BRYAN SCHWARTZ LAW 1 Bryan J. Schwartz (SBN 209903) 2 Email: bryan@bryanschwartzlaw.com DeCarol A. Davis (SBN 316849) 3 Email: decarol@bryanschwartzlaw.com 4 1330 Broadway, Suite 1630 5 Oakland, CA 94612 Telephone: (510) 444-9300 6 Facsimile: (510) 444-9301 7 Attorneys for Plaintiffs and Putative 8 Class and Collective Action Members 9 UNITED STATES DISTRICT COURT 10 CENTRAL DISTRICT OF CALIFORNIA 11 HARRIETT MITCHELL, JASON Case No.: 8:17-cv-02274-DOC-DFMx 12 SUMMERS, and JOSEPH ADAMS, 13 individually, on behalf of others similarly THIRD AMENDED COMPLAINT situated, and on behalf of the general **CLASS AND COLLECTIVE** 14 **ACTION FOR DAMAGES,** public, 15 PENALTIES, RESTITUTION, AND INJUNCTIVE RELIEF Plaintiffs, 16 17 **Failure to Pay Overtime (1)** VS. **Compensation, Fair Labor** 18 Standards Act, 29 U.S.C. § 19 CORELOGIC, INC., CORELOGIC 201, et seq. SOLUTIONS, LLC, CORELOGIC 20 VALUATION SOLUTIONS, INC., and **(2) Failure to Pay Overtime** 21 DOES 1-10, inclusive Compensation, California Labor Code §§ 510, 1194, and 22 **IWC Wage Order(s)** 23 Defendants. **Failure to Provide Itemized (3)** 24 Wage Statements, California 25 **Labor Code § 226** 26 **(4)** Failure to Provide and/or 27 **Authorize Meal and Rest** 28

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Periods or Pay Meal or Rest Period Premium Wages, California Labor Code §§ 512, 552 and 226.7, and IWC Wage Order(s)

- (5) Unlawful and / or Unfair Business Practices, California Business & Professions Code § 17200 et seq.
- (6) Waiting Time Penalties, California Labor Code §201-203
- (7) Civil Penalties, Private Attorneys General Act §2698 et seq.

I. PRELIMINARY STATEMENT

- 1. This is a collective and class action brought by Plaintiff Harriett Mitchell, Plaintiff Jason Summers, and Plaintiff Joseph Adams on behalf of themselves individually and on behalf of the Proposed Collective and California Classes identified below. Plaintiffs and the putative class and collective action members are or were employed by Defendants CoreLogic, Inc., CoreLogic Solutions, LLC, CoreLogic Valuation Solutions, Inc., and DOES 1-10, inclusive (hereinafter and collectively, "CoreLogic" or "Defendants") under the titles Appraiser, Valuation Solutions Appraiser, Staff Appraiser, Residential Appraiser, and other similar positions (hereinafter and collectively, "Appraisers").
- 2. As Appraisers, Plaintiffs and the putative class and collective action members are hourly wage employees paid on a biweekly basis, and who additionally

- 3. Appraisers should have received overtime pay consistent with the requirements of federal and state wage and hour laws, but did not. These employees are similarly situated under the Fair Labor Standards Act ("FLSA"), 29 U.S.C. § 216(b) and Federal Rule of Civil Procedure 23.
- 4. The Proposed Collective Class is made of all persons who are or have been employed by Defendants as Appraisers in the United States within three years prior to this action's filing date through the date of final disposition of this action (the "Collective Class Period").
- 5. The Proposed California Class is made up of all persons who are or have been employed by Defendants as Appraisers in the State of California within four years prior to this action's filing date through the date of final disposition of this action (the "California Class Period").
- 6. The Proposed California Waiting Time Penalties Subclass is made up of all California Class members who no longer work for CoreLogic and have not worked for CoreLogic for more than 72 hours within three years prior to the filing of the initial Complaint through the final disposition of this case.
- 7. The Proposed California Itemized Wage Statement and PAGA Penalties Subclass is made up of all California Class members who are currently employed by Defendants or were employed by Defendants within the year preceding the filing of the initial Complaint in this action.
- 8. During the Collective Class Period and the California Class Period, Defendants failed to pay appropriate overtime compensation to each member of the Collective Class and California Class as required by federal and state law, and failed to pay appropriate meal and rest period compensation to each member of the California Class as required by state law. Plaintiffs seek relief for the Proposed

California Class pursuant to applicable state law, rules, regulations, and Wage Orders of the Industrial Welfare Commission ("IWC"). The relief sought, which additionally includes restitutionary and injunctive relief, is to remedy Defendants' failure to pay appropriate overtime and meal and rest period premiums, maintain accurate time records, and issue accurate itemized wage statements, warranting waiting time, itemized wage statement, and PAGA penalties.

II. THE PARTIES

- 9. Representative Plaintiff Harriett Mitchell resides in Los Angeles County, California. She began her employment with CoreLogic as an Appraiser on or around October 1, 2015 and ended her employment on April 5, 2018. She conducted appraisals for CoreLogic throughout Los Angeles County, and CoreLogic's Irvine, California office in Orange County issued Plaintiff Mitchell her compensation. Plaintiff Mitchell brings her claims on behalf of herself and the Proposed Collective and California Classes. A written consent form for Plaintiff Mitchell is attached as Exhibit A to this Complaint.
- 10. Representative Plaintiff Summers resides in Kern County, California. He began his employment with CoreLogic as an Appraiser on or around October 1, 2015 and ended his employment on or around July 15, 2017. He conducted appraisals for CoreLogic throughout Kern County, and CoreLogic's Irvine, California office in Orange County issued Plaintiff Summers his compensation. Plaintiff Summers brings his claims on behalf of himself and the Proposed Collective and California Classes. A written consent form for Plaintiff Summers is attached as Exhibit B to this Complaint.
- 11. Representative Plaintiff Adams resides in Menifee, California. He has worked at CoreLogic since around October 2015. He conducts appraisals for CoreLogic throughout Riverside County, California. CoreLogic's Irvine, California office issues Plaintiff Adams his compensation. Plaintiff Adams brings his claims

on behalf of himself and the Proposed Collective and California Classes. A written consent form for Plaintiff Adams is attached as Exhibit C to this Complaint.

- 12. Upon information and belief, Defendant CoreLogic, Inc. is a Delaware Corporation that does business in and maintains offices in many states throughout the United States, including California. The principal executive business office for CoreLogic, Inc. is located in Irvine, California. The California Secretary of State Statement of Information ("SOI") for CoreLogic, Inc., filed May 19, 2017, is attached as Exhibit D to this Complaint.
- 13. Upon information and belief, Defendant CoreLogic Solutions, LLC is registered in California and does business in and maintains offices in many states throughout the United States in addition to California. Upon information and belief, Defendant CoreLogic Solutions, LLC is a subsidiary of CoreLogic, Inc. CoreLogic Solutions, LLC operates a principal business office in Irvine, California, which shares the same address as the executive business office of CoreLogic, Inc. CoreLogic Solutions, LLC designates CoreLogic, Inc. as "Manager" (or "Member") in Section 5 of its California SOI. The California SOI for CoreLogic Solutions, LLC, filed November 10, 2017, is attached as Exhibit E to this Complaint.
- 14. Upon information and belief, Defendant CoreLogic Valuation Solutions, Inc. is registered in California and does business in and maintains offices in many states throughout the United States in addition to California. Defendant CoreLogic Valuation Solutions, Inc. operates a principal business office in Irvine, California, which shares the same address as the principal executive business office of CoreLogic, Inc. and the principal business office of CoreLogic Solutions, LLC. CoreLogic Valuation Solutions, Inc. is the entity named on Appraisers' wage statements. The California SOI for CoreLogic Valuation Solutions, Inc., filed May 18, 2017, is attached as Exhibit F to this Complaint.

- Defendants Does 1-10, inclusive, are sued herein under fictitious 15. names. Their true names and capacities are unknown to Plaintiffs. When their true names and capacities are ascertained, Plaintiffs will amend this complaint by inserting their true names and capacities herein. Plaintiffs are informed and believe and thereon allege that each of the fictitiously-named Defendants are responsible in some manner for the occurrences herein alleged, and that the damages of Plaintiffs and the putative class and collective action members herein alleged were proximately caused by such Defendants.
 - 16. Plaintiffs are informed, believe, and thereon allege that each Defendant herein was at all times relevant to this action the agent, employee, representative partner, and/or joint venturer of the remaining Defendants and was acting within the course and scope of the relationship. Plaintiffs are further informed, believe, and thereon allege that each Defendant herein gave consent to, ratified and authorized the acts alleged herein to the remaining Defendants.

III. JURISDICTION AND VENUE

- 17. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331, as this case is brought under the FLSA, 29 U.S.C. §§ 207, 216(b). The Representative Plaintiffs have signed consent forms to join this lawsuit, attached hereto as Exhibits A, B, and C. This Court also has supplemental jurisdiction over Plaintiffs' state-law claims pursuant to 28 U.S.C. § 1367.
- 18. Venue is proper in the United States District Court for the Central District of California pursuant to 28 U.S.C. § 1391(b)(2), because a substantial part of the events giving rise to the claims set forth herein occurred in this district.

IV. FACTUAL ALLEGATIONS

19. As Appraisers, Plaintiffs and the putative class and collective action members conduct residential appraisals for CoreLogic.

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- 20. CoreLogic assigns Appraisers detailed production orders that include vendor specifications, guidelines, and deadlines by which Appraisers are to complete the production orders, *i.e.*, to turn around appraisals.
- Appraisals are extremely time-intensive. Among other tasks, an 21. appraisal requires confirmation of ownership, verification of the property's sale/transfer history, determination of the property's legal description, location, and characteristics, contacting brokers, scheduling with the customer, driving to the subject property and comparable properties, conducting the onsite inspection, evaluating the property's renovation history, assessing the costs of those renovations, reviewing post-inspection measurements, formatting pictures, blueprints, and/or floor plans, consolidating and analyzing the data to identify trends and compute a final valuation, and drafting/completing the final report. Importantly, these are the tasks required for an average appraisal, and this list does not account for properties with discrepancies, including but not limited to code violations, illegal additions, and unlawful conversions. The timing of each task can vary significantly depending on weather conditions, customer schedules, code compliance, broker availability, cancellations, specification changes from vendors, and other factors outside of Appraisers' control.
- 22. An Appraiser can have as many as three on-site inspections a day, which require not only that the Appraiser drive to the subject property, but also that he or she drive to three to ten comparable properties per appraisal. Between inspecting the properties, taking pictures, performing measurements, and driving to and from the properties, each on-site inspection can take anywhere from one-and-a-half to four hours, depending on the size of the property and the amount of time it takes to drive between the properties. In the same day, Appraisers must also draft and finalize appraisal reports from previous inspections and research properties set for inspection the following day.

- 23. Appraisers' heavy workloads require that they work more than eight hours a day and forty hours a week, often foregoing meal and rest periods.
- 24. Appraisers also regularly work six or seven days a week because of deadlines and customer scheduling constraints. Upon information and belief, CoreLogic imposes no company policy or practice of requiring a day-off and/or communicating such a policy to customers.
- 25. CoreLogic has deadlines by which Appraisers are to submit completed reports. CoreLogic also requires Appraisers to meet certain quality performance standards. If an Appraiser fails to meet CoreLogic deadlines and/or performance standards, he or she can face discipline, which includes, but is not limited to, verbal warnings, write-ups, reduction in high-value assignments, and/or termination.
- 26. CoreLogic regularly monitors Appraisers' turnaround times (TATs), *i.e.*, the amount of time it takes an Appraiser to complete an appraisal and submit the report from the time of assignment. If an Appraiser's TAT becomes too high, he or she can face discipline, which includes, but is not limited to, verbal warnings, writeups, reduction in high-value assignments, and/or termination. Plaintiffs witnessed Appraisers terminated for not maintaining low TATs.
- 27. CoreLogic also monitors Appraisers' overall performance using a performance rating system. CoreLogic assigns each Appraiser a performance rating, which is based on a combination of factors, with the greatest weight given to TATs, internal quality control review results, minimization of appraisal report errors, and on-time percentage. If an Appraiser's rating becomes too low, he or she can face discipline, which includes, but is not limited to, verbal warnings, write-ups, reduction in high-value assignments, and/or termination. CoreLogic terminated Plaintiff Summers because of these factors.
- 28. CoreLogic also subjects Appraisers to minimum billing requirements. Billings are earned per appraisal and generally based on a percentage of the fixed

- 29. On information and belief, the hourly wage for all Appraisers throughout the United States is \$17 per hour.
 - 30. CoreLogic pays an Appraiser's hourly wage on a bi-weekly basis.
- 31. CoreLogic pays each Appraiser's incentive payment on a monthly basis.
 - 32. The bi-weekly pay periods and the incentive pay periods do not align.
- 33. The value of the incentive payment is based on the work an Appraiser completed in the month prior to the month in which CoreLogic issues the payment.
- 34. Once an Appraiser meets the minimum billing requirement, CoreLogic uses a complex, multi-variable, multi-step formula to calculate appraisers' incentive pay. The variables to CoreLogic's incentive compensation formula include, but are not limited to, an Appraiser's billings, hours worked, and a CoreLogic-generated efficiency quotient (referred to as an Appraiser's Efficiency Tier).
- 35. An Appraiser's Efficiency Tier correlates directly to his or her incentive payment. Thus, as the Efficiency Tier decreases, the incentive payment decreases by the same percent.
- 36. CoreLogic determines an Appraiser's Efficiency Tier using a company-created compensation table. CoreLogic's table is engineered to reduce an Appraiser's Efficiency Tier and thereby his or her incentive payment once the Appraiser reports more than a certain number of hours relative to his or her billings.

For example, if an Appraiser earns \$18,500 in billings that month (the

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- compensation plan), an Appraiser's incentive payment will decrease by 9.5%, once he or she reports more than 265 hours in a month, or approximately 61 hours each week. Thus, if the Appraiser reports more than 61 hours each week of the month, even if just one more hour, the Appraiser's incentive payment will drop by more than \$1,000 that month.
- Plaintiffs, and upon information and belief, putative class and collective action members, routinely work 60 to 80 hours per week because of tight production deadlines, high quality standards, customer scheduling constraints, demanding workloads, and fear of discipline.
- 39. Plaintiffs, and upon information and belief, putative class and collective action member, have experienced the diminishing effect of CoreLogic's Efficiency Tier on their compensation. Plaintiffs, and upon information and belief, putative class and collective action members, have observed that the more hours they report, the less their incentive payment will be.
- 40. To avoid the adverse effects of CoreLogic's compensation scheme, with CoreLogic's knowledge and acquiescence, Plaintiffs and putative class and collective action members routinely under-report their overtime hours, and instead work on their "own time" to complete their work on-time.
- 41. Upon information and belief, Appraisers also under-report their hours because CoreLogic prohibits them from reporting more than two hours of overtime a day without a supervisor's express permission. When Plaintiffs report more than two hours of overtime a day, their supervisors usually call and interrogate them about the reporting. Plaintiff Adams is required to provide his supervisor with a justification when he reports more than two hours of overtime in a day. Although Plaintiffs often experience last-minute, late-night deadlines for submitting their

- 42. Appraisers report their hours using an online time-recording software provided by CoreLogic. After Appraisers report their hours, their supervisors review those hours to ensure they comply with CoreLogic's expectations. Supervisors are well aware of the actual hours Appraisers are working, because of their extensive communications with Appraisers at all hours, and suffer or permit Appraisers' underreporting of overtime when they review and approve Appraisers' submitted time.
- 43. Upon information and belief, despite the fact that Appraisers must often forego their meal breaks because of their heavy workload, CoreLogic requires that Appraisers clock-out for 30 minutes meal periods whether they take a meal break on not.
- 44. Upon information and belief, despite the fact that Appraiser must often forego their rest breaks because of their heavy workload, there is no way for Appraisers to report on their timecard when they have missed rest breaks.
- 45. CoreLogic also knew that Appraisers under-reported their overtime hours because Plaintiffs and other Appraisers brought concerns forward to managers, supervisors, and Human Resources; however, CoreLogic did not address these concerns.
- 46. Plaintiff Mitchell has discussed these systems of under-reporting with other Appraisers as well as her previous supervisors and understands that under-reporting is a common practice amongst CoreLogic Appraisers. Plaintiff Summers has also discussed under-reporting with other Appraisers and understands from those

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conversations that under-reporting is a common practice. Plaintiff Adams brought his concerns regarding compensation to his managers, but received no redress.

- 47. Because of the complexity of the incentive compensation plan and the lack of information on Appraisers' wage statements, Appraisers are not able to ascertain whether CoreLogic is paying them correctly. Plaintiffs, and upon information and belief, putative class and collective action members, often receive paychecks below what they had anticipated.
- Appraisers' wage statements do not state Appraisers' regular rate of pay, which must be greater than the hourly rate presently reflected on Appraisers' wage statements, as it must include the non-discretionary incentive payment in addition to the bi-weekly wages for the calculation of overtime.
- 49. Appraisers' incentive payment wage statements do not state the total number of hours an Appraiser has worked during the incentive pay period, and thus, Appraisers do not know what number of hours CoreLogic is using to calculate their incentive payments.
- Appraisers' wage statements also have no standardized section showing 50. premiums paid for missed meal or rest periods. Upon information and belief, Appraisers have no way to record missed rest breaks, and CoreLogic does not pay Appraisers premiums for the days Appraisers are not provided meal and/or rest breaks.
- 51. Moreover, Plaintiffs have received within the past year incentive payment wage statements that did not state the total number of overtime hours they worked during the incentive pay period, and thus, Plaintiffs were not able to determine how CoreLogic was calculating their overtime premium on the incentive payments (*i.e.*, the Co-efficient Overtime).

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- 52. Plaintiffs also received within the past year incentive wage statements that did not have the state-date or end-date of the pay period that related to their incentive payments.
- Appraisers are generally not able to understand how CoreLogic 53. calculates their incentive payment and/or their Co-Efficient Overtime payments using the information provided on their wage statements alone.
- Plaintiffs and putative class and collective action members routinely 54. work far in excess of forty hours per week and eight hours a day, often foregoing meal and rest periods and working more than six days in seven, because of tight production deadlines, high quality standards, customer scheduling constraints, demanding workloads, minimum billing requirements, and fear of discipline. However, Appraisers routinely under-report their hours and do not document their missed rest periods because they do not want CoreLogic to reduce their compensation, take away their assignments, and/or discipline them.
- Defendants' conduct, as set forth in this Complaint, was willful and in 55. bad faith, and has caused significant damages to Plaintiffs and the putative class and collective action members.

V. **COLLECTIVE ACTION ALLEGATIONS**

- 56. Plaintiffs bring this action on behalf of themselves and other similarly situated employees in the Proposed Collective Class (as defined in paragraph 4, supra) as authorized under the FLSA, 29 U.S.C. § 216(b). Plaintiffs' consent forms are attached hereto as Exhibits A, B, and C.
- Upon information and belief, Defendants suffered and permitted 57. Plaintiffs and the Collective Class to work more than forty hours per week without appropriate overtime compensation.
- Defendants' unlawful conduct has been widespread, repeated, and 58. consistent.

59. Defendants are liable under the FLSA for failing to properly compensate Plaintiff and the Collective Class, and as such, notice should be sent to the Collective Class. There are numerous similarly situated current and former employees of Defendants who have been denied overtime pay in violation of the FLSA who would benefit from the issuance of a Court-supervised notice of the present lawsuit and the opportunity to join in the present lawsuit. Those similarly-situated employees are known to Defendants and are readily identifiable through Defendants' records.

VI. CALIFORNIA CLASS ALLEGATIONS

- 60. Plaintiffs bring this action as a class action pursuant to Rule 23(b)(1), (b)(2), and (b)(3) of the Federal Rules of Civil Procedure on behalf of the Proposed California Class (as defined in paragraph 5, *supra*) and the Proposed Subclasses (as defined in paragraphs 6 and 7, *supra*).
- 61. Plaintiffs, on behalf of themselves and the Proposed California Class (and Subclasses), allege and incorporate by reference the allegations in the preceding paragraphs.
- 62. <u>Numerosity</u>: The Proposed California Class (and the Proposed California Subclasses) is so numerous that joinder of all members is impracticable. Plaintiffs are informed and believe, and on that basis allege, that during the relevant time period, Defendants employed at least several dozen people who are geographically dispersed and who satisfy the definition of the Proposed California Class (and Subclasses).
- 63. <u>Typicality</u>: Plaintiffs' claims are typical of the members of the Proposed California Class. Plaintiffs are informed and believe that Appraisers routinely worked more than eight hours per day and more than 40 hours per week during the Class Period. Plaintiffs have/had the same duties and responsibilities as other Class members and has/have been subject to Defendants' policy and practice

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of: improperly failing to pay appropriate overtime compensation for all hours worked; failing to provide meal and rest periods, and failing to maintain accurate records of hours worked by the Proposed California Class.

- 64. Plaintiffs are typical of the Proposed California Waiting Time Subclass, in that they were employed by Defendants within three years prior to the filing of this suit, and Defendants failed to pay them all proper wages within 72 hours of their terminations.
- 65. Plaintiffs are typical of the Proposed California Itemized Wage Statement and PAGA Penalties Subclass, in that they were employed by Defendants within one year prior to the filing of this suit, and Defendants failed to issue them accurate and complete itemized wage statements, provide meal and rest breaks, and timely pay wages, in violation of the Labor Code, and are therefore entitled to Penalties.
- 66. Superiority: A class action is superior to other available methods for the fair and efficient adjudication of this controversy, particularly in the context of wage and hour litigation where individual plaintiffs lack the financial resources to vigorously prosecute separate lawsuits in federal court against large corporate defendants, and fear retaliation and "blackballing" in their industry. Prosecuting dozens of identical individual lawsuits statewide does not promote judicial efficiency, equity, or consistency in judicial results.
- 67. Adequacy: Plaintiffs will fairly and adequately protect the interests of the Proposed California Class (and the Proposed Subclasses), have no conflicts with the Proposed California Class's (and the Proposed Subclasses') interests, and have retained counsel experienced in complex wage and hour class and collective action litigation.
- Commonality: Common questions of law and fact exist as to all 68. members of the Proposed California Class (and the Proposed Subclasses) and

predominate over any questions solely affecting individual members of the Proposed California Class, including but not limited to:

- A. Whether Defendants unlawfully failed to fully pay appropriate overtime compensation to members of the Proposed California Class in violation of state wage laws;
- B. Whether Defendants failed to pay required meal and rest period premiums;
- C. Whether Defendants failed to keep accurate records for all hours worked by the Plaintiff and the Proposed California Class in violation of state wage laws;
- D. The proper measure of damages sustained by the Proposed California Class; and
- E. Whether Defendants' actions were "willful."
- 69. Common questions of law and fact exist as to all members of the Proposed California Waiting Time Subclass, and predominate over any questions solely affecting individual members of that Subclass, including but not limited to:

Whether Defendants paid all wages due within 72 hours of termination.

- 70. Common questions of law and fact exist as to all members of the Proposed California Itemized Wage Statement and PAGA Penalties Subclass, and predominate over any questions solely affecting individual members of that Subclass, including but not limited to:
 - A. Whether Defendants provided adequate and complete itemized wage statements; and
 - B. Whether Defendants are culpable for PAGA penalties arising from wage violations.

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- 71. This case is maintainable as a class action under Fed. R. Civ. P. 23(b)(1) because prosecution of actions by or against individual members of the class would result in inconsistent or varying adjudications and create the risk of incompatible standards of conduct for Defendants. Further, adjudication of each individual member's claim as a separate action would be dispositive of the interest of other individuals not party to this action, impeding their ability to protect their interests.
- 72. This case is maintainable as a class action under Federal Rule of Civil Procedure 23(b)(2) because Defendants have acted or refused to act on grounds that apply generally to the proposed Class (and Proposed Subclasses), so that final injunctive relief or corresponding declaratory relief is appropriate respecting the Class as a whole.
- 73. Class certification is also appropriate under Fed. R. Civ. P. 23(b)(3) because questions of law and fact common to the Proposed California Class (and Subclasses) predominate over any questions affecting only individual members of the Proposed California Class (and Subclasses), and because a class action is superior to other available methods for the fair and efficient adjudication of this litigation. Defendants' common and uniform policies and practices denied the Proposed California Class members the overtime pay and missed meal/rest period premiums to which they are entitled. The damages suffered by the individual Proposed California Class members (and Subclass members) are small compared to the expense and burden of individual prosecution of this litigation. Upon information and belief, Proposed California Class members (and Subclass members) fear workplace retaliation and being "blackballed" from obtaining future employment in the appraisal industry. In addition, class certification is superior because it will obviate the need for unduly duplicative litigation that might result in inconsistent judgments about Defendants' practices.

74. Plaintiffs intend to send notice to all members of the Proposed California Class (and Subclasses) to the extent required by Rule 23. The names and addresses of the members of the Proposed California Class (and Subclasses) are available from Defendants.

VII. CLASS AND COLLECTIVE ACTION CLAIMS FOR RELIEF <u>FIRST CLAIM FOR RELIEF</u>

Failure to Pay Overtime Compensation in Violation of the FLSA (On Behalf of Plaintiffs and the Proposed Collective Class)

- 75. Plaintiffs, on behalf of themselves and the Proposed Collective Class, allege and incorporate by reference the allegations in the preceding paragraphs.
- 76. Plaintiffs consent in writing to be a party to this action, pursuant to 29 U.S.C. § 216(b). Plaintiffs' written consent forms are attached hereto as Exhibits A, B, and C. Plaintiffs anticipate that other individuals will continue to submit consent forms and join as plaintiffs.
- 77. At all relevant times, each Defendant has been, and continues to be, an "employer" engaged in interstate commerce or the production of goods for commerce, within the meaning of the FLSA, 29 U.S.C. § 203. At all relevant times, Defendants have employed and/or continue to employ employees, including Plaintiffs and Collective Class members. At all relevant times, upon information and belief, Defendants have had gross operating revenues in excess of \$500,000.
- 78. The FLSA, 29 U.S.C. § 207(a), requires covered employers, such as Defendants, to compensate all non-exempt employees at a rate of not less than one and one-half times the regular rate of pay for work performed in excess of forty hours per work week. The regular rate must reflect all payments that the parties have agreed shall be received regularly during the workweek, exclusive of overtime payments. When an employer forgoes discretion in awarding incentives to its

employees, the incentive pay must be included in the regular rate of pay. 29 C.F.R. § 778.211(b).

- 79. During their employment with Defendants, within the applicable statute of limitations, Plaintiffs and the other Collective Class members worked in excess of forty hours per workweek. Despite the hours worked by Plaintiffs and the Collective Class members, Defendants willfully, in bad faith, and in knowing violation of the FLSA, failed and refused to pay them the appropriate overtime compensation for all the hours worked in excess of forty in a week. Defendants failed to pay all overtime wages due under federal law by knowingly inducing Appraisers to under-report their overtime hours and not paying Appraisers for those hours it suffered or permitted Appraisers to work.
- 80. Moreover, by failing to accurately record, report, and/or preserve records of hours worked by Plaintiffs and the Collective Class, Defendants have also failed to make, keep, and preserve records with respect to each of its employees sufficient to determine their wages, hours, and other conditions and practice of employment, in violation of the FLSA, 29 U.S.C. § 201 *et seq*.
- 81. The foregoing conduct, as alleged, constitutes a willful violation of the FLSA, within the meaning of 29 U.S.C. § 255(a).
- 82. Plaintiffs, on behalf of themselves and the Collective Class, seek damages in the amount of their respective unpaid overtime compensation, liquidated damages from three years immediately preceding the filing of this action, plus interest and costs as allowed by law, pursuant to 29 U.S.C. §§ 216(b) and 255(a), and such other legal and equitable relief as the Court deems just and proper.
- 83. Plaintiffs, on behalf of themselves and the Collective Class, seek recovery of attorneys' fees and costs to be paid by Defendants, as provided by the FLSA, 29 U.S.C. § 216(b).

SECOND CLAIM FOR RELIEF

Failure to Pay Overtime Compensation in Violation of California Law (On Behalf of Plaintiffs and the Proposed California Class)

- 84. Plaintiffs, on behalf of themselves and the Proposed California Class, allege and incorporate by reference the allegations in the preceding paragraphs.
- 85. At all relevant times herein, IWC Wage Order No. 4 (8 C.C.R. § 11040) and California Labor Code § 510 requires an employer, like each Defendant, to pay overtime premiums for hours worked in excess of eight in a given workday, forty in a given workweek, or on the seventh day worked in a single workweek at the rate of no less than one and one-half times the regular rate of pay for an employee.
- 86. Plaintiffs are informed and believe, and thereon allege, that members of the California Class worked in excess of eight hours per day, forty hours per week, and six or seven days per week, and Defendants unlawfully failed to pay members of the California Class the proper overtime compensation required in violation of IWC Wage Order 4 (8 C.C.R. § 11040) and California Labor Code § 510. Pursuant to California Labor Code § 1194, Plaintiffs and the other Class members are entitled to recover their unpaid overtime compensation. Defendants failed to pay all overtime wages due under California law by knowingly inducing Appraisers to under-report their overtime hours and not paying Appraisers for those hours it suffered or permitted Appraisers to work.
- 87. As a direct and proximate result of Defendant's unlawful conduct, as set forth herein, Plaintiffs and the Proposed California Class have sustained damages, including loss of earnings for hours of overtime worked on behalf of Defendants, in an amount to be established at trial, plus damages, interest, attorneys' fees and costs.

THIRD CLAIM FOR RELIEF

Failure to Provide Accurate Itemized Wage Statements (On Behalf of Plaintiffs and the Proposed California Itemized Wage Statement and PAGA Penalties Subclass)

- 88. Plaintiffs, on behalf of themselves and the Proposed California Itemized Wage Statement Penalties Subclass, allege and incorporate by reference the allegations in the preceding paragraphs.
- 89. California Labor Code § 226(a) provides that, at the time of each payment of wages, an employer shall provide each employee with a wage statement itemizing, among other things, gross and net wages earned, the date of the period for which the employee is paid, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. California Labor Code § 226(e) provides that an employee suffering injury as a result of a knowing and intentional failure by an employer to comply with Labor Code § 226(a) may recover the greater of his or her actual damages or a penalty of \$50 for the initial pay period in which a violation occurs and \$100 per employee for each violation in a subsequent pay period (up to a maximum of \$4,000), in addition to attorneys' fees and costs.
- 90. Defendants knowingly and intentionally failed to provide timely, accurate, itemized wage statements including, *inter alia*, gross and net wages earned based on the total hours worked by Appraisers, the date of the period for which Appraisers were paid their incentive pay, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate of each Appraiser. Such failure caused injury to Plaintiffs and the Proposed Subclass members, by, among other things, impeding them from knowing their total hours worked, their regular rate of pay for each pay period, and the amount of wages and other compensation to which they are and were entitled. Plaintiffs and the

Proposed Subclass are therefore entitled to the damages and penalties provided for under Labor Code § 226(e). Additionally, pursuant to Code of Civil Procedure § 1021.5, *inter alia*, Plaintiffs and the Proposed Subclass are entitled to attorneys' fees and costs. Pursuant to Labor Code § 226(h), Plaintiffs are also entitled to seek injunctive relief requiring Defendants to comply with Labor Code § 226(a).

FOURTH CLAIM FOR RELIEF

Failure to Provide Rest Break and Meal Period Premiums (On Behalf of Plaintiffs and the Proposed California Class)

- 91. Plaintiffs, on behalf of themselves and the Proposed California Class, allege and incorporate by reference the allegations in the proceeding paragraphs.
- 92. California Labor Code § 512 prohibits an employer from employing an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than thirty minutes, or for a work period of more than ten hours per day without providing the employee with a second meal period of not less than thirty minutes.
- 93. Section 11 of Wage Order No. 4 provides (and at all times relevant hereto provided) in relevant part that:
 - (A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day's work the meal period may be waived by mutual consent of the employer and the employee. Unless the employee is relieved of all duty during a 30 minute meal period, the meal period shall be considered an "on duty" meal period and counted as time worked. An "on duty" meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty and when by written agreement between the parties an on-the-job paid meal period is agreed to. The written agreement shall state that the employer may, in writing, revoke the agreement at any time.

- (B) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the meal period is not provided.
- 94. Section 12 of Wage Order No. 4 provides (and at all times relevant hereto provided) in relevant part that:
 - (A) Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours of major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3½) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.
 - (B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each workday that the rest period is not provided.
- 95. California Labor Code § 226.7 prohibits any employer from requiring any employee to work during meal or rest period mandated by an applicable IWC wage order, and provides that an employer that fails to provide an employee with a required rest break or meal period shall pay that employee one additional hour of pay at the employee's regular rate of compensation for each work day that the employer does not provide a compliant meal or rest period.
- 96. Plaintiffs were not provided, or authorized or permitted, to take meal and rest breaks, due to the press of work, and were not provided premiums for missed breaks.

97. Plaintiffs and the California Class members are therefore entitled to payment of the meal and rest period premiums as provided by law. Additionally, pursuant to Code of Civil Procedure § 1021.5, Plaintiffs and the California Class are entitled to attorneys' fees and costs.

FIFTH CLAIM FOR RELIEF

Violation of Business and Professions Code Section 17200 et seq. (On Behalf of Plaintiffs and the Proposed California Class)

- 98. Plaintiffs, on behalf of themselves and the Proposed California Class, allege and incorporate by reference the allegations in the preceding paragraphs.
- 99. California Business and Professions Code § 17200 *et seq.* California's Unfair Competition Law prohibits unfair competition by prohibiting, *inter alia*, any unlawful or unfair business acts or practices. The foregoing conduct by Defendant, as alleged, constitutes unlawful business actions and practices in violation of § 17200 *et seq.*
- 100. Pursuant to Business and Professions Code § 17200 *et seq.*, Plaintiffs and the Proposed California Class members are entitled to: restitution of the overtime earnings and other unpaid wages alleged herein that Defendants have improperly withheld and retained during a period that commences four years prior to the filing of this action; a permanent injunction requiring Defendants to pay overtime to all workers as defined herein and modify their incentive compensation scheme; an award of attorneys' fees pursuant to Code of Civil Procedure section 1021.5, and other applicable law; and costs.

SIXTH CLAIM FOR RELIEF

Failure to Pay Wages Due Upon Discharge and Waiting Time Penalties (On Behalf of Plaintiffs and the Proposed California Waiting Time Penalties Subclass)

- 101. Plaintiffs incorporate by reference in this cause of action each allegation of the preceding paragraphs as though fully set forth herein.
- 102. California Labor Code §§ 201 and 202 require an employer to pay its employees all wages due within the time specified by law. California Labor Code § 203 provides that if an employer willfully fails to pay such wages, the employer must continue to pay the subject employees' wages until the back wages are paid in full or an action is commenced, up to a maximum of thirty days of wages.
- 103. Plaintiffs and California Class members who ceased employment with CoreLogic are entitled to unpaid compensation, but to date have not received such compensation, more than 72 hours after the cessation of their employment.
- 104. CoreLogic failed to pay the earned and unpaid wages of Plaintiffs and Subclass Members within 30 days from the time such wages should have been paid under California Labor Code §§ 201 and 202.
- 105. CoreLogic failed to pay timely wages in accordance with California Labor Code § 204.
- 106. CoreLogic willfully failed to timely compensate Plaintiffs and Subclass Members for all hours worked.
- 107. As a result of the aforementioned legal violations, CoreLogic is liable to Plaintiffs and Waiting Time Subclass Members whose employment ended during the Class Period for waiting time penalties, together with interest thereon and reasonable attorneys' fees and costs, under California Labor Code § 203.

SEVENTH CLAIM FOR RELIEF

Civil Penalties Pursuant to PAGA

(On Behalf of Plaintiffs and the Proposed California Itemized Wage

Statement and PAGA Penalties Subclass)

- 108. Plaintiffs, on behalf of themselves and the California PAGA Penalties Subclass, allege and incorporate by reference the allegations in the preceding paragraphs.
- 109. PAGA, California Labor Code § 2698, et seq., enables a Court to award civil penalties for violations of the Labor Code that, prior to the Act, could be assessed and collected only by the California Labor and Workforce Development Agency ("LWDA").
- 110. Pursuant to California Labor Code § 2699.3, Plaintiffs provided notice to the LWDA as set forth in the PAGA notice letter dated December 29, 2017 and the PAGA amendment letter dated February 21, 2018, both attached hereto as Exhibit G ("PAGA Notices"). Plaintiffs asked the LWDA if it intended to investigate alleged Labor Code violations.
- 111. Sixty-five days have passed since the submission date of Plaintiffs' PAGA Notices, and the LWDA has not provided notice to Plaintiff regarding its intention to investigate the alleged violations. As such, pursuant to California Labor Code § 2699.3(a)(2)(A), Plaintiffs have exhausted the PAGA notice requirement and seek civil penalties under California Labor Code § 2698, *et seq*.
- 112. Accordingly, on behalf of themselves and the Proposed California Itemized Wage Statement and PAGA Penalties Subclass, who have worked for CoreLogic at any time since one year prior to the filing of the initial Complaint to the trial in this action, Plaintiffs allege as follows:
- 113. California Labor Code § 558 imposes civil penalties, in addition to any other civil or criminal penalty provided by law, upon any employer or other person acting on behalf of an employer who violates a section of Division 2, Part 2, Chapter 1 of the Labor Code or any provision regulating hours and days of work in any

Industrial Welfare Commission Wage Order. Pursuant to Labor Code § 558, CoreLogic is subject to a civil penalty of (1) for an initial violation, fifty dollars (\$50) for underpaid Plaintiffs and each underpaid Subclass member for each pay period for which the employee was not paid appropriate overtime premiums under Labor Code § 510, as alleged in the Second Claim for Relief, in addition to an amount sufficient to recover unpaid wages; and (2) for each subsequent violation, one hundred dollars (\$100) for underpaid Plaintiffs and each underpaid Subclass member for each pay period for which the employee was underpaid under Labor Code § 510, as alleged in the Second Claim for Relief, in an addition to an amount sufficient to recover underpaid wages.

114. Under California Labor Code § 558, described above, CoreLogic is subject to a civil penalty of (1) for an initial violation, fifty dollars (\$50) for underpaid Plaintiffs and each underpaid Subclass member for each pay period for which the employee was not provided a meal period under Labor Code § 512, as alleged in the Fourth Claim for Relief, in addition to an amount sufficient to recover underpaid wages; and (2) for each subsequent violation, one hundred dollars (\$100) for underpaid Plaintiffs and each underpaid Subclass member for each pay period for which the employee was underpaid under Labor Code § 512, as alleged in the Fourth Claim for Relief, in addition to an amount sufficient to recover underpaid wages.

115. Under California Labor Code § 558, described above, CoreLogic is subject to a civil penalty of (1) for an initial violation, fifty dollars (\$50) for underpaid Plaintiffs and each underpaid Subclass member for each pay period in which Defendants induced Plaintiffs and each underpaid Subclass member to work more than six days in seven in violation of California Labor Code § 552; and (2) for each subsequent violation, one hundred dollars (\$100).

- 116. Under California Labor Code § 2699(f)(2), which provides a civil penalty for those violations of the Labor Code which lack a corresponding statutory penalty, CoreLogic is subject to a civil penalty of one hundred dollars (\$100) for Plaintiffs and each Subclass member per pay period for the initial violation of Labor Code § 226.7 for failing to provide meal periods, as alleged in the Fourth Claim for Relief, and two hundred dollars (\$200) for Plaintiffs and each Subclass member per pay period for each subsequent violation of Labor Code § 226.7 for failing to provide meal periods, as alleged in the Third Claim for Relief.
 - 117. Under California Labor Code § 2699(f)(2), described above, CoreLogic is subject to a civil penalty of one hundred dollars (\$100) for Plaintiffs and each Subclass member per pay period for the initial violation of Labor Code § 226.7 for failing to provide rest periods, as alleged in the Fourth Claim for Relief, and two hundred dollars (\$200) for Plaintiffs and each Subclass member per pay period for each subsequent violation of Labor Code § 226.7 for failing to provide rest periods, as alleged in the Fourth Claim for Relief.
 - 118. Under California Labor Code § 226.3, which provides for civil penalties for violations of the California Labor Code § 226(a) in addition to any other penalty provided by law, CoreLogic is subject to a civil penalty of two hundred fifty dollars (\$250) for Plaintiffs and each Subclass member for the first violation of Labor Code §226(a), as alleged in the Third Claim for Relief, and one thousand dollars (\$1,000) for Plaintiffs and each Subclass member for each subsequent violation of Labor Code § 226(a) for failure to provide timely, accurate, itemized wage statements, as alleged in the Third Claim for Relief.
 - 119. Under California Labor Code § 2699(f)(2), described above, CoreLogic is subject to a civil penalty of one hundred dollars (\$100) for Plaintiffs and each Subclass member whose employment with CoreLogic terminated per pay period for the initial violation of Labor Code §§ 201-203 for failure to pay earned wages upon

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27 28 discharge, as alleged in the Sixth Claim for Relief, and two hundred dollars (\$200) for Plaintiffs and each Subclass member per pay period for each subsequent violation of Labor Code §§ 201-203, as alleged in the Sixth Claim for Relief.

- 120. Under California Labor Code § 2699(f)(2), described above, CoreLogic is subject to a civil penalty of one hundred dollars (\$100) for Plaintiffs and each Subclass member who Defendants induced into working more than six days in seven, in violation of Labor Code § 552, and two hundred dollars (\$200) for Plaintiffs and each Subclass member who Defendants induced into working more than six days in seven, in violation of Labor Code § 552.
- 121. Under California Labor Code § 1174.5, CoreLogic is subject to a civil penalty of five hundred dollars (\$500) for each violation of Labor Code section 1174(d).
- 122. Under California Labor Code § 2699(f)(2), described above, CoreLogic is subject to a civil penalty of one hundred dollars (\$100) for each violation of Labor Code § 1175(d) and two hundred dollars (\$200) for each subsequent violation of Labor Code § 1175(d).
- 123. Under California Labor Code 2699(g)(1), Defendants are liable for attorneys' fees and costs with respect to the violations alleged herein.

PRAYER FOR RELIEF

- 124. WHEREFORE, Plaintiffs, on themselves individually and all members of the Proposed Collective and California Classes, pray for relief as follows:
 - That the Court determine that this action may proceed as a class Α. action under Rule 23(b)(1), (b)(2), and (b)(3) of the Federal Rules of Civil Procedure;
 - В. That the Court declare Defendants to have violated the overtime provisions of the FLSA as to Plaintiffs and the Proposed Collective Class;

- C. That the Court declare Defendants to have violated the overtime provisions, the itemized wage statement/time records penalty provisions, the meal and rest period provisions, and the waiting time penalty provisions of the California wage laws cited above as to Plaintiffs and the Proposed California Class;
- D. That the Court declare Defendants to have violated the FLSA by failing to maintain accurate time records of gross and net wages earned based on the total hours worked by Plaintiffs and the Proposed Collective Class;
- E. That the Court find Defendants' violations, as described above, to be willful;
- F. That the Court award to Plaintiffs and the Proposed California and Collective Classes the amount of unpaid wages owed, liquidated damages and penalties where provided by state and federal law, and interest thereon, subject to proof at trial;
- G. That the Court order and enjoin Defendants to pay restitution to Plaintiffs and the Proposed California Class due to Defendant's unlawful activities, pursuant to California state law cited above;
- H. That the Court further enjoin Defendants to cease and desist from unlawful activities in violation of state laws cited above;
- I. That the Court grant declaratory relief stating that Defendants' incentive compensation scheme is unlawful;
- J. For an award of reasonable attorneys' fees and costs pursuant to 29 U.S.C. § 216, California Code of Civil Procedure §1021.5, California Labor Code §§ 218.5, 226, 558, 1194, 2699, and/or other applicable state laws; and
- K. For such other and further relief, in law or equity, as this Court

1	may deem appropriate and just.	
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3	DATED: August 31, 2018	BRYAN SCHWARTZ LAW
4		By: /s/ Bryan Schwartz
5		Bryan J. Schwartz (SBN 209903)
6		DeCarol A. Davis (SBN 316849)
7		Attorneys for Plaintiffs and Putative
8		Class and Collective Action Members
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