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LAW FIRM

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**UNITED STATES DISTRICT COURT**

**DISTRICT OF ARIZONA**

Leonardo Lopez, individually and on behalf of  
others similarly situated;

Plaintiffs,

vs.

YourPeople, Inc., d/b/a Zenefits FTW Insurance  
Services; a Delaware Corporation,

Defendant.

Case No.:

**COLLECTIVE ACTION COMPLAINT**

Plaintiff Leonardo Lopez, and all similarly situated employees (“Plaintiff and all similarly situated employees”), on behalf of himself and other employees and former employees similarly situated (“Plaintiff and all similarly situated employees and all similarly situated former employees”), for his Complaint against YourPeople, Inc., d/b/a Zenefits FTW Insurance Services (“Defendant”) alleges as follows:

**NATURE OF THE CASE**

1. The Fair Labor Standards Act ("FLSA") is designed to eliminate "labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency and general well-being of workers" 29 U.S.C. § 202(a). To achieve its goals,

1 the FLSA sets minimum wage and overtime pay requirements for covered employers. 29  
2 U.S.C. §§ 206(a) & 207(a).

3 2. Employers must compensate employees for all work that employers permit  
4 employees to perform. *See* 29 C.F.R. § 785.11. In such cases, it is the responsibility of  
5 employers' management to ensure that work is not performed if management does not desire  
6 for such work to be performed. 29 C.F.R. § 785.13. Employers may not accept the benefits of  
7 employees performing work without compensating the employees for their work. *Id.*

8 3. Plaintiff and all similarly situated employees bring this action against Defendant  
9 for unlawful failure to pay overtime wages in direct violation of the Fair Labor Standards Act,  
10 29 U.S.C. § 201 *et seq.* ("FLSA") and specifically the overtime provision of the Act found at §  
11 207(a).

12 4. For at least three (3) years prior to the filing of this action, Defendant had a  
13 consistent policy and practice of requiring its employees to work well in excess of forty (40)  
14 hours per week without paying them time and a half for hours worked over forty (40) hours per  
15 week.

16 5. For at least three (3) years prior to the filing of this action, Plaintiff worked at  
17 least fifteen to thirty (15-30) hours in excess of forty (40) hours per week and was not paid  
18 time and a half.

19 6. Plaintiff and all similarly situated employees seek to recover unpaid overtime  
20 compensation, and an equal amount of liquidated damages, including interest thereon,  
21 statutory penalties, attorneys' fees and costs pursuant to 29 U.S.C. §216(b).

22 **JURISDICTION AND VENUE**

23 7. This Court has jurisdiction over the subject matter and the parties hereto pursuant  
24 to 29 U.S.C. § 216(b), and 28 U.S.C. § 1331.

1 8. Venue is proper under 28 U.S.C. §1391(b) because all or a substantial part of the  
2 events or omissions giving rise to the claims occurred in this District.

3 9. The named Defendant, by virtue of their own acts and omissions or by virtue of  
4 the acts and omissions committed by one or more of their agents, employees or representatives,  
5 as described herein, have conducted business or caused events to occur within the District of  
6 Arizona and, more particularly, within Maricopa County, Arizona, as more particularly  
7 described herein so as to give rise to both subject matter and personal jurisdiction of this Court.

8 **PARTIES**

9 10. At all times material hereto, Plaintiff was and continues to be a resident of  
10 Maricopa County, Arizona.

11 11. At all times material YourPeople, Inc., d/b/a Zenefits FTW Insurance Services  
12 was incorporated in the State of Delaware with its principal place of business located in  
13 California.

14 **FACTUAL BACKGROUND**

15 12. Defendant operates their health insurance agency and brokerage business under  
16 the name YourPeople, Inc. d/b/a Zenefits FTW Insurance Services.

17 13. Zenefits is licensed as an insurance producer in all 50 states and the District of  
18 Columbia.

19 14. Zenefits offers brokerage and Human Resources services to businesses through  
20 the United States.

21 15. Plaintiff was employed by Defendant as Inside Sales Account Executives.

22 16. Inside Sales Account Executives are responsible for prospecting and cold calling  
23 companies to sell them Zenefits' free Human Resources software.

24 17. For all decisions, Inside Sales Account Executives needed Defendant's  
25

1 management's approval.

2 18. Inside Sales Account Executives reported out of offices of Defendant.

3 19. Defendant gave training and specific instructions on how Inside Sales Account  
4 Executives were to perform their duties.

5 20. Defendant scheduled Inside Sales Account Executives to work specific hours.

6 21. Defendant expected Inside Sales Account Executives to work more than their  
7 scheduled hours if necessary to complete their tasks.

8 22. Defendant never paid Inside Sales Account Executives for any hours worked in  
9 excess of 40 hours per week.

10 23. Defendant had authority to set the wages of Plaintiff.

11 24. Defendant suffered and permitted Plaintiff to work.

12 25. Defendant suffered and permitted Plaintiff to work for Defendants without  
13 properly compensating Plaintiffs for all their time spent working.

14 26. Defendants had complete control over the manner in which Plaintiffs would  
15 complete their work. Plaintiff followed Defendant's strict and rigid requirements for the  
16 performance of their work.

17 27. Defendant had the complete authority to exercise complete control with respect  
18 to all details of the employment relationship between the parties.

19 28. Plaintiff was hired by Defendant as an Inside Sales Account Executive on  
20 January 5, 2015.

21 29. Plaintiff's employment with Defendant ended on March 1, 2016.

22 30. Plaintiff was compensated at a pay rate of \$23.07 per hour.

23 31. Defendant would hold a 3-hour meeting every other Thursday after normal  
24 business hours for which Plaintiff were not compensated.

1           32. Defendant also held mandatory meetings at 7am three days per week for which  
2 Plaintiff was not compensated.

3           33. Plaintiff was not required to clock in or out, and thus, Defendant failed to track  
4 Plaintiff's hours while he was employed with Defendant.

5           34. Plaintiff's mandatory calling hours were from 8am – 5pm.

6           35. If Plaintiff wanted to find prospective businesses to call, Plaintiff was required to  
7 do so on his own time.

8           36. Plaintiff was misclassified as exempt employees.

9           37. Plaintiff should have been classified and treated as non-exempt employees.

10          38. Plaintiff was not a manager.

11          39. Plaintiff did not have the authority to hire or fire other employees.

12          40. Plaintiff did not exercise discretion and independent judgment with respect to  
13 matters of significance.

14          41. From 2010 and continuing through the present, Defendant failed to properly  
15 compensate Plaintiff and all similarly situated employees for any of their overtime hours.  
16 During this time, Plaintiffs and all similarly situated employees were regularly worked  
17 approximately 55-70 hours per week.

18          42. Upon information and belief, the records concerning the number of hours worked  
19 and amounts paid to Plaintiff and all similarly situated employees are in the possession and  
20 custody of Defendant.

21          43. Defendant's failure and/or refusal to properly compensate Plaintiff and all  
22 similarly situated employees at the rates and amounts required by the FLSA were/was willful.

23          44. Defendant refused and/or failed to properly disclose to or apprise Plaintiff and all  
24 similarly situated employees of their rights under the FLSA.

25

1 45. At all relevant times, Plaintiff and all similarly situated employees were  
2 “employees” of Defendant, as defined by 29 U.S.C. §203(e)(1).

3 46. The provisions set forth in 29 U.S.C § 206 and § 207, respectively, of the FLSA  
4 apply to Defendant.

5 47. At all relevant times, Defendant was and continues to be an employer as defined  
6 in 29 U.S.C. § 203(d).

7 48. At all times material to this action, Defendant was and continues to be an  
8 “enterprise engaged in commerce or in the production of goods for commerce” as defined by  
9 29 U.S.C. § 203(s)(1).

10 49. On information and belief, at all relevant times, the annual gross revenue of  
11 Defendant exceeded, and continues to exceed, \$500,000.00.

12 50. The additional persons who may become plaintiffs in this action “worked” for  
13 Defendant, held similar positions as Plaintiff (Inside Sales Account Executives) and worked at  
14 least one (1) hour in excess of forty (40) hours during one or more work weeks during the  
15 relevant time periods, and did not receive pay at one and one-half times their regular rate of  
16 pay for all of their hours worked in excess of forty (40) hours, or were misclassified as exempt  
17 employees.

18 51. As required by 29 U.S.C. § 216(b), Plaintiff’s Consent to Become a Party  
19 Plaintiff will be filed contemporaneously to this Complaint as **Exhibits A**.

20 52. Plaintiff have retained the law firm of Phillips Dayes Law Firm, P.C., to  
21 represent him in this litigation and has agreed to pay a reasonable fee for the services rendered  
22 in the prosecution of this action on his behalf.

23 **COUNT ONE**  
24 **VIOLATION OF FAIR LABOR STANDARDS ACT § 207**

25 53. Plaintiffs incorporate and adopt paragraphs 1 through 52 above as if fully set

1 forth herein.

2 54. While employed by Defendant, Plaintiff and all similarly situated employees  
3 consistently and regularly worked multiple hours of overtime each week.

4 55. Defendant has intentionally failed and/or refused to pay Plaintiff and all similarly  
5 situated employees' overtime according to the provisions of the FLSA.

6 56. Defendant has further engaged in a widespread pattern and practice of violating  
7 the provisions of the FLSA by failing to pay Plaintiff and all similarly situated employees in  
8 accordance with § 207 of the FLSA.

9 57. There are numerous similarly situated employees and former employees of  
10 Defendant who have been improperly compensated in violation of the FLSA and who would  
11 benefit from the issuance of Court Supervised Notice of the present lawsuit and the opportunity  
12 to join the present lawsuit.

13 58. The similarly situated employees are approximately 1500 present and former  
14 employees who have the same job description as Plaintiffs and perform the same or similar job  
15 functions.

16 59. Those similarly situated employees are known to Defendant and are readily  
17 identifiable and locatable through Defendant's records. Specifically, all current employees and  
18 former employees of Defendant who have been employed with Defendant in the role of Inside  
19 Sales Account Executive would benefit from Court Supervised Notice and the opportunity to  
20 join the present lawsuit and should be so notified.

21 60. As a result of Defendant's violations of the FLSA, Plaintiff and all similarly  
22 situated employees have suffered damages by failing to receive compensation in accordance  
23 with § 207 of the FLSA.

24 61. Under 20 U.S.C. § 216 Defendant is liable to Plaintiff and all similarly situated  
25

1 employees for an amount equal to one and one-half times their regular pay rate for each hour  
2 of overtime worked per week.

3 62. In addition to the amount of unpaid wages owed, Plaintiff and all similarly  
4 situated employees are also entitled to recover an additional equal amount as liquidated  
5 damages pursuant to 29 U.S.C. § 216(b).

6 63. Defendant's action in failing to compensate Plaintiff and all similarly situated  
7 employees, in violation of the FLSA, was willful.

8 64. Defendant has not made a good faith effort to comply with the FLSA.

9 65. Plaintiff is also entitled to an award of attorneys' fees pursuant to 29 U.S.C. §  
10 216(b).

11 WHEREFORE, Plaintiff respectfully requests that judgment be entered in his favor  
12 against Defendant:

- 13 a. Awarding Plaintiff and all similarly situated employees overtime  
14 compensation in the amount due to him for all of Plaintiff's and all similarly  
15 situated employees' time worked in excess of forty (40) hours per work week  
16 at an amount equal to one and one-half times Plaintiff's and all similarly  
17 situated employees' regular rate of pay while employed by Defendant;
- 18 b. Awarding Plaintiff and all similarly situated employees liquidated damages  
19 in an amount equal to the overtime award;
- 20 c. Awarding Plaintiff and all similarly situated employees reasonable attorneys'  
21 fees and costs and expenses of the litigation pursuant to 29 U.S.C. § 216(b);
- 22 d. For Plaintiff's and all similarly situated employees' costs incurred in this  
23 action;
- 24 e. Awarding Plaintiff and all similarly situated employees pre-judgment  
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1 interest, at the highest legal rate, on all amounts set forth in subsections (a)  
2 and (b) above from the date of the payment due for that pay period until paid  
3 in full;

4 f. Awarding Plaintiff and all similarly situated employees post-judgment  
5 interest, at the highest legal rate, on all awards from the date of such award  
6 until paid in full;

7 g. Granting Plaintiff an Order, on an expedited basis, allowing them to send  
8 Notice of this action, pursuant to 29 U.S.C. § 216(b) , to those similarly  
9 situated to Plaintiffs; and

10 h. For such other and further relief as the Court deems just and proper.

11 **COUNT TWO**  
12 **DECLARATORY JUDGMENT**

13 66. Plaintiffs incorporate and adopt paragraphs 1 through 66 above as if fully set  
14 forth herein.

15 67. Plaintiff and Defendant have an overtime compensation dispute pending.

16 68. The Court has jurisdiction to hear Plaintiff's request for declaratory relief pursuant  
17 to the Declaratory Judgment Act, 28 U.S.C. §§ 2201–02.

18 69. Plaintiff is entitled to declarations, and requests that the Court make declarations as  
19 to the following matters and as to other matters deemed appropriate by the Court:

20 a. Defendant employed Plaintiff.

21 b. Defendant is engaged in an enterprise covered by the overtime provisions of the  
22 FLSA.

23 c. Plaintiff individually is covered by the overtime provisions of the FLSA.

24 d. Plaintiff was a non-exempt employees pursuant to the FLSA.

25 e. Defendant failed to maintain accurate time records in violation of the FLSA.

- 1 f. Defendant failed and refused to make payments of overtime compensation to
- 2 Plaintiffs, in violation of the provisions of the FLSA.
- 3 g. Defendant's failure to pay overtime compensation to Plaintiffs was willful.
- 4 h. Plaintiff is entitled to damages in the amount of overtime compensation not paid
- 5 by Defendant at the rate of one and one-half times Plaintiff's regular rate of pay.
- 6 i. Plaintiff is entitled to an equal amount as liquidated damages.
- 7 j. Plaintiff is entitled to recover their costs and a reasonable attorney's fee incurred
- 8 in prosecuting their claims.

9 70. It is in the public interest to have these declarations of rights recorded as  
10 Plaintiff's declaratory judgment action serves the useful purposes of clarifying and settling the  
11 legal relations at issue, preventing future harm, and promoting the remedial purposes of the  
12 FLSA.

13 71. The declaratory judgment action further terminates and affords relief from  
14 uncertainty, insecurity, and controversy giving rise to the proceeding.

15 WHEREFORE, Plaintiff respectfully request that judgment be entered in his favor  
16 against Defendant:

- 17 a. Declaring, pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201–02,
- 18 that the acts and practices complained of herein are in violation of the
- 19 overtime and wage provisions of the FLSA;
- 20 b. Awarding Plaintiff his reasonable attorney's fees and the costs and expenses
- 21 of the litigation pursuant to the FLSA; and
- 22 c. For such other and further relief as the Court deems just and proper
- 23
- 24
- 25

1 Dated: November 17, 2016

Respectfully submitted,

2 **PHILLIPS DAYES LAW FIRM PC**

3 By: /s/ Trey Dayes

4 Trey Dayes  
5 Sean C. Davis  
6 Preston K. Flood  
7 Attorney for Plaintiff

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UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA

Leonardo Lopez, individually and on behalf  
of others similarly situated;

Plaintiffs,

vs.

YourPeople, Inc., d/b/a Zenefits FTW  
Insurance Services; a Delaware Corporation,

Defendant.

Case No.

CONSENT TO SUE UNDER THE FLSA

I hereby consent to be a plaintiff in an action under the Fair Labor Standards Act, 29 U.S.C. § 201 et seq., to secure unpaid minimum and overtime pay, liquidated damages, attorneys' fees, costs and other relief arising out of my employment with YourPeople, Inc., d/b/a Zenefits FTW Insurance Services, and/or other associated parties. I authorize Phillips Dayes Law Firm PC, and any associated attorneys as well as any successors or assigns, to represent me with my claims in the above-captioned lawsuit against Defendant YourPeople, Inc., d/b/a Zenefits FTW Insurance Services, and any other associated parties.

In the event this action does not certify I authorize counsel to reuse this consent form to re-file my claims in a separate or related action against Defendants. By signing

1 and returning this consent to sue, I understand that, if accepted for representation, I will  
2 be represented by the law firm without repayment of costs or attorneys' fees. I  
3 understand that if plaintiffs are successful, costs expended by attorneys on my behalf  
4 will be deducted pro rate from my settlement or judgment first. I understand that the law  
5 firm may petition the court for an award of fees and costs to be paid by the defendants  
6 on my behalf. I understand that the fees retained by the attorneys will be either the  
7 amount of fees received from the defendants or ordered by the court or 1/3 of my  
8 settlement or judgment amount.

9 I authorize the plaintiffs' attorney to file this consent with the Court pursuant to  
10 29 U.S.C. § 216(b).

11  
12 Signature: Leonardo Lopez Dated: 11/15/2016

13  
14 Name (printed) exactly as it appears on company pay statements:

15  
16 Leonardo Lopez

17  
18 Address: 14145 N 92nd St #1028 Scottsdale, AZ 85260

19  
20 Phone Number: [REDACTED] E-Mail: [REDACTED]

UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA

**Civil Cover Sheet**

This automated JS-44 conforms generally to the manual JS-44 approved by the Judicial Conference of the United States in September 1974. The data is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. The information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is authorized for use only in the District of Arizona.

**The completed cover sheet must be printed directly to PDF and filed as an attachment to the Complaint or Notice of Removal.**

Plaintiff(s): **Leonardo Lopez, individually and on behalf of others similarly situated**

Defendant(s): **YourPeople, Inc., d/b/a Zenefits FTW Insurance Services**

County of Residence: Maricopa

County of Residence: Outside the State of Arizona

County Where Claim For Relief Arose: Maricopa

Plaintiff's Atty(s):

Defendant's Atty(s):

**Trey Dayes ( Leonardo Lopez, individually and on behalf of others similarly situated )**

**Phillips Dayes Law Firm PC  
3101 N Central Ave, 1500  
Phoenix, Arizona 85012  
6022881610**

**Sean C Davis ( Leonardo Lopez, individually and on behalf of others similarly situated )**

**Phillips Dayes Law Firm PC  
3101 N Central Ave, 1500  
Phoenix, Arizona 85012  
6022881610**

**Preston K Flood ( Leonardo Lopez, individually and on behalf of others similarly situated )**

**Phillips Dayes Law Firm PC  
3101 N Central Ave, 1500  
Phoenix, Arizona 85012  
6022881610**

II. Basis of Jurisdiction:

**3. Federal Question (U.S. not a party)**

III. Citizenship of Principal Parties (Diversity Cases Only)

Plaintiff:- N/A

Defendant:- N/A

IV. Origin : **1. Original Proceeding**

V. Nature of Suit: **710 Fair Labor Standards Act**

VI. Cause of Action: **29 USC 201 et seq, failure to pay overtime**

VII. Requested in Complaint

Class Action: **No**

Dollar Demand:

Jury Demand: **No**

VIII. This case is not related to another case.

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**Signature: Sean C. Davis**

**Date: 11/17/2016**

**If any of this information is incorrect, please go back to the Civil Cover Sheet Input form using the *Back* button in your browser and change it. Once correct, save this form as a PDF and include it as an attachment to your case opening documents.**

Revised: 01/2014

# ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Unpaid Wage Class Action Filed Against YourPeople, Inc.](#)

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