL CORPORATION


 By: Leonard H. Sansanowicz
 Attorneys For Plaintiff Judith Salazar,
 Individually and on Behalf of All Others Similarly Situated

EXHIBIT A

THE PEARL LAW FIRM
A PROFESSIONAL CORPORATION

June 13, 2011

Via Certified Mail, Return Receipt Requested

Mr. Anil Mehta
J.K. Residential Services, Inc.
2016 Riverside Drive
Los Angeles, CA 90039

Re: Pre-litigation Demand for Celestina Campos, Individually and on Behalf of All Others Similarly Situated

Dear Mr. Mehta:

Celestina Campos, individually and on behalf of all others similarly situated, has retained our firm to look at whether she and her co-workers were paid all required wages while employed by your company. I am writing to you in an effort to resolve these issues informally.

We understand that your company employed Ms. Campos as a property manager. From October 13, 2009, through June 20, 2010, your company employed Ms. Campos as a manager of Rose Pointe Bellevue ("Bellevue") located at 2416 Bellevue Avenue, # 104, Los Angeles. From June 21, 2010, through February 11, 2011, your company employed Ms. Campos as a manager of Rose Terrace Parthenia ("Parthenia") located at 15050 Parthenia Avenue, #8, North Hills. At both Bellevue and Parthenia, Ms. Campos routinely worked 9 hours per day, Monday through Friday, 3-4 hours on Saturday, and 4 hours on Sunday, averaging 53 hours per week. She worked even longer hours when holding an open house.

California law requires all employers to pay their employees at least minimum wage for all hours worked, "notwithstanding any agreement to work for a lesser wage." Cal. Labor Code § 1194. An employee's lodging "may not be credited against the minimum wage without a voluntary written agreement between the employer and the employee." Even with a voluntary written agreement, no offset may exceed the strict maximum amounts enacted by the Industrial Welfare Commission. IWC Wage order No. 5-2001 § 10.

Your company paid Ms. Campos \$450 per month for her work at Bellevue and \$300 per month for her work at Parthenia. Your company did not enter into a voluntary written agreement with Ms. Campos to credit any part of her rent against your company's minimum wage obligations. Instead, your company required Ms. Campos to execute an Employment Agreement stating that your company would provide her an apartment with a value of \$1,300 per month at Bellevue and \$1,295 per month at Parthenia.

Even if this Employment Agreement were to constitute a voluntary rent credit agreement, your company's minimum wage obligation far exceeded the maximum monthly rental offset allowed.

Your company did not provide Ms. Campos with timely and accurate wage and hour statements. Finally, your company did not pay Ms. Campos her earned wages in a timely manner upon separation. Although you may not have been aware of these requirements at the time, the law strictly enforces them.

Your company has employed numerous other individuals under substantially similar circumstances, resulting in similar violations of California wage law. As a result, Ms. Campos and her co-workers are entitled to recover the following:

- Compensation for your company's failure to pay minimum wages, including overtime compensation at the minimum wage rate, and interest (Cal. Labor Code §§ 510, 1194);
- Penalties because your company did not pay minimum wages (Cal. Labor Code § 1197.1);
- Liquidated damages because your company did not pay minimum wages (Cal. Labor Code § 1194.2);
- Penalties because your company did not provide full, timely, and accurate wage and hour statements (Cal. Labor Code § 226);
- "Waiting time" penalties because your company did not pay all earned wages at the time of separation (Cal. Lab. Code §§ 201-203); and
- Reasonable attorney fees and costs (Cal. Lab. Code §§ 226(e), 1194; Cal. Code Civ. Proc. § 1021.5).

I am happy to talk with you if you disagree with our understanding of the facts. It frequently helps if both sides have all of the documents related to the employee's hours worked and **amounts paid**. Accordingly, please send us copies of the following: **our client's check stubs or other wage statements** (Cal. Labor Code §226); any documents signed by our client relating to her employment (Cal. Labor Code §432); and our client's personnel file (Cal. Labor Code §1198.5). We will reimburse you for the cost of copying these documents and we will send you copies of the documents that we have related to our client's employment.

Our client is willing to discuss a pre-litigation resolution of this matter on a class-wide basis. Pre-litigation resolution would encompass a stipulated settlement class of all individuals employed by your company in California from June 13, 2007, through the date of preliminary approval of a class settlement.

Your company would be required to pay the putative class members their unpaid compensation and to abide by all California and Federal wage and hour laws in the future.

We suggest that you speak with your company's attorney or advisor regarding this matter. Please feel free to have your company's attorney or advisor contact me directly. If your company is not currently represented by counsel on this matter, you may contact me directly to discuss an amicable and quick resolution of this matter.

We also suggest that you contact your company's insurance agent or insurance carrier regarding this matter. Some insurance policies -- particularly policies for employment practices liability insurance or "EPLI" -- may cover unpaid wage claims.

Your company and its agents, attorneys and advisors may not contact Ms. Campos regarding this matter. Ms. Campos has designated our firm as her exclusive representative for purposes of discussing this matter with your company (Cal. Labor Code § 923). Ms. Campos does not want to discuss this matter with your company or its agents.

If we are not able to resolve this case by the close of business on June 23, 2011, our client will have no choice but to file a lawsuit in Superior Court against your company, seeking all amounts owed, including compensation, interest, penalties, costs, and attorney fees.

I look forward to hearing from you at your earliest convenience.

Sincerely,



Steven G. Pearl

SGP:dnp