UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA TAMPA DIVISION

SEVERN SIMS, AARON GEORGES and JOSEPH CONNER III, individually and on behalf of others similarly situated

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Plaintiffs, v.	Case No. :
UNATION, LLC, a for profit corporation, and GEORGE BEARDSLEY, individually,	
Defendants.	_/

COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiffs, SEVERN SIMS, AARON GEORGES and JOSEPH CONNER III, ("Plaintiffs"), on behalf of themselves and other similarly situated employees, bring this action for unpaid overtime compensation, and other relief under the Fair Labor Standards Act, as amended, 29 U.S.C. 216(b) (the "FLSA") against UNATION, LLC ("UNATION") and GEORGE BEARDSLEY ("Defendants")

PARTIES

- 1. Defendant UNATION, LLC is a Delaware corporation that has developed and is currently marketing and selling an event driven social media app.
- Defendant, GEORGE BEARDSLEY, is the Chief Strategy Officer of UNATION and at all relevant times exerted control over the Defendant UNATION's employees, pay practices and policies.
 - 3. UNATION conducts business at 324 S. Hyde Park Avenue, Tampa, Florida 33606.
- 4. Plaintiffs SEVERN SIMS, AARON GEORGES and JOSEPH CONNER III all were employed by Defendants and worked at Defendants' office located at 324 S. Hyde Park Avenue, Tampa, FL.

GENERAL ALLEGATIONS

- 5. This action is brought under the FLSA to recover from Defendants overtime compensation, liquidated damages, and reasonable attorneys' fees and costs.
- 6. This court has jurisdiction over Plaintiff's claims pursuant to 28 U.S.C. §1337 and the FLSA.
- 7. Venue is proper in the Middle District of Florida because events giving rise to these claims occurred in this jurisdiction and Defendants conduct business in this jurisdiction.
- 8. At all material times relevant to this action, Defendants were an enterprise covered by the FLSA, as defined by 29 U.S.C. §§203(r) and 203(s).
- 9. Defendants develop, market and sell a social media app. At all material times relevant to this action, Defendants had gross revenues of at least \$500,000.00 annually and employed employees engaged in commerce or in the production of goods for commerce. For example, employees employed by Defendants regularly travel to other states for their jobs, produce marketing materials that are used in other states, make calls to clients located in other states and use tools and equipment, including computers, pens and paper, that were moved in or produced for commerce.
 - 10. Plaintiffs were involved in interstate commerce.
 - 11. Plaintiffs have satisfied all conditions precedent, or they have been waived.
 - 12. Plaintiffs have hired the undersigned attorneys and have agreed to pay them a fee.
 - 13. Plaintiffs request a jury trial for all issues so triable.
- 14. This collective action challenges Defendants uniform policy of willfully misclassifying its employees as "contractors," when in reality these individuals are actually "employees" of Defendants.
- 15. Misclassification of employees as independent contractors is found in an increasing number of workplaces in the United States. . . When employers improperly classify employees as independent contractors, the employees may not receive important workplace protections such as the minimum wage, overtime compensation, unemployment insurance, and

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workers' compensation. Misclassification also results in lower tax revenues for government and an uneven playing field for employers who properly classify their workers." U.S. Department of Labor, Wage and Hour Administrator's Interpretation No. 2015-1 (July 15, 2015).

- 16. As recently noted by the Department of Labor, "most workers are employees under the FLSA's broad definitions." *Id.* at pg. 15.
 - 17. At all material times, Plaintiffs were "employees" of Defendants.
 - 18. At all material time, Defendants "employed" Plaintiffs.
 - 19. The work performed by Plaintiffs was integral to Defendants' business.
- 20. Defendants paid Plaintiffs a fixed weekly salary irrespective of the hours worked or nature of the work performed by Plaintiffs.
- 21. Plaintiffs did not have any opportunity for profit or loss based on their entrepreneurial skills.
 - 22. Plaintiffs were economically dependent upon Defendants for their livelihood.
- 23. Plaintiffs were not independent contractors in business for themselves, they were employees of Defendant.
- 24. Defendants required Plaintiffs maintained control over all aspects of Plaintiffs' activities.
- 25. Defendants required Plaintiffs to perform tasks besides their core job duties. For example, graphic designers were also required to attend events at nightclubs, hand out flyers at concerts.
 - 26. Defendants required Plaintiffs to report to work at Defendants' location.
 - 27. Defendants required Plaintiffs to adhere to specific schedules and office hours.
- 28. Defendants required Plaintiffs to attend meetings at specific times and specific places, including weekly meetings with Defendants' vendors.
- 29. Defendant intentionally attempted to circumvent laws providing employees with legal protection pursuant to Federal and State law.
 - 30. For example, Defendants required Plaintiffs to sign "contractor agreements" in

which Plaintiffs were forced to acknowledge a "contractor" relationship.

- 31. Additionally, Defendants utilized Defendants' retained counsel to create limited liability companies for Defendants' employees for purposes of hiding the true employment relationship between Defendants and Defendants' employees. Plaintiffs never had an attorney-client relationship with Defendants' counsel and never paid Defendants' counsel for services provided. Moreover, Defendants' counsel was listed as "Registered Agent" for each limited liability company.
- 32. As a result of its unlawful misclassification of its employees as "contractors," Defendants failed to comply with 29 U.S.C. §§ 201-209, because Defendants did not pay Plaintiffs overtime wages for those hours worked in excess of forty (40) within a work week.
- 33. As an employer, Defendants had a legal obligation under the Internal Revenue Code as well as Florida law to deduct all applicable employment taxes from employee earnings.
- 34. By classifying Plaintiffs as independent contractors, Defendants avoided withholding employment taxes from their earnings, as it was legally required to do for all of its employees under the provisions of the Internal Revenue Code. See 26 U.S.C. §§ 3102(a) and 3492(a)(imposing a duty on employers to deduct applicable taxes from their employees' wages).
- 35. Upon information and belief, the records, to the extent that any exist, concerning the number of hours worked and amounts paid to Plaintiff are in the possession, custody and control of the Defendants.
- 36. Defendants are sophisticated employers with access to the information and resources necessary for compliance with the FLSA and other applicable laws. For example, Defendants have to file a preliminary offering circular for purposes of raising money through a public offering. Undertaking such an endeavor demonstrates Defendants' familiarity with legal compliance and access to legal advice.
- 37. Upon information and belief, Defendants did not rely on professional legal advice or any Department of Labor opinions when it unlawfully misclassified its employees as contractors.

ALLEGATIONS SPECIFICALLY RELATED TO PLAINTIFFS

- 38. Plaintiff Severn Sims was employed as a designer, developer, marketer and printer operator from November 2011 through November 23, 2016, when he was terminated. Plaintiff Sims regularly worked in excess of forty hours per week.
- 39. Plaintiff Aaron Georges worked for Defendants as a graphic designer, developer and marketer from August 2012 through November 23, 2016, when he was terminated. Plaintiff Georges regularly worked in excess of forty hours per week
- 40. Plaintiff Joseph Conner was employed as a marketer by Defendants from January 2011 until July 2016, when he was terminated. Plaintiff Conner regularly worked in excess of forty hours per week

COUNT I RECOVERY OF OVERTIME COMPENSATION

- 41. Plaintiffs reincorporates and readopts all allegations contained within Paragraphs 1-40 above.
 - 42. Plaintiffs were employees of Defendants pursuant to the FLSA.
 - 43. Plaintiffs performed non-exempt job duties.
 - 44. Defendants were aware Plaintiffs were performing non-exempt job duties.
- 45. Plaintiffs were entitled to be paid time and one-half their regular rate of pay for each hour worked in excess of forty (40) per work week.
- 46. During their employment with Defendants, Plaintiffs regularly worked overtime hours but were not paid time and one-half compensation for the same.
- 47. As a result of Defendants' intentional, willful, and unlawful acts in refusing to pay Plaintiffs time and one-half their regular rate of pay for each hour worked in excess of forty (40) per work week in one or more work weeks, Plaintiffs have suffered damages and are incurring reasonable attorneys' fees and costs.
- 48. Defendants were aware Plaintiffs performed non-exempt job duties but still refused to pay Plaintiffs overtime for hours worked over forty (40).

- 49. Defendants did not maintain and keep accurate time records as required by the FLSA for Plaintiffs.
- 50. Defendants failed to post required FLSA informational listings as required by the FLSA.
- 51. Defendants' conduct was in reckless disregard of the overtime requirements of the FLSA.
 - 52. Defendants willfully violated the FLSA.
 - 53. Plaintiffs are entitled to liquidated damages.

WHEREFORE, Plaintiffs demand judgment against Defendants for the payment of all overtime hours at one and one-half the regular rate of pay for the hours worked by them for which Defendants did not properly compensate them, liquidated damages, reasonable attorneys' fees and costs incurred in this action, and all further relief that this Court deems to be just and appropriate.

COUNT II COLLECTIVE ACTION, VIOLATION OF FLSA (FAILURE TO PAY OVERTIME)

- 54. Plaintiff realleges paragraphs 1-40 as if fully set forth herein.
- 55. At all times material, Defendants misclassified individuals as contractors who were in reality "employees," who worked for Defendants and who worked a substantial number of hours in excess of forty (40) per week.
- 56. Defendants were aware such similarly situated individuals were performing nonexempt job duties.
- 57. Defendants failed to pay individuals similarly situated to Plaintiffs one and one half times their regular hourly rate, for all hours worked in excess of forty (40) in each week, in violation of the FLSA.
- 58. Defendants' failure to pay such similarly situated individuals the required overtime rate was in reckless disregard of the FLSA.
 - 59. As a direct and legal consequence of Defendants unlawful acts, individuals

similarly situated to Plaintiffs have suffered damages and have incurred, or will incur, costs and

attorneys' fees in the prosecution of this matter.

WHEREFORE, Plaintiffs demand that similarly situated employees have judgment entered

against Defendants for the payment of all overtime hours at one and one-half the regular rate of pay

for the hours worked over forty for which Defendants did not properly pay them, liquidated

damages, reasonable attorneys' fees and costs incurred in this action, and all further relief that this

Court deems to be just and appropriate.

DEMAND FOR JURY TRIAL

Plaintiff hereby requests a trial by jury on all issues so triable.

Dated this 9th day of December, 2016.

MORGAN & MORGAN

/s/ Marc R. Edelman

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MEdelman@forthepeople.com

Attorney for Plaintiffs

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JS 44 (Rev. 11/15)

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.)

purpose of initiating the civil de	ocket sheet. <i>(SEE INSTRUC</i>	TIONS ON NEXT PAGE O	F THIS FO	RM.)		•		
I. (a) PLAINTIFFS		DEFENDANTS UNATION, LLC a for profit corporation and GEORGE BEARDSLEY, individually, County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.						
SEVERN SIMS, AARON GEORGES and JOSEPH CONNER III individually and on behalf of others similarly situated, (b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)								
(c) Attorneys (Firm Name, Americal R. Edelman, E Morgan & Morgan P (813) 577-4722				Attorneys (If Know				
II. BASIS OF JURISDI	CTION (Place an "X" in C	ne Box Only)	III. CI	TIZENSHIP OF	PRI	INCIP	AL PARTIES	(Place an "X" in One Box for Plaintij
☐ 1 U.S. Government Plaintiff	Federal Question (U.S. Government)	Not a Party)		(For Diversity Cases Only on of This State	'y) PTF ≯ 1	DEF □	Incorporated or Proof Business In	
☐ 2 U.S. Government Defendant	☐ 4 Diversity (Indicate Citizensh	ip of Parties in Item III)	Citize	en of Another State	D 2	o 2	Incorporated and of Business In	
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IV. NATURE OF SUIT			F.	DESITIOS/DENATTO	v 1	Ď A	NKRUPTOV	OTHER STATUTES
CONTRACT 110 Insurance 120 Marine 130 Miller Act 140 Negotiable Instrument 150 Recovery of Overpayment & Enforcement of Judgment 151 Medicare Act 152 Recovery of Defaulted Student Loans (Excludes Veterans) 153 Recovery of Overpayment of Veteran's Benefits 160 Stockholders' Suits 190 Other Contract 195 Contract Product Liability 196 Franchise REAL PROPERTY 210 Land Condemnation 220 Forcelosure 230 Rent Lease & Ejectment 240 Torts to Land 245 Tort Product Liability 290 All Other Real Property	PERSONAL INJURY 310 Airplane 315 Airplane Product Liability 320 Assault, Libel &	PERSONAL INJUR 365 Personal Injury - Product Liability 367 Health Care/ Pharmaceutical Personal Injury Product Liability 368 Asbestos Personal Injury Product Liability PERSONAL PROPER 370 Other Fraud 371 Truth in Lending 380 Other Personal Property Damage Product Liability PRISONER PETITION Habeas Corpus: 463 Alien Detainee 510 Motions to Vacate Sentence 530 General 535 Death Penalty Other:	Y	DRFEITURE/PENALTY 5 Drug Related Seizure of Property 21 USC 88 0 Other LABOR 0 Fair Labor Standards Act 10 Labor/Management Relations 0 Railway Labor Act 1 Family and Medical Leave Act 10 Other Labor Litigation 1 Employee Retirement Income Security Act IMMIGRATION 2 Naturalization Application Other Immigration Actions	000000000000000000000000000000000000000	422 App 423 Wif 28 PROPI 820 Cop 830 Pate 840 Tra 861 HIA 862 Bla 863 DIV 865 RSI 871 IRS	USC 157 ERTY RIGHTS Dyrights ent	OTHER STATUTES 375 False Claims Act 3729(a)) 400 State Reapportionment 410 Antitrust 430 Banks and Banking 450 Commerce 460 Deportation 470 Racketeer Influenced and Corrupt Organizations 480 Consumer Credit 490 Cable/Sat TV 850 Securities/Commodities/ Exchange 890 Other Statutory Actions 891 Agricultural Acts 893 Environmental Matters 895 Freedom of Information Act 896 Arbitration 899 Administrative Procedure Act/Review or Appeal of Agency Decision 950 Constitutionality of State Statutes
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VI. CAUSE OF ACTIO				-				······································
VII. REQUESTED IN COMPLAINT:	CHECK IF THIS UNDER RULE 2	IS A CLASS ACTION 3, F.R.Cv.P.	i Di	EMAND \$			CHECK YES only JURY DEMAND	r if demanded in complaint:
VIII. RELATED CASE IF ANY	E(S) (See instructions):	UDGE				DOCK	ET NUMBER _	
DATE 12-9-20	16 1/2	SIGNATURE OF ATT	FORNEY O	F RECORD				
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JS 44 Reverse (Rev. 11/15)

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading 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. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; NOTE: federal question actions take precedence over diversity cases.)
- III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin. Place an "X" in one of the six boxes.
 - Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date. Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

- VI. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. Do not cite jurisdictional statutes unless diversity. Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.

 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases. This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Unation Facing Unpaid Overtime Class Action</u>