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9 VANESSA PEREZ, MARIO CAZARES, ANTHONY HANSELMAN,
10 SCOTT NASON, MOHAN RAO, JANE SANDELMAN, and
11 SHANNON TABONE

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **FOR THE COUNTY OF ORANGE**

14 **Assigned for All Purposes**

15 **Judge David A. Hoffer**

16 VANESSA PEREZ, an individual; MARIO)
17 CAZARES, an individual; ANTHONY)
18 HANSELMAN, an individual; SCOTT)
19 NASON, an individual; MOHAN RAO,)
20 an individual; JANE SANDELMAN, an)
21 individual; and SHANNON TABONE,)
22 an individual,)

23 Plaintiff,

24 v.

25 HYPERION MOTORS, INC., a Delaware)
26 corporation; HYPERION COMPANIES,)
27 INC., a Delaware corporation; ANGELO)
28 KAFANTARIS, an individual; and DOES 1)
through 50, inclusive,)

29 Defendants.)

30 Case No. 30-2020-01170764-CU-WT-CJC

31 **COMPLAINT FOR:**

- 32 **1. Gender Discrimination in Violation of Cal. Gov. § 12940 et seq.**
- 33 **2. Sexual Harassment in Violation of Cal. Gov. § 12940 et seq.**
- 34 **3. Age Discrimination in Violation of Cal. Gov. § 12940 et seq.**
- 35 **4. Age Harassment in Violation of Cal. Gov. § 12940 et seq.**
- 36 **5. Failure to Take All Reasonable Steps to Prevent Harassment, Discrimination, and Retaliation in Violation of Cal. Gov. § 12940(j)(1) and (k)**
- 37 **6. Negligent Supervision, Hiring, and Retention**
- 38 **7. Retaliation in Violation of Cal. Gov. § 12940 et seq.**
- 39 **8. Retaliation in Violation of Cal. Labor Code § 1102.5**
- 40 **9. Retaliation in Violation of Public Policy, Cal. Labor Code § 232.5**
- 41 **10. Breach of Oral Contract**
- 42 **11. Breach of Implied Contract**
- 43 **12. Breach of the Covenant of Good Faith and Fair Dealing**
- 44 **13. Fraud**

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-) **14. Promissory Estoppel**
-) **15. Quantum Meruit**
-) **16. Wrongful Termination in Violation of Public Policy**
-) **17. Constructive Wrongful Termination in Violation of Public Policy**
-) **18. Intentional Infliction of Emotional Distress**
-) **19. Failure to Pay Overtime Compensation (Labor Code §§ 510, 1194, 1198)**
-) **20. Violation of Cal. Labor Code §§ 226.7(a) and 512(a) – Unpaid Missed Meal Breaks**
-) **21. Violation of Cal. Labor Code § 226.7(a) and IWC Wage Order 1-2001(12) – Unpaid Missed Rest Breaks**
-) **22. Failure to Reimburse Business Expenses (Labor Code § 2802)**
-) **23. Failure to Pay Minimum Wage Compensation (Labor Code §§ 1182.11, 1182.12, 1194, 1194.2, 1197)**
-) **24. Violation of Cal. Labor Code § 226(a) and 226.3 – Improper Wage Statements**
-) **25. Failure to Timely Pay Wages Upon Discharge And Waiting Time Penalties (Labor Code §§ 201-204 and 256)**
-) **26. Violation of California Unfair Competition Law (Bus. and Prof. Code §§ 17200 *et seq*)**

JURY TRIAL DEMANDED

1 Plaintiffs VANESSA PEREZ, MARIO CAZARES, ANTHONY HANSELMAN, SCOTT
2 NASON, MOHAN RAO, JANE SANDELMAN, and SHANNON TABONE (collectively,
3 “Plaintiffs”) allege against Defendants HYPERION MOTORS, INC., HYPERION COMPANIES,
4 INC., ANGELO KAFANTARIS, and DOES 1 through 50 (collectively, “Defendants”), as
5 follows:

6 **PRELIMINARY STATEMENT**

7 1. According to its website (www.hyperion.inc), Defendants HYPERION MOTORS,
8 INC. and HYPERION COMPANIES, INC. (collectively, “Hyperion” or “Hyperion Defendants”)
9 claim to “deliver[s] cutting edge space technology pioneered by NASA, to the world” and “[f]rom
10 road vehicles to space travel, Hyperion seeks to completely revolutionize the transportation
11 industry by offering convenient, high-quality, low-cost hydrogen fuel across America.”

12 2. In reality, Hyperion’s workplace was rife with sexual harassment and gender
13 discrimination; fraudulent, and illegal activities; and shocking wage theft, employee
14 misclassification, unsafe working conditions, and other abuse and exploitation of its workers,
15 whom Hyperion callously and wrongfully terminated when they dared to speak up.

16 3. Plaintiffs bring this action to hold Defendants and their principals responsible for
17 their violations of California law.

18 **THE PARTIES**

19 4. Plaintiff PEREZ is, and at all times herein mentioned was, an individual residing in
20 the County of Orange, State of California. At all relevant times, Plaintiff PEREZ was an
21 employee of Defendants.

22 5. Plaintiff CAZARES is, and at all times herein mentioned was, an individual
23 residing in the County of Orange, State of California. At all relevant times, Plaintiff CAZARES
24 was an employee of Defendants.

25 6. Plaintiff HANSELMAN is, and at all times herein mentioned was, an individual
26 residing in the County of Orange, State of California. At all relevant times, Plaintiff
27 HANSELMAN was an employee of Defendants.

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1 7. Plaintiff NASON is, and at all times herein mentioned was, an individual residing
2 in the County of Orange, State of California. At all relevant times, Plaintiff NASON was an
3 employee of Defendants.

4 8. Plaintiff RAO is, and at all times herein mentioned was, an individual residing in
5 the County of Orange, State of California. At all relevant times, Plaintiff RAO was an employee
6 of Defendants.

7 9. Plaintiff SANDELMAN is, and at all times herein mentioned was, an individual
8 residing in the County of Orange, State of California. At all relevant times, Plaintiff
9 SANDELMAN was an employee of Defendants.

10 10. Plaintiff TABONE is, and at all times herein mentioned was, an individual residing
11 in the County of Orange, State of California. At all relevant times, Plaintiff TABONE was an
12 employee of Defendants.

13 11. Plaintiffs are informed and believe and, on the basis of such information and belief,
14 allege that Defendant HYPERION MOTORS, INC. is a Delaware corporation doing business in
15 the State of California, and is, at all times hereinafter mentioned, an employer whose employees
16 are engaged in employment throughout this county, the State of California, and/or various states of
17 the United States of America.

18 12. Plaintiffs are informed and believe and, on the basis of such information and belief,
19 allege that Defendant HYPERION COMPANIES, INC. is a Delaware corporation authorized to
20 do business and doing business in the State of California, and is, at all times hereinafter
21 mentioned, an employer whose employees are engaged in employment throughout this county, the
22 State of California, and/or various states of the United States of America.

23 13. Plaintiffs are informed and believe and, on the basis of such information and belief,
24 allege that Defendant ANGELO KAFANTARIS is, and at all times mentioned was, an individual
25 residing in the County of Orange, State of California.

26 14. Plaintiffs are informed and believe and, on the basis of such information and belief,
27 allege that Defendant ANGELO KAFANTARIS, is, and at all times herein mentioned was, an
28 owner, principal, officer, director, manager, member, managing agent of Defendants HYPERION

1 MOTORS, INC. and HYPERION COMPANIES, INC. Defendant ANGELO KAFANTARIS
2 represented himself to Plaintiff and to the general public as “Founder and Chief Executive
3 Officer” of Defendants HYPERION MOTORS, INC. and HYPERION COMPANIES, INC.

4 15. The true names and capacities of DOES 1 through 50, inclusive, whether
5 individual, corporate, associate or otherwise, are unknown to Plaintiffs at this time, who therefore
6 sues said defendants by such fictitious names, and when the true names, capacities, and
7 relationships of such defendants are ascertained, Plaintiffs will ask leave of Court to amend this
8 Complaint to insert the same. Plaintiffs are informed and believe and, on the basis of such
9 information and belief, allege that each of the defendants was in some manner legally responsible
10 for the events and happenings alleged in this Complaint and for Plaintiffs’ damages.

11 16. Plaintiffs are informed and believe and, on the basis of such information and belief,
12 allege that DOES 1 through 50 are the partners, agents, owners, shareholders, managers, or
13 employees of Defendants HYPERION MOTORS, INC. and HYPERION COMPANIES, INC.,
14 and that they were acting on behalf of Defendants, at all relevant times. Plaintiffs are informed
15 and believe and, on the basis of such information and belief, allege that each and all of the acts and
16 omissions alleged herein was performed by, or is attributable to, Defendants, each acting as the
17 agent or employee of the other, with legal authority to act on the other’s behalf. The acts of any
18 and all Defendants were in accordance with, and represent, the official policy of Defendants.

19 17. At all relevant times herein mentioned, Defendants, and each of them, and
20 Defendants’ founders, owners, shareholders, executive officers, managers, and supervisors,
21 directed, authorized, ratified and/or participated in each and every act or omission complained of
22 herein. At all relevant times herein mentioned, Defendants, and each of them, aided and abetted
23 the acts and omissions of each and all the other Defendants in proximately causing the damages
24 herein alleged.

25 18. Plaintiffs are informed and believe and, on the basis of such information and belief,
26 allege that each of said Defendants is in some manner intentionally, negligently, or otherwise
27 responsible for the acts, omissions, occurrences, and transactions alleged herein.

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1 24. On or about November 18, 2020, Plaintiffs timely filed an administrative complaint
2 against each of the Defendants with the California Department of Fair Employment and Housing
3 (“DFEH”). The DFEH complaint was filed within one year of Defendants’ misconduct. DFEH
4 provided Plaintiffs with a Right-To-Sue Notice, dated November 18, 2020. On November 18,
5 2020, Plaintiffs served Defendants with a copy of the Right-To-Sue Notices.

6 25. Plaintiffs have satisfied all private, administrative, and judicial prerequisites to the
7 institution of this action, pursuant to FEHA.

8 **FACTS COMMON TO ALL CAUSES OF ACTION**

9 **Defendant ANGELO KAFANTARIS Sexually Harasses Plaintiffs**

10 26. In or about August 2020, Defendants hired Plaintiff PEREZ for a non-exempt,
11 hourly position as an executive assistant to the Founder and CEO of Hyperion, Defendant
12 ANGELO KAFANTARIS. Defendant ANGELO KAFANTARIS was Plaintiff PEREZ’s direct
13 supervisor at all relevant times.

14 27. During her employment, Defendant ANGELO KAFANTARIS subjected Plaintiff
15 PEREZ to unwanted and illegal sexual harassment in the form of verbal and physical abuse.
16 Among other incidents, without Plaintiff PEREZ’s consent or invitation, Defendant ANGELO
17 KAFANTARIS would touch and play with Plaintiff PEREZ’s hair; rest his head on her shoulder
18 and put his arm around her in a sensual way; compliment her looks, figure, and attire; ask
19 inappropriate questions about her child birth, caesarean section, and scars, and even ask to see the
20 section scars; take unwanted photographs of PEREZ and her body at the workplace; describe her
21 figure in lewd detail and instruct her to wear clothing that showed off her figure; ask her which
22 Hyperion employees she found attractive and which Hyperion employees she would consider
23 dating; require her to do his personal laundry; and make unwanted sexual advances, such as asking
24 “If I weren’t married, I would date you. Would you date me?”

25 28. Defendant ANGELO KAFANTARIS and other senior executives of Hyperion
26 would also regularly make vulgar jokes about women. They even watched explicit pornographic-
27 style videos at the Hyperion workplace, during business hours, on Hyperion computers, in front of
28 female employees, while laughing.

1 29. Defendant ANGELO KAFANTARIS would even make disgusting comments to
2 Plaintiff PEREZ about his bowel movements, ask her to hold the door open in the restroom when
3 he was using it, and ask her for photographs of her bowel movements.

4 30. Plaintiff PEREZ repeatedly told Defendant ANGELO KAFANTARIS that his
5 conduct and comments were inappropriate and made her feel extremely uncomfortable.

6 31. In response, Defendant ANGELO KAFANTARIS threatened to terminate Plaintiff
7 PEREZ and began to terrorize her, including berating her and falsifying criticisms about her
8 performance.

9 32. Defendant ANGELO KAFANTARIS's shocking and unlawful sexual harassment
10 was witnessed by Hyperion's President Jason Briney and Chief Operating Officer Tony Ramirez
11 as well as other Hyperion executives and managers, who, in violation of their duties under
12 California law, failed to take any action to protect Plaintiff PEREZ or other female employees
13 harassed and terrorized by Defendant ANGELO KAFANTARIS, the CEO of Hyperion.

14 33. In September 2020, Plaintiff PEREZ sent a formal written complaint to Hyperion's
15 senior management, including Defendant ANGELO KAFANTARIS, Hyperion's President Jason
16 Briney, and Hyperion's Chief Operating Officer Tony Ramirez. Hyperion took no action in
17 response to the complaints of Plaintiff PEREZ. She sent further follow-up emails and letters,
18 which were all ignored. In her complaints, Plaintiff PEREZ complained about various misconduct
19 on the part of Hyperion and Defendant ANGELO KAFANTARIS, and warned that she was
20 suffering emotionally because of the sexual harassment and abuse.

21 34. However, Plaintiff PEREZ was not the only female employee whom Defendant
22 ANGELO KAFANTARIS sexually harassed and abused.

23 35. In or about July 2020, Defendants hired Plaintiff TABONE for a non-exempt,
24 hourly position as an executive assistant and marketing associate to Defendant ANGELO
25 KAFANTARIS. Hyperion's President Jason Briney was Plaintiff TABONE's direct supervisor.

26 36. Defendant ANGELO KAFANTARIS similarly made sexually inappropriate and
27 offensive comments to Plaintiff TABONE, including, without limitation, complimenting Plaintiff
28 TABONE's figure and attire ("I like what those yoga pants are doing there on you," "I like it

1 today,” or “your outfit looks amazing on you”); ranking how female employees – including
2 Plaintiffs PEREZ and TABONE – look each day; instructing female employees to share rooms
3 with male employees on business trips; and making other offensive and sexually inappropriate
4 comments.

5 37. Plaintiff TABONE objected to and complained about the conduct.

6 38. Defendant ANGELO KAFANTARIS’s shocking and unlawful sexual harassment
7 towards TABONE was witnessed by Hyperion’s President Jason Briney and Chief Operating
8 Officer Tony Ramirez as well as other Hyperion executives and managers, who failed to take any
9 action to protect Plaintiff TABONE, in violation of their duties under California law.

10 39. In September 2020, Plaintiff TABONE sent a formal written complaint to
11 Hyperion’s President Jason Briney about the sexual harassment and other misconduct at Hyperion.
12 Plaintiff TABONE expressly reported that “In these last two months, I have experienced sexual
13 harassment and high amounts of anxiety due to numerous interactions with Angelo [Kafantaris].
14 The crude comments he has made about me, to my face, make it extremely uncomfortable to be
15 around him. Any kind of push-back toward Angelo is met with hostility and makes me feel
16 cornered.”

17 40. Plaintiff TABONE also complained about: “illicit drug activity on this campus”;
18 “Hostile work environment”; “A lack of paid overtime”; “The alleged recording of employees’
19 personal conversations”; and “The lack of safety protocols.”

20 41. Hyperion took no action in response to the complaints of Plaintiff TABONE. As a
21 result thereof, Plaintiff TABONE’s emotional health has suffered.

22 42. The harassment and discrimination of Defendant ANGELO KAFANTARIS was
23 not even limited to female employees. Defendant ANGELO KAFANTARIS also sexually
24 harassed Plaintiff NASON by calling him “gay,” mocking and joking about him and his looks,
25 making inappropriate comments about his attire and body (including repeated references to his
26 “butt cheeks”), taking unwanted photos of him and his “butt cheeks,” and even shockingly
27 grabbing Plaintiff NASON’s behind.

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1 43. These offensive comments and actions made Plaintiff NASON uncomfortable.
2 Plaintiff NASON objected to Defendant ANGELO KAFANTARIS’s inappropriate conduct,
3 which made Defendant ANGELO KAFANTARIS furious.

4 44. In addition, Defendant ANGELO KAFANTARIS made ageist discriminatory
5 comments to and about Plaintiff NASON, calling him “old” and saying that he was “too old to
6 continue working” at Hyperion. Plaintiff NASON is 49 years old.

7 45. In addition, Defendant ANGELO KAFANTARIS similarly made ageist
8 discriminatory comments to and about Plaintiff SANDELMAN, calling her “old” and saying that
9 he would not have made the “mistake” of hiring her had he known her age after looking at her tax
10 forms. Plaintiff SANDELMAN is 49 years old. Further, Defendants demoted and took work
11 responsibilities away from SANDELMAN solely due to her age.

12 **Hyperion Exploits, Misclassifies, and Abuses Its Workers**

13 46. Moreover, Hyperion blatantly and intentionally violated California law by
14 misclassifying its employees – some of whom were working more than 100 hours per week at
15 Hyperion’s workplace during the height of the COVID-19 pandemic – as independent contractors.

16 47. When hired, Hyperion forced its employees to sign unconscionable and
17 unenforceable documents entitled “Independent Contractor Agreement,” which state that the
18 “Contractor has the sole right to control and direct the means, manner, and method by which the
19 services required by this Agreement will be performed. Contractor shall select the routes taken,
20 starting and quitting times, days of work, and order the work is performed.” This was false.
21 Hyperion mandated where they worked, when they worked, how long they worked, how they did
22 their work, and exactly what they did.

23 48. According to said “Independent Contractor Agreement,” Hyperion admitted that, in
24 violation of California law, Hyperion would not pay payroll and employment taxes, provide any
25 benefits, paid-time-off, or health care to its employees, pay unemployment insurance, obtain
26 worker’s compensation benefits, or “provide insurance coverage of any kind for Contractor.”

27 49. By misclassifying Plaintiffs and the aggrieved employees as independent
28 contractors, Defendants clearly sought to avoid various duties and obligations owed to employees

1 under California's Labor Code and Industrial Welfare Commission ("IWC") wage orders,
2 including, without limitation: the duty to indemnify employees for all expenses and losses
3 necessarily incurred in connection with their employment (Cal. Labor Code § 2802; IWC wage
4 order No. 9, §§ 8-9); the duty to provide workers' compensation coverage (Cal. Labor Code §
5 3200 et seq.); the duty to provide off-duty meal and rest break periods (Cal. Labor Code §§ 512,
6 226.7; IWC wage order No. 9, § 11); the duty to pay California minimum wage for all hours
7 worked (Cal. Labor Code §§ 1182.11, 1182.12, 1197; Minimum Wage Order; IWC wage order
8 No. 9, § 4); the duty to pay overtime premium compensation (Cal. Labor Code §§ 510, 1194); and
9 other legal obligations.

10 50. Moreover, Hyperion failed and refused to pay Plaintiffs and other aggrieved
11 employees for all hours that they worked. In fact, Hyperion set up a fraudulent timekeeping
12 system that did not accurately record when employees clocked in and out. Plaintiffs and other
13 aggrieved employees consistently complained that their hours were being underreported.

14 51. In addition, Hyperion failed and refused to pay Plaintiffs and other aggrieved
15 employees premium overtime compensation. Plaintiffs and other aggrieved employees regularly
16 more than 100 hours per week, and sometimes more than 24 hours straight, without any premium
17 overtime compensation, in violation of California law.

18 52. In addition, Defendants failed to reimburse Plaintiff and other aggrieved employees
19 for all business expenses that they reasonably incurred, including, without limitation, for office
20 supplies, business equipment, and technology.

21 53. In addition, Hyperion did not permit Plaintiffs and other aggrieved employees to
22 take any interrupted meal or rest breaks, demanding instead that they work without breaks because
23 of the amount of work to be done and critical deadlines claimed by Defendants.

24 54. In addition, Hyperion never paid Plaintiffs and other aggrieved employees for any
25 sick, vacation, or other paid-time-off, in violation of California law.

26 55. Finally, Plaintiffs and other aggrieved employees did not receive accurate and
27 timely wage statements and did not receive full and timely final paychecks upon discharge.
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1 56. Like the other Plaintiffs, Defendants illegally misclassified Plaintiff PEREZ as an
2 independent contractor. Plaintiff PEREZ often worked 13 or 14 hour days, but not was never paid
3 premium overtime compensation. Nor was she permitted to take any uninterrupted meal or rest
4 breaks.

5 57. Like the other Plaintiffs, Defendants illegally misclassified Plaintiff TABONE as
6 an independent contractor. Plaintiff TABONE often worked more than 100 hours per week, but
7 not was never paid premium overtime compensation. Nor was she permitted to take any
8 uninterrupted meal or rest breaks. As a result, she regularly worked through lunch. If she did try
9 to take a break, Defendant ANGELO KAFANTARIS would text her and demand that she
10 immediately return to work.

11 58. In or about July 2020, Defendants hired Plaintiff HANSELMAN. During his
12 employment, Plaintiff HANSELMAN worked more than 10 hours almost every day, sometimes
13 more than 16 hours per day, often 6 or 7 days per week. Hyperion never paid him premium
14 overtime compensation, in violation of California law. Nor did Hyperion ever permit him to take
15 uninterrupted meal or rest breaks. Hyperion also owes him thousands of dollars in unpaid
16 business reimbursements.

17 59. In or about July 2020, Defendants hired Plaintiff SANDELMAN for a non-exempt,
18 hourly position as an executive assistant to the Founder and CEO of Hyperion, Defendant
19 ANGELO KAFANTARIS. Defendant ANGELO KAFANTARIS was Plaintiff SANDELMAN's
20 direct supervisor. When she was interviewed and hired, Defendants had lied to Plaintiff
21 SANDELMAN that she would be hired as an employee. Like the other Plaintiffs, Defendants
22 intentionally and illegally misclassified Plaintiff SANDELMAN as an independent contractor.

23 60. During her first week, Plaintiff SANDELMAN worked more than 30 hours straight
24 and more than 130 hours total that week. Hyperion did not pay her premium overtime
25 compensation, in violation of California law. Nor did Hyperion ever permit her to take
26 uninterrupted meal or rest breaks.

27 61. Instead, Defendant ANGELO KAFANTARIS regularly berated and verbally
28 abused Plaintiff SANDELMAN, causing her severe emotional distress for which she was rushed

1 to the emergency room and for which she is undertaking therapy. Defendants also refused to
2 reimburse Plaintiff SANDELMAN for her reasonable business expenses.

3 62. In or about May 2020, Defendants hired Plaintiff CAZARES for a non-exempt,
4 hourly position. Like the other Plaintiffs, Defendants illegally misclassified Plaintiff CAZARES
5 as an independent contractor. Like the other Plaintiffs, Defendants did not pay Plaintiff
6 CAZARES for all of the hours that he worked. Nor did Defendants pay Plaintiff CAZARES
7 premium overtime compensation, despite the fact that he worked more than 10 or 12 hours every
8 single day, often past midnight.

9 63. In or about July 2020, Defendants hired Plaintiff RAO for a non-exempt, hourly
10 position. Like the other Plaintiffs, Defendants illegally misclassified Plaintiff RAO as an
11 independent contractor. Like the other Plaintiffs, Defendants did not pay Plaintiff RAO for all of
12 the hours that he worked. Nor did Defendants pay Plaintiff RAO premium overtime
13 compensation, despite the fact that he regularly worked more than 8 hours per day. On one
14 instance, he worked 21 hours straight on the orders of Hyperion's senior management.

15 64. In or about April 2018, Defendants hired Plaintiff NASON for a non-exempt,
16 hourly position. Like the other Plaintiffs, Defendants illegally misclassified Plaintiff NASON as
17 an independent contractor. Like the other Plaintiffs, Defendants did not pay Plaintiff NASON for
18 all of the hours that he worked. Nor did Defendants pay Plaintiff NASON overtime
19 compensation, despite the fact that he regularly worked more than 12 hours per day, six or seven
20 days per week. During some weeks, he worked 20 hours per day. Defendants also refused to
21 reimburse Plaintiff NASON for his reasonable business expenses and medical bills, despite their
22 written promises to do so.

23 65. Moreover, during his interview and hiring process, Defendants promised Plaintiff
24 NASON shares of equity in Hyperion in exchange for Plaintiff's NASON's agreement to accept
25 \$25 per hour as below market compensation instead of at least \$120 per hour that Plaintiff
26 NASON was entitled to given his experience and expertise. Based on those promises, Plaintiff
27 NASON agreed. Hyperion agreed to keep track of Plaintiff NASON's hours and issue stock equal
28 to the hourly compensation. Hyperion never honored its agreement with NASON. Instead,

1 Hyperion intentionally lied to and defrauded Plaintiff NASON since it had no intention of
2 honoring its agreement with Plaintiff NASON. Plaintiff NASON was even injured on the job and
3 Hyperion refused to take responsibility, despite the fact that Plaintiff NASON was clearly
4 Hyperion's employee and should have been entitled to workers compensation and health care
5 benefits.

6 **Plaintiffs Complain About Hyperion's Massive Fraudulent, Illegal, and Unsafe Activities**

7 66. Hyperion's shocking misconduct does not end at harassment, discrimination, wage
8 theft, wage and hour violations, and fraudulent promises.

9 67. Unsafe and illegal working conditions pervaded the Hyperion workplace. By
10 cutting corners, Hyperion endangered the safety and lives of its employees.

11 68. Specifically, Plaintiffs are informed and believe that the Hyperion workplace is not
12 compliant with the standards of the California Occupational Safety and Health Administration
13 ("OSHA") and is not compliant with local building codes in a variety ways.

14 69. First, Plaintiffs are informed and believe that the entire second story is held up by
15 three steel posts that sit above the concrete with a 4-inch sleeve anchor, which is the only means of
16 anchoring the second floor. As such, Plaintiffs are informed and believe that the second floor is
17 not compliant with applicable earthquake codes, and was not inspected or approved by local
18 authorities.

19 70. Second, Plaintiffs are informed and believe that Hyperion's fire suppression system
20 is empty, posing a massive fire safety risk and endangering the lives of Plaintiffs and other
21 Hyperion employees.

22 71. Third, the Hyperion workplace has a spray booth that Plaintiffs are informed and
23 believe is not permitted nor compliant with any codes. Its wiring does not work properly, has no
24 fire suppression system of its own, and uses lighting that is not compliant for explosive
25 environments. Nor does it have the 3-foot requisite space around it for safety purposes.

26 72. Fourth, Plaintiffs are informed and believe that Hyperion does not properly, safely,
27 or legally store or dispose of toxic waste, hydrogen waste, paint waste, and other hazardous and
28 dangerous chemicals. Moreover, despite the dangerous Hydrogen testing taking place at the

1 Hyperion workplace, Plaintiffs are informed and believe that no Hyperion staff member has
2 adequate technical experience with hydrogen-related testing. Nor is there adequate safety protocol
3 or testing in place to protect Hyperion’s employees.

4 73. Fifth, to conduct vanity improvements at its offices, Plaintiffs are informed and
5 believe that Hyperion used non-licensed contractors and Hyperion did not have the improvements
6 inspected or approved by local authorities. For example, Hyperion installed sub-standard
7 windows as well as glass railings and sliding glass doors with hardware of the company’s own
8 design and making, which are dangerous as they are prone to coming off the track and crashing
9 into one another. Hyperion spent more than \$1.5 million dollars of investor money in these
10 unnecessary and unpermitted, substandard improvements.

11 74. Sixth, Plaintiffs are informed and believe that Hyperion regularly conducts
12 dangerous welding and grinding in the presence of hydrogen containers with no safety provisions
13 in place.

14 75. Finally, Hyperion has refused to provide adequate and legally compliant personal
15 protective equipment to its employees, despite their repeated requests and applicable laws during
16 the COVID-19 pandemic.

17 76. Plaintiffs complained, including to Hyperion’s executives and to governmental
18 agencies such as OSHA, that these unsafe working conditions pervaded the Hyperion workplace
19 and violated the law.

20 77. Moreover, Plaintiffs are informed and believe that Hyperion had made material
21 misrepresentations and misleading statements to the public, the press, and actual and prospective
22 investors, including the Kingdom of Saudi Arabia and the Chinese government. These statements
23 concealed the true nature of Hyperion’s business, technology, operations, and intellectual
24 property.

25 78. Specifically, contrary to Hyperion’s public claims, representations, and
26 pronouncements, Plaintiffs are informed and believe that the “vehicle” that Hyperion was
27 developing to great acclaim – a so-called “hydrogen-powered hypercar” – was not possible of
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1 exceeding 60 miles per hour, let alone reaching 220 miles per hour or reaching 60 miles per hour
2 in 2.2 seconds, as Hyperion had publicly represented.

3 79. In addition, contrary to Hyperion’s public claims, Plaintiffs are informed and
4 believe that that the “vehicle” does not have a “carbon fiber monocoque, but, in fact, the frame is
5 made of steel fabricated in the company’s facility and the powertrain has been transplanted from a
6 Toyota Hydrogen fuel cell vehicle.

7 80. Moreover, contrary to Hyperion’s public claims, Plaintiffs are informed and believe
8 that the vehicle’s “wings” do not possess functioning solar panels with any solar technology
9 whatsoever. In addition, contrary to Hyperion’s public claims, Plaintiffs are informed and believe
10 that Hyperion’s “technology” was not “pioneered by NASA” or developed “in concert with
11 NASA.” In reality, Plaintiffs are informed and believe that Hyperion was passing off technology
12 developed by Toyota. In fact, Hyperion instructed Plaintiffs to chop up and destroy two Toyota
13 Marais vehicles, which were disposed of in a metal collector.

14 81. Plaintiffs complained to Hyperion’s executives about these false, fraudulent, and/or
15 misleading representations.

16 82. Plaintiffs also complained about Defendants’ mishandling of safety protocols
17 related to the COVID-19 pandemic. In addition to failing to provide adequate personal protective
18 equipment, Defendants have expressly instructed employees, including Plaintiffs, to come to work
19 even if they believe that they had been exposed to the deadly virus and even if they had COVID-
20 19 symptoms.

21 83. Plaintiffs also complained about other illegal activity taking place at the Hyperion
22 workplace, including illegal video and audio wiretapping of Plaintiffs and other employees as well
23 as illicit drug use during work hours at the workplace. Drugs and drug paraphernalia were
24 commonplace at the Hyperion workplace.

25 **Hyperion Terminates Plaintiffs’ Employment In Retaliation For Their Complaints**

26 84. In addition to the formal written complaints to Defendants’ management, other
27 Plaintiffs also complained in writing to Hyperion’s President Jason Briney and other senior
28 executives of Hyperion.

1 85. On or about September 21, 2020, Plaintiff HANSELMAN complained verbally to
2 Hyperion’s President Jason Briney about the extensive and significant unlawful conduct taking
3 place at Hyperion. Hyperion’s President Jason Briney dismissed the concerns and took no
4 meaningful action. Plaintiff HANSELMAN then complained in writing about “sexual
5 harassment,” “abusive treatment,” “unsafe work environment,” “building code violations,” “no
6 OT,” and “unpaid hours of work.” Plaintiff HANSELMAN also brought these matters to the
7 attention of Hyperion’s Chief Operating Officer Dan Shumpert multiple times without any
8 response or investigation.

9 86. On or about September 24, 2020, Plaintiff RAO complained in writing via email to
10 Hyperion’s President Jason Briney. Plaintiff RAO expressly complained about violations of
11 “OSHA standards,” “hostile work environment,” pervasive drug use at the workplace, “sexual
12 harassment” of colleagues, and “unpaid overtime” and other wage abuse.

13 87. On or about September 24, 2020, Plaintiff CAZARES complained in writing via
14 email to Hyperion’s President Jason Briney. Plaintiff RAO expressly complained about “hostile
15 environment,” “working under non compliance OSHA standards that have put my life in question,
16 “Second story and paint booth with no proper extraction,” lack of “safety protocols,” “Colleagues
17 that have repeatedly been harassed in a sexual manner and touched inappropriately with comments
18 being made about their body, appearance and clothing and pictures of their outfits being taken,”
19 “Unpaid overtime,” and “Improper handling of hazardous/explosive materials putting everyone’s
20 life at risk.”

21 88. On or about September 25, 2020, Plaintiff NASON complained in writing via email
22 to Hyperion’s President Jason Briney about the aforementioned violations of law.

23 89. Defendants had a legal duty to investigate and prevent unlawful harassment,
24 discrimination, retaliation, and other violations of law in the workplace, and to not retaliate against
25 those employees who engaged in protected activities. Defendants failed to do so.

26 90. Defendants also had a legal duty, under California law, to prevent sexual
27 harassment by providing sexual harassment training and properly monitoring and evaluating its
28 supervisors and employees. Defendants failed to do so, in violation of California law.

1 91. Rather than meaningfully investigate Plaintiffs’ complaints and prevent any future
2 harassment, discrimination, and/or other violations of law, Defendants elected instead to retaliate
3 against Plaintiffs for speaking up and daring to complain.

4 92. In retaliation for Plaintiffs’ complaints and objections, Hyperion’s management,
5 including Defendant ANGELO KAFANTARIS, unleashed a campaign a terror against Plaintiffs.
6 Among other things, Defendant ANGELO KAFANTARIS intimidated, threatened, berated,
7 belittled, and verbally attacked Plaintiffs, such that Plaintiffs reasonably believed that their job
8 safety and personal safety were in jeopardy. Among other misconduct, Defendant ANGELO
9 KAFANTARIS would divulge and exploit highly personal and confidential information about
10 Plaintiffs – like deaths of a spouse, health problems, or medications – in order to intentionally
11 humiliate, demean, subjugate, punish, exploit, and cause emotional distress to Plaintiffs.

12 93. Ultimately, in order to further silence and punish Plaintiffs and in retaliation for
13 their complaints and objections, Defendants wrongfully terminated the employment of Plaintiffs
14 HANSELMAN, RAO, and NASON in October 2020.

15 94. The reasons provided for their termination were entirely false, pretextual,
16 inconsistent and contradictory. Plaintiffs had no prior write-ups or disciplinary history and were
17 not provided any progressive discipline. Nor were their positions eliminated. Employees of
18 Hyperion who did not complain about or object to Defendants’ unlawful conduct were not
19 terminated.

20 95. Understandably, in order to safeguard their health and safety, Plaintiffs CAZARES
21 and SANDELMAN were forced to resign their employment on or about September and October
22 2020.

23 96. As a result of Defendants’ misconduct described herein, Plaintiffs suffered, and
24 continues to suffer, emotional distress, embarrassment, loss of self-esteem, disgrace, humiliation
25 and loss of enjoyment of life, and have sustained loss of earnings and earning capacity. In fact,
26 ever since their wrongful and retaliatory termination, Plaintiffs’ physical and mental well-being
27 have deteriorated.

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1 **FIRST CAUSE OF ACTION**

2 **Sexual Discrimination in Violation of Cal. Gov. § 12940 et seq.**

3 **(By Plaintiffs Perez, Tabone, Sandelman, and Nason Against Hyperion Defendants)**

4 97. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
5 allegation contained in Paragraphs 1 through 96, inclusive, as though set forth in full herein.

6 98. At all relevant times, the Hyperion Defendants, and each of them, were employers
7 within the meaning of Cal. Gov. Code § 12926(d), and, as such, barred from discriminating,
8 harassing, and/or retaliating in employment decisions on the basis of gender, as set forth in Cal.
9 Gov. Code § 12940.

10 99. As alleged herein, the Hyperion Defendants, and each of them, intentionally,
11 knowingly, and recklessly engaged in a pattern and practice of discriminating against Plaintiffs
12 Perez, Tabone, Sandelman, and Nason on the basis of their gender, by subjecting Plaintiff to
13 harassment, hostility, and sexual misconduct because of their gender.

14 100. The Hyperion Defendants failed to exercise reasonable care to prevent and
15 promptly correct the sexually harassing and discriminatory behavior.

16 101. As a direct and proximate result of Defendants' aforementioned conduct, Plaintiffs
17 Perez, Tabone, Sandelman, and Nason have suffered and continue to suffer losses in earnings and
18 job benefits, in an amount to be proven at trial.

19 102. As a further direct and proximate result of Defendants' aforementioned conduct,
20 Plaintiffs Perez, Tabone, Sandelman, and Nason suffered anxiety, worry, embarrassment,
21 humiliation, injury to their professional reputation, mental anguish, and emotional distress, in an
22 amount to be proven at trial. Plaintiffs Perez, Tabone, Sandelman, and Nason are further entitled
23 to recover reasonable attorney's fees, costs, and pre-judgment interest in connection with this
24 matter.

25 103. Defendants committed the acts herein alleged maliciously and fraudulently, with
26 the wrongful intention of injuring Plaintiffs Perez, Tabone, Sandelman, and Nason with an
27 improper and evil motive rising to the level of malice, in conscious disregard of Plaintiffs' rights.
28 Because the acts taken towards Plaintiffs Perez, Tabone, Sandelman, and Nason were carried out

1 by managerial employees acting in a despicable, deliberate, cold, callous, and intentional manner
2 in order to injure and damage Plaintiffs, Plaintiffs Perez, Tabone, Sandelman, and Nason entitled
3 to recover punitive damages from the Hyperion Defendants.

4 **SECOND CAUSE OF ACTION**

5 **Sexual Discrimination in Violation of Cal. Gov. § 12940 et seq.**

6 **(By Plaintiffs Perez, Tabone, Sandelman, and Nason Against All Defendants)**

7 104. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
8 allegation contained in Paragraphs 1 through 103, inclusive, as though set forth in full herein.

9 105. At all relevant times, Defendants were employers within the meaning of Cal. Gov.
10 Code § 12926(d), and, as such, barred from discriminating, harassing, and/or retaliating in
11 employment decisions on the basis of gender, as set forth in Cal. Gov. Code § 12940. Plaintiffs
12 Perez, Tabone, Sandelman, and Nason were employees of Defendants.

13 106. As alleged herein, Defendants, including their direct supervisor and Hyperion CEO
14 Defendant ANGELO KAFANTARIS, sexually harassed Plaintiffs Perez, Tabone, Sandelman, and
15 Nason on the basis of their gender, including, without limitation, making unwanted sexual
16 advances and engaging in unwanted verbal and physical conduct of a sexual nature. Plaintiffs'
17 terms of employment, job benefits, and/or favorable working conditions were made contingent, by
18 words or conduct, on Plaintiffs' acceptance of Defendants' sexual advances or conduct.

19 107. Defendants knew or reasonably should have known of the harassers' conduct, but
20 failed to take any immediate and appropriate corrective action.

21 108. Defendants failed to exercise reasonable care to prevent and promptly correct the
22 sexually harassing and discriminatory behavior.

23 109. As a direct and proximate result of Defendants' aforementioned conduct, Plaintiffs
24 Perez, Tabone, Sandelman, and Nason have suffered and continues to suffer losses in earnings and
25 job benefits, in an amount to be proven at trial.

26 110. As a further direct and proximate result of Defendants' aforementioned conduct,
27 Plaintiffs Perez, Tabone, Sandelman, and Nason suffered anxiety, worry, embarrassment,
28 humiliation, injury to their professional reputation, mental anguish, and emotional distress, in an

1 amount to be proven at trial. Plaintiffs Perez, Tabone, Sandelman, and Nason are further entitled
2 to recover reasonable attorney's fees, costs, and pre-judgment interest in connection with this
3 matter.

4 111. Defendants committed the acts herein alleged maliciously and fraudulently, with
5 the wrongful intention of injuring Plaintiffs Perez, Tabone, Sandelman, and Nason and with an
6 improper and evil motive rising to the level of malice, in conscious disregard of Plaintiffs' rights.
7 Because the acts taken towards Plaintiffs Perez, Tabone, Sandelman, and Nason were carried out
8 by managerial employees acting in a despicable, deliberate, cold, callous, and intentional manner
9 in order to injure and damage Plaintiff, Plaintiffs Perez, Tabone, Sandelman, and Nason are
10 entitled to recover punitive damages from Defendants.

11 **THIRD CAUSE OF ACTION**

12 **Age Discrimination in Violation of Cal. Gov. § 12940 et seq.**

13 **(By Plaintiffs Sandelman and Nason Against Hyperion Defendants)**

14 112. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
15 allegation contained in Paragraphs 1 through 111, inclusive, as though set forth in full herein.

16 113. At all relevant times, the Hyperion Defendants, and each of them, were employers
17 within the meaning of Cal. Gov. Code § 12926(d), and, as such, barred from discriminating,
18 harassing, and/or retaliating in employment decisions on the basis of age, as set forth in Cal. Gov.
19 Code § 12940.

20 114. As alleged herein, the Hyperion Defendants, and each of them, intentionally,
21 knowingly, and recklessly engaged in a pattern and practice of discriminating against Plaintiffs
22 Sandelman and Nason on the basis of their age, by subjecting Plaintiff to harassment, hostility,
23 and misconduct because of their age, including, without limitation, to wrongfully terminating
24 them.

25 115. The Hyperion Defendants failed to exercise reasonable care to prevent and
26 promptly correct the age-based harassing and discriminatory behavior.

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1 122. Defendants knew or reasonably should have known of the harassers' conduct, but
2 failed to take any immediate and appropriate corrective action.

3 123. Defendants failed to exercise reasonable care to prevent and promptly correct the
4 harassing and discriminatory behavior.

5 124. As a direct and proximate result of Defendants' aforementioned conduct, Plaintiffs
6 Sandelman and Nason have suffered and continues to suffer losses in earnings and job benefits, in
7 an amount to be proven at trial.

8 125. As a further direct and proximate result of Defendants' aforementioned conduct,
9 Plaintiffs Sandelman and Nason suffered anxiety, worry, embarrassment, humiliation, injury to
10 their professional reputation, mental anguish, and emotional distress, in an amount to be proven at
11 trial. Plaintiffs Sandelman and Nason are further entitled to recover reasonable attorney's fees,
12 costs, and pre-judgment interest in connection with this matter.

13 126. Defendants committed the acts herein alleged maliciously and fraudulently, with
14 the wrongful intention of injuring Plaintiffs Sandelman and Nason and with an improper and evil
15 motive rising to the level of malice, in conscious disregard of Plaintiffs' rights. Because the acts
16 taken towards Plaintiffs Sandelman and Nason were carried out by managerial employees acting
17 in a despicable, deliberate, cold, callous, and intentional manner in order to injure and damage
18 Plaintiff, Plaintiffs Sandelman and Nason are entitled to recover punitive damages from
19 Defendants.

20 **FIFTH CAUSE OF ACTION**

21 **Failure to Take All Reasonable Steps to Prevent Harassment, Discrimination, an**

22 **Retaliation in Violation of Cal. Gov. § 12940(j)(1) and (k)**

23 **(By All Plaintiffs Against All Defendants)**

24 127. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
25 allegation contained in Paragraphs 1 through 126, inclusive, as though set forth in full herein.

26 128. As alleged herein, Plaintiffs were employees of Defendants. Plaintiffs were
27 subjected to harassment, discrimination, and retaliation in the course of their employment with
28 Defendants.

1 129. As alleged herein, Defendants, and each of them, were aware of the unwelcome,
2 severe, pervasive, and unlawful conduct of Hyperion's Founder and CEO, Defendant ANGELO
3 KAFANTARIS.

4 130. Defendants, and each of them, failed to take all reasonable steps to prevent
5 Defendants' employees and agents from engaging in ongoing harassment, discrimination, and
6 retaliation.

7 131. In perpetrating the above-described conduct, Defendants, and each of them,
8 engaged in a pattern, practice, policy, and custom of harassment, discrimination, and retaliation.
9 Said conduct on the part of Defendants violated Cal. Gov. Code § 12940(j)(1) and (k).

10 132. As a direct and proximate result of Defendants' aforementioned conduct, Plaintiff
11 suffered embarrassment, humiliation, injury to their professional reputation, mental anguish, and
12 emotional distress, in an amount to be proven at trial. Plaintiffs are further entitled to recover
13 reasonable attorney's fees, costs, and pre-judgment interest.

14 **SIXTH CAUSE OF ACTION**

15 **Negligent Supervision, Hiring, And Retention**

16 **(By All Plaintiffs Against All Defendants)**

17 133. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
18 allegation contained in Paragraphs 1 through 132, inclusive, as though set forth in full herein.

19 134. As alleged herein, Defendants, and each of them, and/or their managerial
20 employees or agents knew or reasonably should have known that employees of Defendants were
21 engaging in the unlawful harassing, discriminatory, and retaliatory conduct alleged herein.

22 135. Defendants, and each of them, knew or should have known that their employees,
23 including but not limited to Hyperion's Founder and CEO, Defendant ANGELO KAFANTARIS,
24 had a history of engaging in unlawful or dangerous conduct that could cause injury to Plaintiffs
25 and others, yet failed to take any action to prevent such injury.

26 136. At all relevant times, Defendants, and each of them, and/or their managerial
27 employees or agents knew or reasonably should have known that the conduct and omissions
28 alleged herein violated Plaintiffs' rights under state statutes and common law.

1 137. At all relevant times, Defendants, and each of them, and/or their managerial
2 employees or agents knew or reasonably should have known that the conduct alleged herein would
3 and did proximately result in physical injury and emotional distress to Plaintiffs. The injuries
4 include but are not limited to anxiety, worry, embarrassment, mental anguish, emotional distress,
5 sleeplessness, headaches, tension, depression, and humiliation.

6 138. At all relevant times, Defendants, and each of them, and/or their managerial
7 employees or agents knew or reasonably should have known that unless they intervened to protect
8 Plaintiffs, and adequately supervise, prohibit, control, regulate, discipline and/or other penalize the
9 conduct of Defendants' employees as alleged herein, other Defendants and Defendants' employees
10 perceived the conduct and omissions as being ratified and condoned.

11 139. At all relevant times, the negligent failure of Defendants to protect Plaintiffs, and to
12 supervise, prohibit, control, regulate, discipline, and/or otherwise penalize adequately the conduct
13 and omissions of Defendants' employees violated Plaintiffs' rights under state statutes and
14 common law and was a substantial factor in causing Plaintiffs' harm, as alleged herein.

15 **SEVENTH CAUSE OF ACTION**

16 **Retaliation in Violation of Cal. Gov. § 12940, et seq.**

17 **(By All Plaintiffs Against All Defendants)**

18 140. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
19 allegation contained in Paragraphs 1 through 139, inclusive, as though set forth in full herein.

20 141. Defendants' harassment, discrimination and retaliation against Plaintiffs because of
21 their protected activities were in violation of Government Code § 12940(h), Labor Code § 232.5,
22 and/or Title 2 California Administrative Code §§ 7287.6, 7287.7, and 7287.8, and in violation of
23 the common law in abrogation of Plaintiffs' rights.

24 142. As alleged herein, Plaintiffs engaged in protected activities by, *inter alia*,
25 complaining to Defendants regarding sexual and age-based harassment and discrimination; wage
26 theft and wage and hour violations; and fraudulent, illegal, and unsafe acts and omissions at the
27 Hyperion workplace.

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1 143. Subsequent to Plaintiffs' complaints, requests, and disclosures, Defendants
2 retaliated against Plaintiffs with intense harassment, threats, disparagement, intimidation,
3 demotion, and wrongful termination.

4 144. Plaintiffs' complaints, requests, and disclosures were a substantial motivating
5 reason for Defendants' harassment, threats, disparagement, intimidation, and wrongful
6 termination.

7 145. A causal connection exists between Plaintiffs' protected activities, including her
8 complaints, requests, and disclosures, and Defendants' retaliatory treatment of Plaintiffs and
9 retaliation termination of Plaintiffs' employment. The actions of Defendants were caused by and
10 in retaliation for the protected activities of Plaintiffs, as alleged herein.

11 146. As a direct and proximate result of Defendants' conduct as described herein,
12 Plaintiffs suffered and continue to suffer loss of earnings and other employment benefits, mental
13 and emotional distress, anxiety, humiliation, embarrassment and damage to their reputation and
14 career, the exact amount of which is currently not fully ascertained but which will be established
15 according to proof at the time of trial herein.

16 147. Defendants committed the acts herein alleged willfully, maliciously, oppressively,
17 with the wrongful intention of injuring Plaintiffs and with an improper and evil motive rising to
18 the level of malice, in conscious disregard of Plaintiffs' rights. Because the acts taken towards
19 Plaintiffs were carried out by managerial employees acting in a despicable, deliberate, cold,
20 callous, and intentional manner in order to injure and damage Plaintiffs, Plaintiffs are entitled to
21 recover punitive damages from Defendants in an amount sufficient to punish and set an example
22 of Defendants for their conduct and to deter Defendants and others from the commission of similar
23 acts in the future.

24 **EIGHTH CAUSE OF ACTION**

25 **Retaliation in Violation of Cal. Labor Code § 1102.5**

26 **(By All Plaintiffs Against All Defendants)**

27 148. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
28 allegation contained in Paragraphs 1 through 147, inclusive, as though set forth in full herein.

1 149. Section 1102.5(a) of the California Labor Code prohibits employers from
2 preventing employees from disclosing a violation of state or federal statute to a person with
3 authority over the employee, or to another employee who has authority to investigate, discover, or
4 correct the violation or noncompliance.

5 150. Section 1102.5(b) of the California Labor Code makes it illegal for an employer to
6 “retaliate against an employee for disclosing information to...a person with authority over the
7 employee or another employee who has the authority to investigate, discover, or correct the
8 violation...if the employee has reasonable cause to believe that the information discloses a
9 violation of state or federal statute, or a violation or noncompliance with a state or federal rule or
10 regulation.”

11 151. Section 1102.5(f) of the California Labor Code provides that “[i]n addition to other
12 penalties, an employer that is a corporation or limited liability company is liable for a civil penalty
13 not exceeding ten thousand dollars (\$10,000) for each violation of this section.”

14 152. As set forth more fully above, Plaintiffs complained to their supervisors,
15 Hyperion’s management, and to OSHA, about various violations of law and the retaliation that
16 they suffered as a result of the complaints.

17 153. Plaintiffs reasonably believed that the aforementioned complaints that Plaintiffs
18 made disclosed violations of local, state and federal statutes, rules, and regulations.

19 154. Defendants retaliated against Plaintiffs with personal threats, harassment,
20 demotion, and ultimately, termination of Plaintiffs’ employment, as well as other adverse
21 employment actions.

22 155. Plaintiffs’ disclosures and complaints of Hyperion’s violations of local, state and
23 federal statutes, rules, and regulations were contributing factors in causing the adverse
24 employment actions suffered by Plaintiffs.

25 156. As a proximate result of the actions complained of herein, Plaintiffs have suffered
26 and continue to suffer losses of past and future earnings, and other benefits of employment, all to
27 Plaintiffs’ damage in an amount according to proof at trial.

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1 157. As a further proximate result of the actions complained of herein, Plaintiffs have
2 suffered and continue to suffer severe and lasting emotional distress, humiliation, embarrassment
3 and mental anguish, all to Plaintiffs' damage in an amount according to proof at trial.

4 158. As a further proximate result of actions complained of herein, Plaintiffs have
5 suffered and continue to suffer serious harm to Plaintiffs' professional reputation and credibility,
6 all to Plaintiffs' damage in an amount according to proof at trial.

7 159. As a result of the unlawful conduct described herein, Plaintiffs, pursuant to Labor
8 Code § 1021.5, are entitled to costs of suit, including reasonable attorney's fees, in an amount
9 according to proof at trial.

10 160. Plaintiffs are also entitled to statutory penalties under the California Labor Code.

11 161. Defendants are guilty of oppression of, and of malice toward, Plaintiffs, and
12 Defendants' managing agents authorized or ratified this wrongful conduct. The conduct was
13 intended to cause injury to Plaintiffs and was despicable conduct carried on with a willful and
14 conscious disregard of the rights of Plaintiffs and subjected Plaintiffs to cruel and unjust hardship
15 in conscious disregard of Plaintiffs' rights. An award of punitive damages against Defendants is
16 therefore warranted under Civil Code § 3294.

17 **NINTH CAUSE OF ACTION**

18 **Retaliation in Violation of Public Policy, Cal. Labor Code § 232.5**

19 **(By All Plaintiffs Against All Defendants)**

20 162. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
21 allegation contained in Paragraphs 1 through 161, inclusive, as though set forth in full herein.

22 163. It is against the public policy of California to discipline or otherwise discriminate
23 against an employee who discloses information about the employer's working conditions. Cal.
24 Labor Code § 232.5(c).

25 164. As set forth more fully above, Plaintiffs complained to their supervisors, to
26 Hyperion's senior executives, and to OSHA about their working conditions, various violations of
27 law, and the retaliation that they suffered as a result of Plaintiffs' complaints.

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1 165. Defendants retaliated with personal threats, harassment, demotion, and ultimately,
2 termination of Plaintiffs' employment.

3 166. As a proximate result of the actions complained of herein, Plaintiffs have suffered
4 and continue to suffer losses of past and future earnings, and other benefits of employment, all to
5 Plaintiffs' damage in an amount according to proof at trial.

6 167. As a further proximate result of the actions complained of herein, Plaintiffs have
7 suffered and continue to suffer severe and lasting emotional distress, humiliation, embarrassment
8 and mental anguish, all to Plaintiffs' damage in an amount according to proof at trial.

9 168. As a further proximate result of actions complained of herein, Plaintiffs have
10 suffered and continue to suffer serious harm to Plaintiff's professional reputation and credibility,
11 all to Plaintiff's damage in an amount according to proof at trial.

12 169. As a result of the unlawful conduct described herein, Plaintiffs are entitled to costs
13 of suit, including reasonable attorney's fees, in an amount according to proof at trial.

14 170. Defendants are guilty of oppression and of malice toward Plaintiffs, and
15 Defendants' managing agents authorized or ratified this wrongful conduct. The conduct was
16 intended to cause injury to Plaintiffs and was despicable conduct carried on with a willful and
17 conscious disregard of the rights of Plaintiffs and subjected Plaintiffs to cruel and unjust hardship
18 in conscious disregard of Plaintiffs' rights. An award of punitive damages against Defendants is
19 therefore warranted under Civil Code § 3294.

20 **TENTH CAUSE OF ACTION**

21 **Breach of Oral Contract**

22 **(By Plaintiff Nason Against All Defendants)**

23 171. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
24 allegation contained in Paragraphs 1 through 170, inclusive, as though set forth in full herein.

25 172. Plaintiff NASON and Defendants entered into an oral contract, Plaintiff NASON's
26 interview and hiring process with Hyperion, whereby Defendants promised Plaintiff NASON
27 shares of equity in Hyperion in exchange for Plaintiff's NASON's agreement to accept \$25 per
28 hour as below market compensation instead of at least \$120 per hour that Plaintiff NASON was

1 entitled to given his experience. Plaintiff NASON agreed, and Hyperion agreed to keep track of
2 Plaintiff NASON's hours and issue stock equal to the hourly compensation.

3 173. Plaintiff NASON has performed all conditions, covenants, promises, and
4 obligations required on Plaintiff's part to be performed in accordance with the terms and
5 conditions of said agreements, except those conditions, covenants, promises, and obligations that
6 Plaintiff were prevented or excused from performing.

7 174. Defendants materially breached said agreement by failing to deliver to Plaintiff
8 NASON the promised equity in Hyperion.

9 175. As a direct and proximate result of Defendants' breach of said agreement, Plaintiff
10 NASON has incurred substantial damages. When Plaintiff NASON has ascertained the full
11 amount of his damages, Plaintiff NASON will seek leave of this Court to amend this Complaint
12 accordingly.

13 **ELEVENTH CAUSE OF ACTION**

14 **Breach of Implied Contract**

15 **(By Plaintiff Nason Against All Defendants)**

16 176. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
17 allegation contained in Paragraphs 1 through 175, inclusive, as though set forth in full herein.

18 177. Plaintiff NASON and Defendants entered into an implied contract, Plaintiff
19 NASON's interview and hiring process with Hyperion, whereby Defendants promised Plaintiff
20 NASON shares of equity in Hyperion in exchange for Plaintiff's NASON's agreement to accept
21 \$25 per hour as below market compensation instead of at least \$120 per hour that Plaintiff
22 NASON was entitled to given his experience. Plaintiff NASON agreed, and Hyperion agreed to
23 keep track of Plaintiff NASON's hours and issue stock equal to the hourly compensation.

24 178. As a result thereof, Plaintiff NASON provided highly valuable services for
25 Defendants. Defendants assured Plaintiff NASON on repeated occasions that Defendants
26 understood that Plaintiff NASON was being underpaid for his services but that Plaintiff NASON
27 would be compensated in equity.

28 ///

1 179. As a result of the above allegations and the relationship that existed between
2 Plaintiff NASON and Defendants and the conduct of Plaintiff and Defendants, there was an
3 implied contract (the “Implied Agreement”) between Plaintiff NASON and Defendants whereby
4 Plaintiff NASON would continue to provide the highly valuable services requested by Defendants,
5 and Defendants would pay Plaintiffs at least the value of said services in the form of equity in
6 Hyperion.

7 180. In reasonable reliance on Defendants’ promises and representations, Plaintiff
8 NASON continued to provide said services to Defendants, and Defendants accepted said services.

9 181. Defendants knew or had reason to know that Plaintiff NASON understood
10 Defendants’ conduct as consent to the Implied Agreement.

11 182. Plaintiff NASON has performed all conditions, covenants, promises, and
12 obligations required on Plaintiffs’ part to be performed in accordance with the terms and
13 conditions of the Implied Agreement, except those conditions, covenants, promises, and
14 obligations that Plaintiff NASON were prevented or excused from performing.

15 183. Defendants materially breached the Implied Agreement by failing to compensate
16 Plaintiff NASON in equity in Hyperion.

17 184. As a direct and proximate result of Defendants’ breach of the Implied Agreement,
18 Plaintiff NASON incurred substantial damages in an amount to be proven at trial. When Plaintiff
19 NASON has ascertained the full amount of their damages, Plaintiff will seek leave of this Court to
20 amend this Complaint accordingly.

21 **TWELFTH CAUSE OF ACTION**

22 **Breach of the Covenant of Good Faith and Fair Dealing**

23 **(By Plaintiff Nason Against All Defendants)**

24 185. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
25 allegation contained in Paragraphs 1 through 184, inclusive, as though set forth in full herein.

26 186. Every contract imposes upon each party a duty of good faith and fair dealing in its
27 performance and its enforcement. This implied covenant of good faith and fair dealing required
28 that no party will do anything that will have the effect of impairing, destroying, or injuring the

1 rights of the other party to receive the benefits of their agreement. The covenant implies that in all
2 contracts each party will do all things reasonably contemplated by the terms of the contract to
3 accomplish its purpose. This covenant protects the benefits of the contract that the parties
4 reasonably contemplated when they entered into the agreement.

5 187. Plaintiff NASON and Defendants entered into the agreements alleged hereinabove,
6 each of which imposed upon Plaintiff NASON and Defendants a covenant of good faith and fair
7 dealing in this matter.

8 188. Plaintiff NASON did all, or substantially all of the significant things, that the
9 agreements required Plaintiff NASON to do.

10 189. All conditions required for Defendants' performance under each of the agreements
11 have occurred.

12 190. Defendants unfairly interfered with Plaintiff NASON's right to receive all benefits
13 of the agreements and materially breached the covenant of good faith and fair dealing by failing to
14 compensate Plaintiff NASON pursuant to their agreements.

15 191. Instead, Defendants intentionally induced Plaintiff NASON to provide valuable
16 services for inadequate compensation in reliance on false promises and representations by
17 Defendants, as set forth herein.

18 192. As a result of the actions alleged herein, Defendants have materially breached the
19 covenant of good faith and fair dealing contained in the agreements as against Plaintiff NASON.

20 193. As a direct and proximate result of Defendants' breach of the covenant of good
21 faith and fair dealing, Plaintiff NASON has incurred substantial damages in an amount to be
22 proven at trial. When Plaintiff NASON has ascertained the full amount of his damages, Plaintiff
23 will seek leave of this Court to amend this Complaint accordingly.

24 **THIRTEENTH CAUSE OF ACTION**

25 **Fraud**

26 **(By Plaintiff Nason Against All Defendants)**

27 194. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
28 allegation contained in Paragraphs 1 through 193, inclusive, as though set forth in full herein.

1 195. As set forth herein, Defendants induced Plaintiff NASON to provide Hyperion with
2 highly valuable services for inadequate compensation, by making repeated false representations.
3 Specifically, during Plaintiff NASON's interview and hiring process with Hyperion, Defendants
4 promised Plaintiff NASON shares of equity in Hyperion in exchange for Plaintiff's NASON's
5 agreement to accept \$25 per hour as below market compensation instead of at least \$120 per hour
6 that Plaintiff NASON was entitled to given his experience. Plaintiff NASON relied on those false
7 representations, and Hyperion agreed to keep track of Plaintiff NASON's hours and issue stock
8 equal to the hourly compensation.

9 196. At the time Defendants made these promises and representations, the promises and
10 representations were false and Defendants did not intend to honor the promises.

11 197. Instead, Defendants intentionally induced Plaintiff NASON to provide the highly
12 valuable services for inadequate compensation in reliance on false promises and representations by
13 Defendants, as set forth herein. Further, said representations and promises constituted material
14 inducements for Plaintiff NASON to provide said services to Defendants.

15 198. As a result of Defendants' representations, Plaintiff NASON continued providing
16 said services.

17 199. The representations and promises alleged hereinabove were false, and were known
18 by Defendants to be false when they were made to Plaintiff NASON in that Defendants never had
19 any intention of paying Plaintiff NASON what Defendants had promised to pay in the form of
20 equity in Hyperion.

21 200. Plaintiff NASON actually, reasonably, and justifiably relied upon Defendants'
22 representations and promises. But for the representations and promises alleged hereinabove,
23 Plaintiff NASON would not have provided years of service to Defendants for inadequate
24 compensation.

25 201. Defendants' misrepresentations and false promises alleged hereinabove were made
26 with the intent to defraud, deceive and manipulate Plaintiff NASON and to induce him to provide
27 years of services to Defendants for inadequate compensation.

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1 209. However, Defendants' representations and promises were not fulfilled. Instead,
2 Defendants accepted and benefited from years of Plaintiff NASON's services.

3 210. As a proximate cause and direct result of Defendants' misrepresentations and false
4 promises, Plaintiff NASON has incurred substantial damages. When Plaintiff NASON has
5 ascertained the full amount of his damages, Plaintiff will seek leave of this Court to amend this
6 Complaint accordingly.

7 **FIFTEENTH CAUSE OF ACTION**

8 **Quantum Meruit**

9 **(By Plaintiff Nason Against All Defendants)**

10 211. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
11 allegation contained in Paragraphs 1 through 210, inclusive, as though set forth in full herein.

12 212. For more than two years, Plaintiff NASON provided highly valuable services to
13 Defendants for inadequate compensation, based upon the repeated promises and representations of
14 Defendants.

15 213. Plaintiff NASON provided these services at the request of Defendants for the
16 benefit of Defendants.

17 214. Defendants knew that these services were being provided by Plaintiff NASON, and
18 Defendants accepted, used, enjoyed, and benefited from the services provided by Plaintiff
19 NASON.

20 215. Defendants have failed and refused to pay Plaintiff NASON for the full, reasonable
21 value of Plaintiff NASON's services.

22 216. As a proximate cause and direct result of Defendants' failure and refusal to pay
23 Plaintiff NASON for the full, reasonable value of Plaintiff NASON's services, Plaintiff has been
24 damaged in the amount to be proven at the time of trial.

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1 **SIXTEENTH CAUSE OF ACTION**

2 **Wrongful Termination in Violation of Public Policy**

3 **(By All Plaintiffs Against Hyperion Defendants)**

4 217. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
5 allegation contained in Paragraphs 1 through 216, inclusive, as though set forth in full herein.

6 218. The well-established public policy of the State of California prohibits an employer
7 from terminating an employee due to, *inter alia*, the employee's gender or age, the employee's
8 objections about sexual harassment and discrimination, and/or complaints related to the
9 employer's violations of California law. That policy is expressed in Cal. Gov. Code §§ 12900, *et*
10 *seq.*

11 219. As alleged herein, Defendants terminated Plaintiffs' employment due to Plaintiffs'
12 gender and/or age, as well as Plaintiffs' complaints regarding Defendants' misconduct, including,
13 without limitation, sexual and age-based harassment and discrimination; wage theft and wage and
14 hour violations; and fraudulent, illegal, and unsafe acts and omissions at the Hyperion workplace.

15 220. Plaintiffs were terminated, at least in part, because of these violations of law and/or
16 their complaints and findings of violations of such. Defendants' explanations for the termination
17 of Plaintiffs are pretextual and untrue.

18 221. The above-described conduct of Defendants constitutes wrongful termination of
19 Plaintiffs in violation of well-established, substantial and fundamental public policies of the State
20 of California.

21 222. As a direct and proximate result of Defendants' aforementioned conduct and the
22 termination of Plaintiffs, Plaintiffs have suffered and continues to suffer losses in earnings and job
23 benefits, in an amount to be proven at trial.

24 223. As a further direct and proximate result of Defendants' aforementioned conduct
25 and the termination of Plaintiffs, Plaintiffs suffered anxiety, worry, embarrassment, humiliation,
26 injury to their professional reputation, mental anguish, and emotional distress, in an amount to be
27 proven at trial. Plaintiffs are further entitled to recover reasonable attorney's fees, costs, and pre-
28 judgment interest.

1 229. Defendants, and each of them, created and/or permitted the creation of said
2 intolerable working conditions with the specific and malicious intent to compel Plaintiffs to resign
3 their positions with Defendants.

4 230. These working conditions were so intolerable that a reasonable person in Plaintiffs'
5 positions would have had no reasonable alternative except to resign.

6 231. As a direct and proximate result of said intolerable working conditions, Plaintiffs
7 were compelled to resign their positions with Defendants.

8 232. As a further direct and proximate result of Defendants' aforementioned conduct
9 and the constructive termination of Plaintiffs, Plaintiffs have suffered and continue to suffer losses
10 in earnings and job benefits, in an amount to be proven at trial.

11 233. As a further direct and proximate result of Defendants' aforementioned conduct
12 and the constructive termination of Plaintiffs, Plaintiffs suffered anxiety, worry, embarrassment,
13 humiliation, injury to their professional reputation, mental anguish, and emotional distress, in an
14 amount to be proven at trial. Plaintiffs are further entitled to recover reasonable attorney's fees,
15 costs, and pre-judgment interest.

16 234. Defendants committed the acts herein alleged maliciously and fraudulently, with
17 the wrongful intention of injuring Plaintiffs and with an improper and evil motive rising to the
18 level of malice, in conscious disregard of Plaintiffs' rights. Because the acts taken towards
19 Plaintiffs were carried out by managerial employees acting in a despicable, deliberate, cold,
20 callous, and intentional manner in order to injure and damage Plaintiffs, Plaintiffs are entitled to
21 recover punitive damages from Defendants.

22 **EIGHTEENTH CAUSE OF ACTION**

23 **Intentional Infliction of Emotional Distress**

24 **(By All Plaintiffs Against All Defendants)**

25 235. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
26 allegation contained in Paragraphs 1 through 234, inclusive, as though set forth in full herein.

27 236. As alleged hereinabove, during Plaintiffs' employment, Defendants repeatedly
28 mistreated Plaintiffs in an extreme and outrageous manner by, among other things, harassing,

1 discriminating, threatening Plaintiffs' personal safety, unwanted physical conduct, defaming,
2 berating, verbally assaulting, intimidating, disparaging, belittling, name-calling, and retaliating
3 against Plaintiffs.

4 237. Defendants had no legitimate business purpose for this degrading treatment, which
5 included verbal threats, unwanted physical conduct, humiliation, and disparate treatment.

6 238. Defendants intentionally mistreated Plaintiffs in such an extreme and outrageous
7 manner so that they would be emotionally harmed by this hurtful conduct.

8 239. Defendants' conduct as alleged herein was extreme, outrageous, and an abuse of
9 Defendants' authority and position because it was intentionally and maliciously done to cause, and
10 recklessly disregarded the probability of causing, Plaintiffs to suffer anxiety, worry,
11 embarrassment, humiliation, mental anguish, and emotional distress.

12 240. As a direct and proximate result of Defendants' conduct, Plaintiffs have suffered
13 anxiety, worry, embarrassment, humiliation, mental anguish, and emotional distress, for which
14 Plaintiffs are received medical or psychological treatment.

15 241. Defendants committed the acts herein alleged maliciously and fraudulently, with
16 the wrongful intention of injuring Plaintiffs and with an improper and evil motive rising to the
17 level of malice, in conscious disregard of Plaintiffs' rights. Because the acts taken towards
18 Plaintiffs were carried out by managerial employees acting in a despicable, deliberate, cold,
19 callous, and intentional manner in order to injure and damage Plaintiffs, Plaintiffs are entitled to
20 recover punitive damages from Defendants. Defendants abused their special positions as
21 Plaintiffs' employer.

22 **NINETEENTH CAUSE OF ACTION**

23 **Violation Failure To Pay Overtime Compensation**

24 **(Labor Code §§ 510, 1194, 1198)**

25 **(By All Plaintiffs Against All Defendants)**

26 242. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
27 allegation contained in Paragraphs 1 through 241, inclusive, as though set forth in full herein.

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1 243. At all times herein set forth, Cal. Labor Code § 218 authorizes employees to sue
2 their employers directly for any wages or penalties due to them under this article of the California
3 Labor Code.

4 244. At all times herein set forth, Cal. Labor Code § 1198 provides that it is unlawful to
5 employ persons for longer than the hours set by the Industrial Welfare Commission (hereinafter,
6 “IWC”).

7 245. At all times herein set forth, IWC Wage Order 7-2001(3)(A), which is applicable to
8 Plaintiffs’ employment by Defendants, provides that employees working more than eight (8) hours
9 in one (1) day, and/or more than forty (40) hours in one (1) workweek, are entitled to payment at
10 the rate of one-and-one half (1 1/2) his or her regular rate of pay for all hours worked in excess of
11 eight (8) hours in one (1) day or more than forty (40) hours in one (1) work week. An employee
12 who works more than twelve (12) hours in one (1) day is entitled to overtime compensation at a
13 rate of twice his or her regular rate of pay.

14 246. Cal. Labor Code § 510 codifies the right to overtime compensation at the rate of
15 one-and-one half (1 1/2) the regular rate of pay for all hours worked in excess of eight (8) hours in
16 one (1) day or more than forty (40) hours in one (1) work week, or for the first eight (8) hours
17 worked on the seventh day of work, and to overtime compensation at twice the regular rate for
18 hours worked in excess of twelve (12) hours in one (1) day or in excess of eight (8) hours on the
19 seventh day of work.

20 247. During their employment with Defendants, Plaintiffs routinely worked in excess of
21 eight (8) hours in one (1) work day and forty (40) hours in one (1) work week.

22 248. However, during the relevant time period, Defendants failed and refused to pay all
23 premium overtime wages owed to Plaintiffs.

24 249. Defendants’ failure and refusal to pay Plaintiffs the unpaid balance of premium
25 overtime compensation, as required by California law, violates the provisions of Cal. Labor Code
26 §§ 510 and 1198, and is therefore unlawful.

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1 250. Pursuant to Cal. Labor Code § 1194, Plaintiffs are entitled to recover from
2 Defendants Plaintiffs' unpaid overtime compensation, as well as interest at the maximum legal
3 rate, costs, and attorney's fees.

4 251. Pursuant to Cal. Labor Code § 558, Plaintiffs are entitled to recover from
5 Defendants fifty dollars (\$50.00) for each pay period for which Plaintiffs were underpaid in
6 addition to an amount sufficient to recover underpaid wages and for each subsequent violation,
7 one hundred dollars (\$100.00) for each pay period for which Plaintiffs were underpaid in addition
8 to an amount sufficient to recover underpaid wages.

9 **TWENTIETH CAUSE OF ACTION**

10 **Violation of Cal. Labor Code §§ 226.7(a) and 512(a) – Unpaid Missed Meal Breaks**

11 **(By All Plaintiffs Against All Defendants)**

12 252. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
13 allegation contained in Paragraphs 1 through 251, inclusive, as though set forth in full herein.

14 253. At all times herein set forth, California Labor Code § 218 authorizes employees to
15 sue their employers directly for any wages or penalty due to them under this article of the
16 California Labor Code.

17 254. At all times herein set forth, Labor Code § 226.7(a) provides that no employer shall
18 require an employee to work during any meal period mandated by an applicable order of the
19 Industrial Welfare Commission (the "IWC").

20 255. At all times herein set forth, Labor Code § 512(a) provides that an employer may
21 not employ an employee for a work period of more than five (5) hours per day without providing
22 the employee with a meal period of not less than thirty (30) minutes, except that if the total work
23 period per day is not more than six (6) hours, the meal period may be waived by mutual consent of
24 both the employer and the employee.

25 256. At all times herein set forth, Labor Code § 512(a) further provides that an employer
26 may not employ an employee for a work period of more than ten (10) hours per day without
27 providing the employee with a second meal period of not less than thirty (30) minutes, except that
28 if the total work period per day is not more than twelve (12) hours, the second meal period may be

1 waived by mutual consent of both the employer and the employee, only if the first meal period
2 was not waived.

3 257. During the relevant time period, Plaintiffs were required to work in excess of five
4 (5) hours, without receiving an uninterrupted meal period of not less than thirty (30) minutes.

5 258. During the relevant time period, Plaintiffs were required to work in excess of ten
6 (10) hours, without receiving a second uninterrupted meal period of not less than thirty (30)
7 minutes.

8 259. Defendants fostered a work environment where the taking of uninterrupted thirty
9 (30) minute meal breaks by their employees was prohibited because Defendants were more
10 concerned about their profit margins than their employees' welfare and rights. As such, Plaintiffs
11 could not take any thirty (30) minute uninterrupted meal breaks without the risk of being
12 reprimanded or terminated.

13 260. Defendants' conduct violates Labor Code §§ 226.7(a) and 512(a) and IWC Order
14 No. 1-2001(12), which relates to meal breaks and tracks the language of the Labor Code.

15 261. Pursuant to Labor Code § 226.7(b), Plaintiffs are entitled to recover from
16 Defendants one (1) additional hour of pay at Plaintiffs' regular rate of compensation for each work
17 day that a meal period was not provided, for a three-year statutory period dating back from the
18 commencement of this action.

19 262. Pursuant to Labor Code § 558, Plaintiffs are entitled to recover from Defendants
20 fifty dollars (\$50.00) for each pay period for which Plaintiffs were underpaid in addition to an
21 amount sufficient to recover underpaid wages and for each subsequent violation, one hundred
22 dollars (\$100.00) for each pay period for which Plaintiffs were underpaid in addition to an amount
23 sufficient to recover underpaid wages.

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1 **TWENTY-FIRST CAUSE OF ACTION**

2 **Violation of Cal. Labor Code § 226.7(a) and IWC Wage Order 1-2001(12) –**

3 **Unpaid Missed Rest Breaks**

4 **(By All Plaintiffs Against All Defendants)**

5 263. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
6 allegation contained in Paragraphs 1 through 262, inclusive, as though set forth in full herein.

7 264. At all times herein set forth, Labor Code § 218 authorizes employees to sue their
8 employers directly for any wages or penalty due to them under this article of the California Labor
9 Code.

10 265. At all times herein set forth, Labor Code § 226.7(a) provides that no employer shall
11 require an employee to work during any rest period mandated by an applicable order of the IWC.

12 266. IWC Wage Order No. 1-2001(12), which relates to rest periods and tracks the
13 language of the Labor Code, provides that “Every employer shall authorize and permit all
14 employees to take rest periods, which insofar as practicable shall be in the middle of each work
15 period. The authorized rest period time period shall be based on the total hours worked daily at
16 the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a
17 rest period need not be authorized for employees whose total daily work time is less than three and
18 one-half (3½) hours. Authorized rest period time shall be counted as hours worked for which
19 there shall be no deductions from wages.”

20 267. During the relevant time period, Plaintiffs worked more than three and one-half
21 (3½) hours, more specifically in excess of ten (10) hours per workday, but was not allowed to take
22 paid rest breaks that she was legally entitled to pursuant to IWC Wage Order No. 1-2001(12).

23 268. Defendants’ conduct, as alleged herein, violates IWC Wage Order No. 1-2001(12)
24 and Labor Code § 226.7(a), which provides that no employer shall require any employee to work
25 during any rest period mandated by an applicable order of the IWC.

26 269. Pursuant to IWC Wage Order No. 1-2001(12) and Labor Code § 226.7(b),
27 Plaintiffs are entitled to recover from Defendants one (1) additional hour of pay at Plaintiffs’
28

1 regular rate of compensation for each work day that a rest period was not provided, for a three-
2 year statutory period dating back from the date of the commencement of this action.

3 270. Pursuant to Labor Code § 558, Plaintiffs are entitled to recover from Defendants
4 fifty dollars (\$50.00) for each pay period for which Plaintiffs were underpaid in addition to an
5 amount sufficient to recover underpaid wages and for each subsequent violation, one hundred
6 dollars (\$100.00) for each pay period for which Plaintiffs were underpaid in addition to an amount
7 sufficient to recover underpaid wages.

8 **TWENTY-SECOND CAUSE OF ACTION**

9 **Failure to Reimburse Business Expenses (Labor Code § 2802)**

10 **(By All Plaintiffs Against All Defendants)**

11 271. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
12 allegation contained in Paragraphs 1 through 270, inclusive, as though set forth in full herein.

13 272. At all times herein set forth, Cal. Labor Code § 218 authorizes employees to sue
14 their employers directly for any wages or penalty due to them under this article of the California
15 Labor Code.

16 273. Cal. Labor Code § 2802 provides that an employer shall indemnify its employee for
17 all necessary expenditures or losses incurred by the employee in direct consequence of the
18 discharge of his or her duties, or of his or her obedience to the directions of the employer, even
19 though unlawful, unless the employee, at the time of obeying the directions, believed them to be
20 unlawful.

21 274. In violation of Cal. Labor Code § 2802, Defendants required Plaintiffs to incur and
22 pay for costs and expenses arising from Plaintiffs' employment with Defendants and either
23 deducted such costs and expenses from Plaintiffs' wages or refused to reimburse said reasonably
24 incurred business expenses. As a result, Defendants failed and refused to indemnify Plaintiff for
25 the resulting expenditures and required Plaintiffs to incur losses without indemnification, in
26 violation of Cal. Labor Code § 2802.

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1 275. Pursuant to Cal. Labor Code § 2802, Plaintiffs are entitled to recover from
2 Defendants Plaintiffs' unpaid expenditures, as well as interest at the maximum legal rate, costs,
3 and attorney's fees.

4 **TWENTY-THIRD CAUSE OF ACTION**

5 **Failure to Pay Minimum Wage Compensation**

6 **(Labor Code §§ 1182.11, 1182.12, 1194, 1194.2, 1197)**

7 **(By All Plaintiffs Against All Defendants)**

8 276. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
9 allegation contained in Paragraphs 1 through 275, inclusive, as though set forth in full herein.

10 277. At all times herein set forth, California Labor Code § 1194(a) provides that "any
11 employee receiving less than the legal minimum wage or the legal overtime compensation
12 applicable to the employee is entitled to recover in a civil action the unpaid balance of the full
13 amount of this minimum wage or overtime compensation, including interest thereon, reasonable
14 attorney's fees, and costs of suit."

15 278. During the relevant time period during Plaintiffs' employment with Defendants,
16 Defendants failed to pay Plaintiffs the legal minimum wage and/or the legal overtime
17 compensation.

18 279. Defendants' conduct violates, *inter alia*, Labor Code §§ 1182.11, 1182.12, 1194,
19 1194.2, 1197, and related provisions.

20 280. Pursuant to Labor Code § 1194.2(a), Plaintiffs are entitled to recover from
21 Defendants to "recover liquidated damages in an amount equal to the wages unlawfully unpaid
22 and interest thereon."

23 **TWENTY-FOURTH CAUSE OF ACTION**

24 **Violation of Cal. Labor Code § 226(a) – Improper Wage Statements**

25 **(By All Plaintiffs Against All Defendants)**

26 281. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
27 allegation contained in Paragraphs 1 through 280, inclusive, as though set forth in full herein.

1 282. At all times herein set forth, Labor Code § 218 authorizes employees to sue their
2 employers directly for any wages or penalty due to them under this article of the California Labor
3 Code.

4 283. Labor Code § 226(a) mandates that employers provide their employees, along with
5 the employees' paychecks, "an accurate itemized statement in writing showing (1) gross wages
6 earned, (2) total hours worked by the employee, except for any employee whose compensation is
7 solely based on a salary and who is exempt from payment of overtime under subdivision (a) of
8 Section 515 or any applicable order of the Industrial Welfare Commission, (3) the number of
9 piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis,
10 (4) all deductions, provided that all deductions made on written orders of the employee may be
11 aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for
12 which the employee is paid, (7) the name of the employee and the last four digits of his or her
13 social security number or an employee identification number other than a social security number,
14 (8) the name and address of the legal entity that is the employer and, if the employer is a farm
15 labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal
16 entity that secured the services of the employer, and (9) all applicable hourly rates in effect during
17 the pay period and the corresponding number of hours worked at each hourly rate by the
18 employee."

19 284. Defendants failed and refused to provide timely, complete, accurate, and legally
20 compliant wage statements to Plaintiffs, pursuant to Labor Code § 226(a), because it was
21 Defendants' intent to avoid paying Plaintiffs the correct wages, more specifically wages for all
22 hours worked, overtime wages, and the additional hour of pay for each missed meal and rest break
23 per workday to which Plaintiffs were legally entitled.

24 285. Pursuant to Labor Code § 226(e), Plaintiffs are entitled to recover from Defendants,
25 for Defendants' violation of Labor Code § 226(a), the greater of all actual damages or fifty dollars
26 (\$50.00) for the initial pay period in which a violation occurred and one hundred dollars (\$100.00)
27 for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand
28 (\$4,000.00). Moreover, Plaintiffs are entitled to recover an award of costs and attorney's fees.

1 **TWENTY-FIFTH CAUSE OF ACTION**

2 **Failure To Timely Pay Wages Upon Discharge And Waiting Time Penalties**

3 **(Labor Code §§ 201-204 and 256)**

4 **(By All Plaintiffs Against All Defendants)**

5 286. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
6 allegation contained in Paragraphs 1 through 285, inclusive, as though set forth in full herein.

7 287. At all times herein, Labor Code § 218 authorizes employees to sue their employers
8 directly for any wages or penalty due to them under this article of the California Labor Code.

9 288. Labor Code § 201 mandates, in part, that if “an employer discharges an employee,
10 the wages earned and unpaid at the time the discharge are due and payable immediately.”

11 289. Labor Code § 202 mandates, in part, that if “an employee not having a written
12 contract for a definite period quits his or her employment, his or her wages become due and
13 payable not later than 72 hours thereafter, unless the employee has given 72 hours previous notice
14 of his or her intention to quit, in which case the employee is entitled to his or her wages at the time
15 of quitting.”

16 290. Labor Code § 203 provides, in part, that if “an employer willfully fails to pay,
17 without abatement or reduction, in accordance with Sections [201 or 202], any wages of an
18 employee who is discharged or who quits, the wages of the employee shall continue as a penalty
19 from the due date thereof at the same rate until paid or until an action therefor is commenced; but
20 the wages shall not continue for more than 30 days.”

21 291. Defendants failed to pay all wages due to Plaintiffs upon their discharge pursuant to
22 Labor Code §§ 201 and 202 because it was Defendants’ intent to avoid paying Plaintiffs the
23 correct wages, more specifically the overtime wages and the additional hour of pay for each
24 missed meal and rest break per workday to which Plaintiffs was legally entitled.

25 292. Pursuant to Labor Code § 203, Plaintiffs are entitled to recover from Defendants,
26 for Defendants’ violation of Labor Code §§ 201 and 202, any continued penalty wages arising
27 from said violations. Moreover, Plaintiffs are entitled to an award of costs and attorney’s fees.

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1 **TWENTY-SIXTH CAUSE OF ACTION**

2 **Violation of California Unfair Competition Law**

3 **(Bus. and Prof. Code §§ 17200 et seq)**

4 **(By All Plaintiffs Against All Defendants)**

5 293. Plaintiffs repeat, reallege, and incorporate herein by this reference each and every
6 allegation contained in Paragraphs 1 through 292, inclusive, as though set forth in full herein.

7 294. Defendants' conduct, as alleged herein, including engaging in harassment,
8 discrimination, retaliation, wage and hour violations, wrongful termination of employment, and
9 unsafe and illegal activities, has been, and continues to be, unfair, unlawful, and harmful to
10 Plaintiffs and to the general public.

11 295. Plaintiffs seek to enforce important rights affecting the public interest within the
12 meaning of Cal. Civ. Proc. Code § 1021.5.

13 296. Defendants' activities, as alleged herein, are violations of California law and
14 constitute unfair and unlawful business acts and practices in violation of Cal. Bus. and Prof. Code
15 §§ 17200 *et seq.*

16 297. A violation of Cal. Bus. and Prof. Code §§ 17200 *et seq.* may be predicated on the
17 violation of any state or federal law. In this instant case, Defendants' policies and practices
18 violate, among other things, California's laws prohibiting retaliation, harassment, wrongful
19 termination of employment, and wage and hour violations, under the Labor Code, as well as
20 OSHA and other local and municipal rules, regulations, and laws.

21 298. In addition, Defendants' conduct, as alleged herein, including engaging in
22 discrimination, harassment, and retaliation, has been, and continues to be, unfair, unlawful, and
23 harmful to Plaintiffs and to the general public. As such, Plaintiffs seek to enforce important rights
24 affecting the public interest within the meaning of Cal. Civ. Proc. Code § 1021.5.

25 299. These violations of local, state and federal statutes, rules, and regulations constitute
26 unlawful business acts and practices in violation of Cal. Bus. and Prof. Code §§ 17200 *et seq.*

27 300. Plaintiffs have been personally aggrieved by Defendants' unlawful business acts
28 and practices, as alleged herein, including, but not limited to, the loss of money and/or property.

1 301. Pursuant to Cal. Bus. and Prof. Code §§ 17200 *et seq.*, Plaintiffs are entitled to
2 restitution and permanent injunction preventing Defendants from engaging in such unfair,
3 unlawful, and harmful conduct; an award of reasonable attorney’s fees pursuant to Cal. Civ. Proc.
4 Code § 1021.5 and other applicable laws; and an award of costs

5 **WHEREFORE**, Plaintiffs pray for judgment against Defendants, and each of them,
6 jointly and severally, as follows:

- 7 1. For compensatory and general damages, including, without limitation, past and
8 future wages and employment benefits, according to proof;
- 9 2. For specific damages according to proof;
- 10 3. For punitive and exemplary damages according to proof;
- 11 4. For all unpaid wages, including regular wages, minimum wages, meal premium
12 wages, rest premium wages, business expenses, and overtime wages, to the extent applicable by
13 law;
- 14 5. For civil penalties (including waiting time penalties) under the Labor Code, to the
15 extent applicable by law;
- 16 6. For statutory penalties under the Labor Code, to the extent applicable by law;
- 17 7. For statutory penalties under PAGA, to the extent applicable by law on behalf of
18 themselves and all other aggrieved persons;
- 19 7. For pre-judgment and post-judgment interest, to the extent applicable by law;
- 20 8. For reasonable attorney’s fees to the extent permitted by law, including under
21 Labor Code §§ 218.5, 218.6, 226, 1194, 2699, and 2808, and Code of Civil Procedure § 1102.5;
- 22 9. For injunctive relief as provided by the Labor Code and by Business and
23 Professions Code §§ 17200 *et seq.*, to the extent applicable by law;
- 24 10. For restitution as provided by Business and Professions Code §§ 17200 *et seq.*, and
25 for an order requiring Defendants to restore and disgorge all funds to each affected persons
26 acquired by means of any act or practice declared by this Court to be unlawful, unfair, or
27 fraudulent, and, therefore constituting unfair competition under Business and Professions Code §§
28 17200 *et seq.*;

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- 11. For costs of suit, to the extent permitted by law; and
- 12. For such other and further relief as the Court may deem just and proper.

Dated: November 18, 2020

MERINO YEBRI LLP



By: _____

SAM S. YEBRI

Attorneys for Plaintiffs

VANESSA PÉREZ, MARIO CAZARES,
ANTHONY HANSELMAN, SCOTT NASON,
MOHAN RAO, JANE SANDELMAN, and
SHANNON TABONE

JURY DEMAND

Plaintiff demands trial by jury in this action.

Dated: November 18, 2020

MERINO YEBRI LLP



By: _____

SAM S. YEBRI

Attorneys for Plaintiffs

VANESSA PÉREZ, MARIO CAZARES,
ANTHONY HANSELMAN, SCOTT NASON,
MOHAN RAO, JANE SANDELMAN, and
SHANNON TABONE

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