 Ariadne Panagopoulou (AP-2202) Pardalis & Nohavicka, LLP 3510 Broadway, Suite 201 Astoria, NY 11106 Telephone: (718) 777-0400 Facsimile: (718) 777-0599 Attorneys for the Plaintiff 								
UNITED STATES DISTRICT COURT								
7 EASTERN DISTRICT OF NEW YORK								
 8 Jichuan Middleton, on behalf of himself and) others similarly situated,) 9 Civil Case No.: 								
10 Plaintiff,								
11) FLSA COLLECTIVE AC	<u>TION</u>							
12 Palace Chicken and Grill, Zabi Arifee, and)								
13 Mohammad Arifee, <i>jointly and severally</i> ,								
14 Defendants.								
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17 NATURE OF THE ACTION								
18 1. Plaintiff Jichuan Middleton ("Plaintiff"), on behalf of himself	1. Plaintiff Jichuan Middleton ("Plaintiff"), on behalf of himself and others							
similarly situated, brings this action under the Fair Labor Standards Act ("FLSA"), 29 U.S.C.								
20 \$\$ 201 <i>et. seq.</i> in order to remedy Defendants' wrongful withholding of Plaintif								
21 earned minimum wages overtime compensation and misappropriated tips Plaintiff								
	C C							
23 these claims under New York Labor Law ("NYLL"), Article 6, §§ 190 <i>et seq.</i> , and								
 ²⁴ §§ 650 <i>et seq.</i> as well as the supporting New York State Department of Labor Reg ²⁵ State Department of Labor Reg 	ulations for							
violations of minimum wages, overtime wages, misappropriation of tips, unlawful deductions,								
 and notice and record-keeping violations. 								

SUMMARY

2. Plaintiff was employed by Defendants, Palace Chicken and Grill, Zabi Arifee, and Mohammad Arifee, ("Defendants"), from September 2015 to November 2016. Plaintiff was employed ostensibly as a delivery person, however, he was required to perform other non-tipped occupations, such as cook and handle other miscellaneous duties in the restaurant.

3. On certain occasions, during the period of his employment, the Plaintiff was required to work for Defendants for more than forty (40) hours per week.

4. Defendants paid the Plaintiff below minimum wage for each hour worked and failed to pay him overtime wages for all the hours he worked above 40 hours per week.

5. Defendant Zabi Arifee misappropriated Plaintiff's tips by retaining a substantial portion of the tips for himself.

6. Defendants engaged in their unlawful conduct pursuant to a corporate policy of minimizing labor costs and denying employees lawful compensation by knowingly violating the FLSA and NYLL.

7. As a result of Defendants' actions, Plaintiff has suffered great hardship and damages.

8. Defendants' conduct extended beyond the Plaintiff to all other similarly situated employees. Plaintiff seeks certification of this action as a collective action on behalf of himself individually and those other similarly situated employees and former employees of Defendants pursuant to 29 U.S.C. § 216(b).

JURISDICTION AND VENUE

Federal Question Jurisdiction and Supplemental Jurisdiction

9. This Court has original subject matter jurisdiction over this action under 28

U.S.C. § 1331 because the civil action herein arises under the laws of the United States, namely, the Fair Labor Standards Act, 29 U.S.C. §§ 201 *et seq*. Additionally, this Court also has supplemental jurisdiction over Plaintiff's state law claims under 28 U.S.C. §1367(a).

Personal Jurisdiction

10. This Court may properly maintain personal jurisdiction over Defendants under Rule 4 of the Federal Rules of Civil Procedure because Defendants' contacts with this state and this judicial district are sufficient for exercise of jurisdiction over Defendants so as to comply with traditional notions of fair play and substantial justice.

<u>Venue</u>

11. Venue is proper in the Eastern District of New York under 28 U.S.C. §§ 1391(b) (1) and (2) because Defendants reside and conduct business in this judicial district and because a substantial part of the acts or omissions giving rise to the claims set forth herein occurred in this judicial district.

THE PARTIES Plaintiff

Jichuan Middleton

12. Plaintiff Jichuan Middleton ("Plaintiff") is an adult individual residing in the state of New York, County of Queens.

13. Plaintiff is a covered employee within the meaning of the FLSA, 29 U.S.C. §203(e) and the NYLL § 190.

14. Plaintiff worked at the Palace Chicken and Grill located at 44-45 21st Street, Long Island City, New York, 11101.

15. Plaintiff was employed by Defendants, Palace Chicken and Grill, Zabi Arifee, and Mohammad Arifee, ("Defendants"), from September 2015 to November 2016 ostensibly

as a delivery person.

16. However, apart from performing deliveries, Plaintiff would also spend a significant amount of time performing non-tipped occupations such as cooking, cleaning the restaurant, taking out the trash and stocking supplies. He was also required to work as a cashier on some instances by the Defendants.

17. These non-tipped occupations, would normally occupy half of each Plaintiff's shift. These duties were not incidental to his occupation as a delivery employee, but instead, constituted entirely unrelated general restaurant work.

18. Plaintiff regularly handled goods in interstate commerce during his employment, such as food and beverages, which were made from ingredients imported from outside the State of New York.

19. From September 2015 to January 2016, Plaintiff worked five days per week, from Monday through Friday. His hours from Monday through Friday were 11 a.m. to 5 p.m. On average, from September 2015 to January 2016, Plaintiff worked around 30 hours per week

20. From September 2015 to October 2015, Plaintiff was paid \$5.00 per hour. In November 2015, he was paid \$6.00 per hour. In December 2015, he was paid \$7.00 per hour and in January 2016, Plaintiff was paid \$7.50 per hour.

21. From February 2016 to July 2016, Plaintiff worked six days per week, from Monday through Friday and on Sundays. Plaintiff would also work on Saturday once per month. His schedule from Monday through Friday was 11:00 a.m. until 5:00 p.m. On Sundays, he would work from 12:00 p.m. to 10:00 p.m. When he worked a Saturday shift, he would work from 11:00 a.m. until 5:00 p.m.

22. For the months of February 2016 to April 2016, Plaintiff was paid at the rate of

\$7.50 per hour and for the months of May 2016 to July 2016, Plaintiff was paid at the rate of \$6.00 per hour.

23. Therefore, on an average, from February 2016 to July 2016, Plaintiff worked 40 hours per week. However, once per month when Plaintiff would work on Saturdays, Plaintiff would work a total of 46 hours per week. During such weeks, Plaintiff was not compensated the appropriate overtime pay of one and one half times the statutory minimum hourly rate.

24. In August 2016, Plaintiff worked two days per week, which would shift sporadically, and from September 2016 to November 2016, Plaintiff worked one day per week, which would also change sporadically. His hours of work were from 11.00 a.m. until 5.00 p.m.

25. During such period, Plaintiff was paid at the rate of \$6 per hour.

26. Plaintiff received his pay in cash at all times and was paid once every week.

27. Plaintiff only retained a small portion of the tips he received when he performed deliveries. Irrespective of the amount of cash tips he received, Defendants only allowed Plaintiff to retain Two Dollars (\$2.00) from each tip amount he received for the deliveries and Defendant Zabi Arifee took the rest of the tip money for himself.

28. Plaintiff was also not receiving any online tips for the period of September 2015 to May 2016.

29. When Plaintiff began complaining to his manager that he was not receiving any online tips, his manager replied that he would be able to receive them if his pay was lowered to \$6.00 per hour. As a result, his pay was decreased from \$7.50 per hour to \$6.00 per hour. However, Plaintiff was still receiving only a minimal amount of the online tips he was earning.

30. Plaintiff never received any credit card tips.

31. As a result of Defendants' misappropriation of tips, Plaintiff's total amount of

wages plus tips received frequently fell below the statutory minimum wage.

32. Plaintiff was not provided with a notice containing the rate and basis of his pay; the designated pay date; and the employer's name, address and telephone number at the time of hiring or at any point thereafter.

33. Plaintiff never agreed to nor was he provided any information or notice by theDefendants of any intention they had to use a tip credit against his wages.

34. Plaintiff was never provided with wage statements or other records detailing, *inter alia*, dates worked, money received, and the employer's details at any point during the time of his employment with Defendants.

35. Upon information and belief, while Defendants employed Plaintiff, they failed to post notices explaining the minimum wage rights of employees under the FLSA and NYLL and failed to inform Plaintiff of such rights.

36. Throughout Plaintiff's employment with Defendants, Defendants utilized a time clock system to keep track of Plaintiff's hours of work. For this time clock system, employees were provided PIN numbers and would enter their PIN when they would clock in and clock out. However, Defendants were aware of the PIN numbers for each employee and would continuously alter the time records of the Plaintiff.

37. Defendants would also reduce Plaintiff's pay whenever the bicycle that the Plaintiff used would be worn down by ordinary business use. If the bicycle's seat needed a replacement or any other parts were broken down, Defendants would deduct \$40 from Plaintiff's pay. This occurred at least once per month from the period of January 2016 to November 2016.

38. Throughout the duration of his employment, Plaintiff did not have any

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supervisory authority over any of Defendants' employees, nor did he exercise discretion or independent judgment with respect to matters of significance.

39. Plaintiff consented in writing to be a party to the FLSA claims in this action, pursuant to 29 U.S.C. § 216(b).

40. Plaintiff has personal knowledge of other employees of Defendants who are similarly situated and who also worked hours for which they were not paid minimum and overtime wages.

Defendants

41. At all relevant times, Individual and Corporate Defendants were joint employers of Plaintiff, acted in the interest of each other with respect to Plaintiff's and other employees' remuneration, and had common policies and practices as to wages and hours, pursuant to 29 C.F.R. § 791.2. Factors indicating joint employment include:

a. Defendants all suffered or permitted Plaintiff to work.

- Each of the Defendants acted directly or indirectly in the interest of one another
 in relation to Plaintiff and similarly situated employees.
- c. Defendants each have an economic interest in the location in which Plaintiff and similarly situated employees worked.

d. Defendants all simultaneously benefitted from Plaintiff's work.

- e. Defendants each had either functional and/or formal control over the terms and conditions of work of Plaintiff and similarly situated employees.
 - f. Plaintiff and similarly situated employees performed work integral to the Corporate Defendant's operation.

42. In the alternative, all Defendants functioned together as a single integrated employer of Plaintiff within the meaning of the FLSA and NYLL.

Corporate Defendant

Palace Chicken and Grill

43. Palace Chicken and Grill is the trade name of a domestic corporation organized and existing under the laws of the State of New York. It has two main locations: 96-21 Rockaway Blvd, Queens, New York, 11437 and 44-45 21st Street, Long Island City, New York, NY 11101. The Plaintiff worked consistently at the 44-45 21st Street, Long Island City, New York, NY 11101 location.

44. Palace Chicken and Grill is a New York sit-down restaurant engaged in the retail sale of food and beverage items where customers order or select items and pay before consuming them. Such items can be consumed on the premises or delivered to customers' homes via delivery employees such as Plaintiff.

45. Palace Chicken and Grill is open Seven (7) days per week for numerous hours per day according to its Yelp website: https://www.yelp.com/biz/palace-chicken-and-grilllong-island-city. It employs a number of full-time personnel.

46. At all relevant times, Palace Chicken and Grill was a covered employer within the meaning of the FLSA, 29 U.S.C. § 203(d) and the NYLL § 190.

47. At all relevant times, Palace Chicken and Grill maintained control, oversight, and direction over the Plaintiff, including timekeeping, payroll, and other employment practices that applied to him.

48. At all relevant times, Palace Chicken and Grill was "an enterprise engaged in commerce" within the meaning of the FLSA, 29 U.S.C. § 203(s)(1)(A) because its employees

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were handling food made from ingredients imported from out of state and distributed in New York. In addition, Palace Chicken and Grill conducted business with vendors and other businesses outside the State of New York and engaged in credit card transactions involving banks and other institutions outside the State of New York.

49. Upon information and belief, at all relevant times, Palace Chicken and Grill's annual gross volume of sales made, or business done, was not less than \$500,000.00, exclusive of separate retail excise taxes, within the meaning of the FLSA, 29 U.S.C. § 203(s)(1)(a)(ii).

Individual Defendants

<u>Zabi Arifee</u>

50. Upon information and belief, at all relevant times, Zabi Arifee ("Zabi") was, at the time of Plaintiff's employment, owner, principal, authorized operator, manager, shareholder and/or agent of Corporate Defendant.

51. At all relevant times throughout Plaintiff's employment, Zabi had the discretionary power to create and enforce personnel decisions on behalf of the Corporate Defendant, including but not limited to: hiring and terminating employees; setting and authorizing issuance of wages; maintaining employee records; setting Plaintiff's schedule; instructing and supervising Plaintiff; and otherwise controlling the terms and conditions for the Plaintiff while he was employed by Defendants.

52. At all relevant times throughout Plaintiff's employment, Zabi was actively involved in the day-to-day operations of Corporate Defendant and was in charge of its finances.

53. At all relevant times throughout Plaintiff's employment, Zabi was a "covered employer" within the meaning of the FLSA and the NYLL, and employed or jointly employed

Plaintiff, and is personally liable for the unpaid wages sought herein, pursuant to 29 U.S.C. § 203(d).

Mohammad Arifee

54. Upon information and belief, at all relevant times, Mohammad Arifee ("Mohammad") was, at the time of Plaintiff's employment owner, principal, authorized operator, manager, shareholder and/or agent of Corporate Defendant.

55. At all relevant times throughout Plaintiff's employment, Mohammad had the discretionary power to create and enforce personnel decisions on behalf of the Corporate Defendant, including but not limited to: hiring and terminating employees; setting and authorizing issuance of wages; maintaining employee records; setting Plaintiff's schedule; instructing and supervising Plaintiff; and otherwise controlling the terms and conditions for the Plaintiff while he was employed by Defendants.

56. At all relevant times throughout Plaintiff's employment, Mohammad was actively involved in the day-to-day operations of the Corporate Defendant and was in charge of its finances.

57. At all relevant times throughout Plaintiff's employment, Mohammad was a "covered employer" within the meaning of the FLSA and the NYLL, and employed or jointly employed Plaintiff, and is personally liable for the unpaid wages sought herein, pursuant to 29 U.S.C. § 203(d).

COLLECTIVE ACTION ALLEGATIONS

58. Pursuant to 29 U.S.C. §§ 203, 206, 207, 211(c) and 216(b), Plaintiff brings his First, Second, Third and Fourth causes of action as a collective action under the FLSA on behalf of himself and the following collective: All persons employed by Defendants at any time since January 6, 2014, and through the entry of judgment in this case (the "Collective Action Period") who worked as waiters, bussers, runners, delivery workers, and other tipped employees (the "Collective Action Members").

59. A collective action is appropriate in these circumstances because Plaintiff and the Collective Action Members are similarly situated, in that they were all subject to Defendants' illegal policies of failing to pay minimum wage for all hours worked and overtime premiums for work performed in excess of forty (40) hours each week. In addition, Plaintiff and the collective action members were all victims of Defendants' policy of misappropriating employees' tips.

60. Plaintiff and the Collective Action Members were also victims of Defendants' policy of wrongfully clocking out employees before their shift was over, thereby falsifying their time records.

61. Plaintiff and the Collective Action Members have substantially similar job duties and are paid pursuant to a similar, if not the same, payment structure.

62. The claims of the Plaintiff stated herein are similar to those of the other employees.

FIRST CAUSE OF ACTION

Fair Labor Standards Act – Minimum Wages

63. Plaintiff and the Collective Action Members reallege and incorporate by reference the allegations made in all preceding paragraphs as if fully set forth herein.

64. At all relevant times, Plaintiff and the Collective Action Members were employees and employed by Defendants within the meaning of the FLSA, 29 U.S.C. § 203(d), (e)(1), and (g).

65. At all times relevant, Defendants have been employers of Plaintiff and the Collective Action Members, and were engaged in commerce and/or the production of goods for commerce within the meaning of 29 U.S.C. §§ 203 (s)(1) and 206 (a).

66. Defendants were required to pay directly to Plaintiff and the Collective Action Members, the applicable federal minimum wage rate for all hours worked pursuant to 29 U.S.C. § 206.

67. Defendants failed to pay Plaintiff and the Collective Action Members, their earned minimum wages for all hours worked to which they were entitled to under the FLSA.

68. As a result of Defendants' violations of the FLSA, Plaintiff and the Collective Action Members have suffered damages by being denied minimum wages in accordance with the FLSA in amounts to be determined at trial, and are entitled to recovery of such amounts, in addition to misappropriated gratuities, liquidated damages, reasonable attorneys' fees, costs, and other compensation pursuant to 29 U.S.C. § 216 (b).

69. Defendants' unlawful conduct, as described in this Complaint, has been willful and intentional. Defendants were aware, or should have been aware, that the practices described in this Complaint were unlawful.

70. Defendants have not made a good faith effort to comply with the FLSA with respect to the compensation of the Plaintiff and the Collective Action Members.

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71. Defendants failed to post or keep posted conspicuous notices of Plaintiff's rights as required by the U.S. Department of Labor pursuant to 29 C.F.R. § 516.4, further evincing Defendants' lack of good faith.

72. Because Defendants' violations of the FLSA have been willful, a three-year statute of limitations applies pursuant to 29 U.S.C. § 255(a).

SECOND CAUSE OF ACTION

Fair Labor Standards Act – Unpaid Overtime Wages

73. Plaintiff and the Collective Action Members reallege and incorporate by reference the allegations made in all preceding paragraphs as if fully set forth herein.

74. The overtime wage provisions set forth in the FLSA, 29 U.S.C. § 207 (a)(1) and the supporting federal regulations, apply to Defendants and protect Plaintiff and the Collective Action Members.

75. Defendants have failed to pay Plaintiff and the Collective Action Members overtime wages at a rate of one and one-half times the regular rate at which they were employed for but under no instance less than one and one-half times the statutory minimum wage for all of the hours that they worked in excess of forty (40) hours per workweek.

76. As a result of Defendants' violations of the FLSA, Plaintiff and the Collective Action Members have been deprived of overtime compensation and other wages in amounts to be determined at trial, and are entitled to recovery of such amounts, liquidated damages, attorneys' fees, costs, and other compensation pursuant to 29 U.S.C. § 216 (b).

THIRD CAUSE OF ACTION

Fair Labor Standards Act – Misappropriation of Tips

77. Plaintiff and the Collective Action Members reallege and incorporate by reference all allegations in all preceding paragraphs.

78. The wage payment provisions of the FLSA, 29 U.S.C. § 203(m) and the supporting federal regulations 29 C.F.R. §§ 531.50 *et seq.* apply to Defendants, and protect the Plaintiff and the Collective Action Members.

79. Defendant Zabi Arifee illegally misappropriated the Plaintiff's tips by retaining a significant portion of tips received by him.

80. As a result of Defendants' continuous and willfull violations of the FLSA, 29 U.S.C. § 203(m) and the supporting federal regulations 29 C.F.R. §§ 531.50 *et seq.*, Plaintiff and the Collective Action Members are entitled to damages for the value of the misappropriated gratuities, as well as liquidated damages as provided for by 29 U.S.C. § 216(b), including reasonable attorneys' fees, and costs.

FOURTH CAUSE OF ACTION

Fair Labor Standards Act – Failure to keep accurate records

81. Plaintiff, and the Collective Action Members, reallege and incorporate by reference all allegations in all preceding paragraphs.

82. Defendants were required to make, keep, and preserve accurate payroll records reflecting actual hours worked by employees and the wages received by them pursuant to the FLSA, 29 U.S.C. § 211(c) and the supporting Federal regulations, 29 C.F.R. §§ 516.2, 516.5, and 516.28.

83. In cases where employers make use of time clocks as a basis for creating payroll records, this is acceptable practice provided that there are no major discrepancies between the clock records and actual hours worked pursuant to 29 C.F.R §785.48.

84. By intentionally interfering with the PIN system operated by the restaurant and thereby falsifying records, Defendants intentionally and willfully violated the provisions of the FLSA, 29 U.S.C § 211(c) and the supporting Federal regulation, 29 C.F.R.§§ 516.2, 516.5, 516.28, and 785.48.

85. By arbitrarily failing to count hours worked by employees to determine their wages, Defendants also directly violated 29 C.F.R. § 785.47, which requires employees to compensate employees for any practically ascertainable period of time worked, however, small.

86. As a result, Plaintiff and the Collective Action Members, have suffered damages by being deprived of their proper minimum and overtime compensation according to the actual number of hours worked.

FIFTH CAUSE OF ACTION

New York Labor Law – Minimum Wage

87. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

88. Defendants have engaged in a widespread pattern, policy, and practice of violating the NYLL, as detailed in this Complaint.

89. At all relevant times referenced herein, Plaintiff has been an employee of Defendants, and Defendants have been employers of Plaintiff within the meaning of the NYLL §§ 190, 651 (5), 652, and the supporting New York State Department of Labor Regulations.

90. The minimum wage provisions of Article 19 of the NYLL and the supporting New York State Department of Labor Regulations apply to Defendants, and protect Plaintiff.

91. From December 31, 2014, to December 30, 2015, the minimum hourly wage was \$8.75, and from December 31, 2015 to December 30, 2016, the minimum hourly wage in the State of New York was \$9.00 pursuant to NYLL § 652 and the New York State Department of Labor Regulations, 12 N.Y.C.R.R. Part 146-1.2.

92. Defendants were required to pay Plaintiff no less than the applicable statutory minimum wage for all hours worked under the NYLL § 652 and the supporting New York State Department of Labor regulations, 12 N.Y.C.R.R. Part 146-1.2.

93. Through their knowing and intentional failure to pay minimum hourly wages to Plaintiff, Defendants have violated the NYLL Article 19, §§ 650 *et seq.*, and 12 N.Y.C.R.R. Part 146-1.2.

94. Defendants, at most times, did not even pay Plaintiff at the lower tip-credited rate allowed for delivery employees.

95. Defendants also failed to post conspicuous notices of the Plaintiff's rights under the law, as required by the NYLL § 661 and the New York State Department of Labor Regulations, 12 N.Y.C.R.R. Part 146-2.4, further evincing Defendants' lack of good faith.

96. Defendants' failure to pay Plaintiff the minimum wage was willful within the meaning of NYLL § 663.

97. Due to Defendants' violations of the NYLL, Plaintiff is entitled to recover from Defendants him unpaid minimum wages, liquidated damages as provided for by the NYLL, reasonable attorneys' fees, costs, and pre-judgment and post-judgment interest, pursuant to NYLL § 198 (1-a).

SIXTH CAUSE OF ACTION

New York Labor Law – Unpaid Overtime Wages

98. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

99. The overtime wage provisions as set forth in NYLL §§ 190 *et seq.* and the supporting New York State Department of Labor Regulations apply to Defendants and protect Plaintiff.

100. Defendants have failed to pay Plaintiff proper overtime which he was entitled to at a wage rate of one and one-half times his regular rate but under no instance less than one and one-half times the statutory minimum wage as defined by the New York State Department of Labor regulations, 12 N.Y.C.R.R. Part 146-1.4.

101. Through their knowing or intentional failure to pay Plaintiff proper overtime wages for hours worked in excess of forty (40) hours per workweek, Defendants have violated the NYLL §§ 190 *et seq.*, and the supporting New York State Department of Labor Regulations.

102. Defendants' failure to pay Plaintiff overtime compensation was willful within the meaning of NYLL § 663.

103. Due to Defendants' violations of the NYLL, Plaintiff is entitled to recover from Defendants him unpaid overtime wages, liquidated damages as provided for by the NYLL, reasonable attorneys' fees and costs of the action, pre-judgment and post-judgment interest, pursuant to NYLL § 198 (1-a).

SEVENTH CAUSE OF ACTION

New York Labor Law - Deductions from Wages

104. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

105. The provisions regarding deductions from wages as set forth in NYLL § 193 apply to Defendants and protect Plaintiff.

106. Defendants would reduce Plaintiff's pay whenever the bicycle that the Plaintiff used would be worn down by ordinary business use. If the bicycle's seat needed a replacement or any other parts were broken down, Defendants would deduct \$40 from Plaintiff's check. This occurred at least once a month from the period of January 2016 to November 2016.

107. Defendants have consistently and repeatedly made deductions from Plaintiff's wages that were not made in accordance with the provisions of any law or regulation and were not authorized in writing by Plaintiff or benefited Plaintiff in violation of NYLL § 193(1) and the New York Department of Labor Regulations, 12 N.Y.C.R.R. § 142-2.10.

108. Due to Defendants' violations of the NYLL, Plaintiff is entitled to recover from Defendants all unlawful deductions, liquidated damages as provided for by the NYLL, reasonable attorneys' fees, costs, and pre-judgment and post-judgment interest pursuant to NYLL § 198 (1-a).

EIGHTH CAUSE OF ACTION

New York Labor Law – Misappropriation of Tips

109. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

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110. The wage payment provisions of Article 6 of the NYLL and the supporting New York State Department of Labor Regulations 12 N.Y.C.R.R. Part 146 *et seq.* apply to Defendants, and protects Plaintiff.

111. Defendants were prohibited from demanding, accepting or retaining, directly or indirectly, any part of the gratuities received by the Plaintiff pursuant to NYLL Article 6, § 196-d and 12 N.Y.C.R.R. §§ 146-2.16(b) and 146-2.18.

112. Defendants illegally misappropriated the Plaintiff's tips by retaining a significant portion of all the cash tips received by him.

113. As a result of Defendants' misappropriation of tips, Plaintiff's total amount of tips received plus his wages frequently fell below the statutory minimum in violation of 12 N.Y.C.R.R. § 146-1.3(b).

114. Upon information and belief, Defendants failed to establish, maintain and preserve for at least six (6) years accurate tip records showing the amount, shares and daily log of tips collected by each employee at each position in violation of 12 N.Y.C.R.R. § 146-2.17.

115. As a result of Defendants' continuous and willful violations of the NYLL § 196d and the supporting New York State Department of Labor Regulations, 12 N.Y.C.R.R. Part *et seq.*, Plaintiff is entitled to damages for the value of the misappropriated gratuities, liquidated damages as provided for by NYLL § 198(1-a), reasonable attorneys' fees, costs, and pre-judgment and post-judgment interest.

NINTH CAUSE OF ACTION

New York Labor Law – Failure to keep accurate records

116. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

117. Defendants were required to establish, maintain and preserve for not less than six years contemporaneous, true, and accurate payroll records showing, *inter alia*, for each week worked the regular hourly rate of pay, the overtime rate of pay, the number of regular hours worked, and the number of overtime hours worked pursuant to NYLL §§ 195(4) and 661 and the New York Department of Labor Regulations, 12 NYCRR 142-2.6.

118. By intentionally interfering with the time clock system operated by the restaurant and thereby producing falsified records, Defendants intentionally and willfully violated the provisions of NYLL §§ 195(4) and 661 and the New York Department of Labor Regulations, and are guilty of a misdemeanor carrying a maximum penalty of Five Thousand Dollars (\$5,000) pursuant to NYLL § 662.

119. As a result of Defendants' actions, Plaintiff has suffered damages by being deprived of his proper overtime compensation according to the actual number of hours worked.

TENTH CAUSE OF ACTION

New York Labor Law – Failure to Provide Notice at the Time of Hiring

120. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

121. Defendants have failed to provide Plaintiff, at the time of hiring or at any point thereafter, a notice containing the rate of pay and basis thereof, whether paid by the hour, shift, day, week, salary, piece, commission, or other; the regular pay day designated by the employer; the physical address of the employer's main office or principal place of business; the telephone number of the employer, and anything otherwise required by law, in violation of NYLL § 195(1).

122. Due to Defendants' violations of the NYLL § 195(1), Plaintiff is entitled to recover from Defendants statutory damages of Fifty dollars (\$50) per workday that the violation occurred, up to a maximum of Five Thousand Dollars (\$5,000), pursuant to NYLL § 198 (1-b).

ELEVENTH CAUSE OF ACTION

New York Labor Law – Failure to Provide Wage Statements

123. Plaintiff realleges and incorporates by reference all allegations in all preceding paragraphs.

124. Defendants have failed to provide Plaintiff with wage statements listing, *inter alia*, all his hours of work; rate of pay; basis of pay; the period covered; and overtime pay, in violation of NYLL § 195(3).

125. Due to Defendants' violations of the NYLL, Plaintiff is entitled to recover from Defendants statutory damages of Two Hundred and Fifty dollars (\$250) per workday that the violation occurred, up to a maximum of Five Thousand Dollars (\$5,000), pursuant to NYLL § 198 (1-d).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff seeks the following relief:

A. Designating this action as a collective action and authorizing prompt issuance of notice pursuant to 29 U.S.C. § 216(b) to all putative collective action members, apprising them of the pendency of this action, and permitting them promptly to file consents to be Plaintiff in the FLSA claims in this action;

B. An order tolling the statute of limitations;

C. Issuance of a declaratory judgment that the practices complained of in this complaint are unlawful under the Fair Labor Standards Act, 29 U.S.C. §§ 201 *et seq.*, New

York Labor Law, Article 6, §§ 190 *et seq.*, and Article 19, §§ 650 *et seq.*, and the supporting New York State Department of Labor Regulations;

D. Unpaid minimum wages, overtime pay and misappropriated tips under the FLSA and an additional and equal amount as liquidated damages pursuant to 29 U.S.C. § 216(b) and the supporting United States Department of Labor regulations;

E. Unpaid minimum wages, overtime wages, and misappropriated tips, under NYLL, and an additional and equal amount as liquidated damages pursuant to NYLL §198(1-a) and § 663(1);

F. Reimbursement of all unlawful deductions pursuant to NYLL § 193, and an additional and equal amount as liquidated damages pursuant to NYLL §198(1-a) and § 663(1);

G. Civil penalties of One Thousand One Hundred Dollars (\$1,100) for each of Defendants' willful and repeated violations of the FLSA pursuant to 29 U.S.C. § 216(b);

H. An award of statutory damages for Defendants' failure to provide Plaintiff with a wage notice at the time of hiring or any time thereafter pursuant to NYLL § 198 (1-b);

I. An award of statutory damages for Defendants' failure to provide Plaintiff with wage statements pursuant to NYLL § 198 (1-d);

J. A penalty of a maximum of Five Thousand Dollars (\$5,000) for Defendants' falsification of Plaintiffs' payroll records pursuant to NYLL § 662;

K. A permanent injunction requiring Defendants to pay all statutorily required wages pursuant to the FLSA and NYLL;

L. If liquidated damages pursuant to FLSA, 29 U.S.C. § 216(b), are not awarded, an award of prejudgment interest pursuant to 28 U.S.C. § 1961;

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1	M.	An award of pre-judgment interest of nine per cen	tum per annum (9%)									
2	pursuant to th	rsuant to the New York Civil Practice Law and Rules §§ 5001-5004;										
3	N.	An award of post-judgment interest pursuant to 28 U.S.C. § 1961 and/or the										
4	New York Civil Practice Law and Rules § 5003;											
5	O.	O. An award of attorney's fees, costs, and further expenses up to fifty dollars,										
6	pursuant to 2°	unt to 29 U.S.C. § 216(b), and NYLL §§ 198 and 663(1);										
7												
8 9	P. Such other relief as this Court shall deem just and proper.											
9 10												
11	Dated	d: January 6, 2017										
12		Respectfully subm										
13			OHAVICKA, LLP									
14		By: <u>/s/Ariadne Pana</u> Ariadne Panagopoul										
15		Attorneys for the Pla 35-10 Broadway, Su										
16		Astoria, New York Tel: 718.777.0400	11106									
17		Email: ari@pnlawy										
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JS 44 (Rev. 07/16)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS Jichaun Middleton, on behalf of himself and others similarly situated				DEFENDANTS Palace Chicken and Grill, Zabi Arifee, and Mohammad Arifee, jointly and severally					
			ted						
(b) County of Residence of First Listed Plaintiff				County of Residen	ce of First Lis	ted Defendant	Queens		
(EXCEPT IN U.S. PLAINTIFF CASES)				(IN U.S. PLAINTIFF CASES ONLY)					
				NOTE: IN LAND THE TRA	CONDEMNAT CT OF LAND I	ION CASES, USE 1 NVOLVED.	THE LOCATION	OF	
(c) Attorneys (Firm Name	Address, and Telephone Num	her)		Attorneys (If Know					
Pardalis & Nonavicka, I				Attorneys (I) Know	n)				
35-10 Broadway, Suite Tel: (718) 777-0400	201, Astoria, NY 1110	06							
II. BASIS OF JURISD		One Box Only)	III. CIT	IZENSHIP OF	PRINCIP	AL PARTIES	(Place an "X" ir	1 One Box fo	r Plaintiff
D 1 U.S. Government	★3 Federal Question		(1	For Diversity Cases Only	PTF DEF		and One Box j	for Defendar PTF	nt) DEF
Plaintiff	(U.S. Government Not a Party)		Citizen	of This State	01 01	Incorporated or Pi		□ 4	0 4
2 U.S. Government	🗇 4 Diversity				_	of Business In 1			
Defendant	(Indicate Citizens	versity Indicate Citizenship of Parties in Item III)		of Another State		Incorporated and I of Business In .	Principal Place 5 5 5		
			Citizen	or Subject of a	0 3 0 3				- /
IV NATURE OF SUP	Τ			en Country		Foreign Nation		0 6	□ 6
IV. NATURE OF SUI		Only)		annan teanger an the			No. of the Property of the Property of the		1911/11/1 B
110 Insurance	PERSONAL INJURY	PERSONAL INJURY		Drug Related Seizure		al 28 USC 158	□ 375 False C	SPARINE Act	the marked
 120 Marine 130 Miller Act 	310 Airplane 315 Airplane Product	365 Personal Injury - Product Liability		of Property 21 USC 881	423 With	drawal	🗇 376 Qui Ta	m (31 USC	
140 Negotiable Instrument	Liability	367 Health Care/	L 090	Other	28 0	ISC 157	3729(a)) ☐ 400 State Reapportionment		
150 Recovery of Overpayment & Enforcement of Judgment	□ 320 Assault, Libel & t Slander	Pharmaceutical Personal Injury			□ 820 Copy	Marker SLITT hy American	 410 Antitru 430 Banks a 	st	
 151 Medicare Act 152 Recovery of Defaulted 	330 Federal Employers' Liability	Product Liability 368 Asbestos Personal				830 Patent		erce	
Student Loans	340 Marine	Injury Product			840 Trade		 460 Deporta 470 Rackete 		and and
(Excludes Veterans) □ 153 Recovery of Overpayment	345 Marine Product Liability	Liability PERSONAL PROPER	TY 7101	Fair Labor Standards	□ 861 HIA	Sister Distance	Corrupt	Organizatio	
of Veteran's Benefits 160 Stockholders' Suits	 350 Motor Vehicle 355 Motor Vehicle 	370 Other Fraud		Act	D 862 Black	Lung (923)	 480 Consum 490 Cable/S 	her Credit at TV	
190 Other Contract	Product Liability	371 Truth in Lending 380 Other Personal	1	Labor/Management Relations	863 DIW 864 SSID	C/DIWW (405(g)) Title XVI	850 Securiti Exchan		ities/
 195 Contract Product Liability 196 Franchise 	360 Other Personal Injury	Property Damage 385 Property Damage		Railway Labor Act Family and Medical	🗇 865 RSI (□ 890 Other S	tatutory Acti	ions
	362 Personal Injury -	Product Liability		Leave Act			 891 Agricul 893 Environ 	tural Acts Imental Matt	ters
Server Manager States and States	Medical Malpractice	L. BILLINER DEPUT	D 790 C	Other Labor Litigation		B. R. W. H. S. Star	□ 895 Freedor Act	n of Informa	tion
 210 Land Condemnation 220 Foreclosure 	 440 Other Civil Rights 441 Voting 	Habeas Corpus: 463 Alien Detainee		ncome Security Act	🗇 870 Taxes	(U.S. Plaintiff	□ 896 Arbitrat	ion	
🗇 230 Rent Lease & Ejectment	442 Employment	510 Motions to Vacate			or De	fendant) -Third Party	B 899 Admini Act/Rev	strative Proc view or Appe	
 240 Torts to Land 245 Tort Product Liability 	☐ 443 Housing/ Accommodations	Sentence 530 General				SC 7609	Agency	Decision	
290 All Other Real Property	445 Amer. w/Disabilities -	5 Amer. w/Disabilities - 🗇 535 Death Penalty		C. A. MANDARA MINING COMPANY			950 Constitu State State	tionality of atutes	
	Employment 446 Amer. w/Disabilities -	Other: 540 Mandamus & Other	r 🖸 462 N	aturalization Application	n		1		
	Other 448 Education	 550 Civil Rights 555 Prison Condition 	A	ctions					
	560 Civil Detaine								
		Conditions of Confinement							
V. ORIGIN (Place an "X" in	One Box Only)			· · · · · · · · · · · · · · · · · · ·			L		
	noved from 🗇 3	Remanded from Appellate Court	4 Reinstat		erred from	🗇 6 Multidistri		Multidistrie	ct
			Reopen	(specify	er District	Litigation - Transfer	•	Litigation - Direct File	
VI CAUGE OD A CENT	29 U.S.C. 201 et	atute under which you are	e filing (Do i	not cite jurisdictional sta	itutes unless div	ersity):			
VI. CAUSE OF ACTIC	Brief description of c								<u> </u>
VII. REQUESTED IN	Unpaid wages	ICA CLASS ACTION							
COMPLAINT:	UNDER RULE 2	IS A CLASS ACTION 3. F.R.Cv.P.		LAND \$ 0.000.00		IECK YES only i			_
VIII. RELATED CASE					J(IRY DEMAND:	O Yes	X No	
IF ANY	(See instructions):	JUDGE			Boom				
DATE		SIGNATURE OF ATTO	ORNEY OF	ECOPD	DOCKET	NUMBER			
<u> 1/6/</u> 20	17	AN OIL	CUM						
FOR OFFICE USE ONLY		<u>477150</u>	en u	·					
RECEIPT # AM		APPLYING IFP		JUDGE		MAG. JUD	GE		

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

I, <u>Ariadne Panagopoulou</u>, counsel for <u>Plaintiff</u>, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- the complaint seeks injunctive relief,
- the matter is otherwise ineligible for the following reason

DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1

Identify any parent corporation and any publicly held corporation that owns 10% or more or its stocks:

RELATED CASE STATEMENT (Section VIII on the Front of this Form)

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that "A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)

- Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County: No
- If you answered "no" above:
 a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? No

b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County?______

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

BAR ADMISSION

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court? Yes (If yes, please explain) No

I certify the accuracy of all information provided above.

Signature:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of New York

))

)

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Civil Action No.

Jichaun Middleton, on behalf of himself and others similarly situated

Plaintiff(s) V.

Palace Chicken and Grill, Zabi Arifee, and Mohammad Arifee, jointly and seve

Defendant(s)

SUMMONS IN A CIVIL ACTION

To: (*Defendant's name and address*) 1. Palace Chicken And Grill: 44-45 21st Street, Long Island City, New York, 11101 2. Zabi Arifee: 44-45 21st Street, Long Island City, New York, 11101 AND 96-21 Rockaway Blvd, Queens, New York, 11437 3. Mohammad Arifee: 44-45 21st Street, Long Island City, New York, 11101 AND 96-21 Rockaway Blvd, Queens, New York, 11437

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Pardalis & Nohavicka LLP

3510 Broadway Suite 201 Astoria, NY 11106 Tel: (718) 777-0400

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

> DOUGLAS C. PALMER CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Palace Chicken and Grill Sued for Unpaid Wages</u>