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Attorneys for Plaintiff DAVID BARAJAS,  
on behalf of himself and current and former aggrieved employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES- CENTRAL DISTRICT**

DAVID BARAJAS, on behalf of himself and  
current and former aggrieved employees

Plaintiff,

vs.

AMERICAN FINANCIAL INTEGRITY OF  
CALIFORNIA, INC.; PLS FINANCIAL  
SOLUTIONS OF CALIFORNIA, INC.; and  
DOES 1 to 100, inclusive,

Defendants.

Case No.: **25STCV07973**

**PAGA ACTION**

**PLAINTIFF DAVID BARAJAS'S  
COMPLAINT FOR:**

- CIVIL PENALTIES PURSUANT  
TO THE PRIVATE ATTORNEYS  
GENERAL ACT OF 2004  
("PAGA"), LABOR CODE  
SECTIONS 2698, ET SEQ.**

**COMES NOW** Plaintiff DAVID BARAJAS ("Plaintiff"), who alleges and complains  
against Defendants AMERICAN FINANCIAL INTEGRITY OF CALIFORNIA, INC.; PLS  
FINANCIAL SOLUTIONS OF CALIFORNIA, INC.; and DOES 1 to 100, inclusive (collectively  
"Defendants") as follows:

**I. INTRODUCTION**

1. This is a Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*  
("PAGA") representative action brought by Plaintiff on behalf of the State of California, himself  
and other current and former aggrieved employees of Defendants who worked as hourly non-exempt

1 employees in California during the relevant time period seeking civil penalties associated with  
2 Defendants' violation of the Labor Code based on Defendants' failure to pay wages for all hours  
3 worked at minimum wage and all overtime hours worked at the overtime rate of pay; failure to pay  
4 overtime wages at the proper overtime rate of pay; failure to authorize or permit all legally required  
5 and/or compliant meal periods or pay meal period premium wages; failure to authorize or permit  
6 all legally required and/or compliant rest periods or pay rest period premium wages; indemnification  
7 for all necessary expenditures or losses incurred by employees in direct consequence of discharging  
8 their duties; failure to pay wages for accrued paid sick time at the regular rate of pay; statutory  
9 penalties for failure to timely pay earned wages during employment; statutory penalties for failure  
10 to provide accurate wage statements; statutory waiting time penalties in the form of continuation  
11 wages for failure to timely pay employees all wages due upon separation of employment. . Plaintiff  
12 experienced these violations personally, as well as is informed and believes other aggrieved  
13 employees did as well. Plaintiff seeks on a representative basis, following notice to the Labor and  
14 Workforce Development Agency, civil penalties, reasonable attorneys' fees pursuant to Labor Code  
15 section 2699(g)(1) and costs brought on behalf of Plaintiff, the State of California, and others  
16 aggrieved.

## 17 **II. JURISDICTION AND VENUE**

18 2. This Court has jurisdiction over the claims of Plaintiff and all other current and  
19 former aggrieved California-based hourly non-exempt employees because Plaintiff's lawsuit seeks  
20 civil penalties on behalf of herself, all other current and former aggrieved California-based hourly  
21 non-exempt employees, and the State of California in excess of twenty-five thousand dollars  
22 (\$25,000); Defendants employed Plaintiff and all other current and former aggrieved California-  
23 based hourly non-exempt employees; and the injuries to Plaintiff and all other current and former  
24 aggrieved California-based hourly non-exempt employees occurred in locations throughout  
25 California, including but not limited to Los Angeles County, at 11301 Long Beach Blvd., Lynwood,  
26 California 90262.

## 27 **III. PARTIES**

28 1. Plaintiff brings this action as a representative of the Labor and Workforce

1 Development Agency on behalf of himself and other current and former employees subject to  
2 violations of the Labor Code. The named Plaintiff and the persons on whose behalf this action is  
3 filed include current, former and/or future employees of Defendants who work, worked, or will work  
4 for Defendants as direct employees as well as temporary employees employed through temp  
5 agencies as hourly non-exempt employees in California. At all times mentioned herein, the currently  
6 named Plaintiff is and was domiciled and a resident and citizen of California and was employed by  
7 Defendants in an hourly position at Defendants' location in Los Angeles from in or around  
8 December 2012 until on or about December 19, 2024.

9         2. Plaintiff is informed and believes and thereon alleges that Defendant AMERICAN  
10 FINANCIAL INTEGRITY OF CALIFORNIA, INC. is authorized to do business within the State  
11 of California and is doing business in the State of California and/or that Defendants DOES 1-33 are,  
12 and at all times relevant hereto were persons acting on behalf of Defendant AMERICAN  
13 FINANCIAL INTEGRITY OF CALIFORNIA, INC. in the establishment of, or ratification of, the  
14 aforementioned illegal wage and hour practices or policies. Defendant AMERICAN FINANCIAL  
15 INTEGRITY OF CALIFORNIA, INC. operates in Los Angeles County and employed Plaintiff and  
16 aggrieved employees in Los Angeles County, including but not limited to, at 11301 Long Beach  
17 Blvd., Lynwood, California 90262.

18         3. Plaintiff is informed and believes and thereon alleges that Defendant PLS  
19 FINANCIAL SOLUTIONS OF CALIFORNIA, INC. is authorized to do business within the State  
20 of California and is doing business in the State of California and/or that Defendants DOES 34-66  
21 are, and at all times relevant hereto were persons acting on behalf of Defendant PLS FINANCIAL  
22 SOLUTIONS OF CALIFORNIA, INC. in the establishment of, or ratification of, the  
23 aforementioned illegal wage and hour practices or policies. Defendant PLS FINANCIAL  
24 SOLUTIONS OF CALIFORNIA, INC. operates in Los Angeles County and employed Plaintiff and  
25 aggrieved employees in Los Angeles County, including but not limited to, at 11301 Long Beach  
26 Blvd., Lynwood, California 90262.

27         4. Plaintiff is informed and believes and thereon alleges that Defendants DOES 1  
28 through 66 are corporations, or are other business entities or organizations of a nature unknown to

1 Plaintiff that employed Plaintiff and aggrieved California non-exempt employees, permitted  
2 Plaintiff and aggrieved employees to work, and exercised control over the wages, hours and working  
3 conditions of employment of Plaintiff and aggrieved employees.

4 5. Plaintiff is informed and believes and thereon alleges that Defendants DOES 67  
5 through 100 are individuals unknown to Plaintiff. Each of the individual defendants is sued  
6 individually and in his or her capacity as an agent, shareholder, owner, representative, manager,  
7 supervisor, independent contractor and/or employee of each defendant who violated or caused to be  
8 violated the minimum wage and overtime provisions of the Labor Code and/or any provision of the  
9 Industrial Welfare Commission's wage orders regulating hours and days of work.

10 6. Plaintiff is unaware of the true names of Defendants DOES 1 through 100. Plaintiff  
11 sues said defendants by said fictitious names, and will amend this complaint when the true names  
12 and capacities are ascertained or when such facts pertaining to liability are ascertained, or as  
13 permitted by law or by the Court. Plaintiff is informed and believes that each of the fictitiously  
14 named defendants is in some manner responsible for the events and allegations set forth in this  
15 complaint.

16 7. Plaintiff makes the allegations in this complaint without any admission that, as to  
17 any particular allegation, Plaintiff bears the burden of pleading, proving, or persuading and Plaintiff  
18 reserves all of Plaintiff's right to plead in the alternative.

19 **FIRST CAUSE OF ACTION**

20 **CIVIL PENALTIES PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF**  
21 **2004, LABOR CODE SECTIONS 2698, ET SEQ.**

22 **(Against all Defendants by Plaintiff on behalf of Themselves, the State of California, and**  
23 **Other Current and Former Aggrieved Employees)**

24 8. Plaintiff incorporates all paragraphs above as though fully set forth herein.

25 9. During Plaintiff's employment and continuing through the present, Plaintiff alleges  
26 Defendants violated Labor Code sections 201, 202, 203, 204, 223, 226, 226.7, 246, 510, 512, 1194,  
27 1197, 2802, and the applicable Wage Orders.

28 10. Specifically, Defendants have committed the following violations of California

1 Labor Code:

2 **11. Failure to pay wages for all hours worked at the legal minimum wage:**

3 Defendants employed many of their employees, including Plaintiff, as hourly non-exempt  
4 employees. In California, an employer is required to pay hourly employees for all “hours worked,”  
5 which includes all time that an employee is under control of the employer and all time the employee  
6 is suffered and permitted to work. This includes the time an employee spends, either directly or  
7 indirectly, performing services which inure to the benefit of the employer.

8 12. Labor Code sections 1194 and 1197 require an employer to compensate employees  
9 for all “hours worked” at least at a minimum wage rate of pay as established by the IWC and the  
10 Wage Orders.

11 13. In this case, Plaintiff and other current and former aggrieved California-based hourly  
12 non-exempt employees worked more minutes per shift than Defendants credited them with having  
13 worked. Specifically, Defendants failed to pay Plaintiff and other current and former aggrieved  
14 California-based hourly non-exempt employees all wages at the applicable minimum wage for all  
15 hours worked due to Defendants’ policies, practices, and/or procedures including, but not limited  
16 to:

17 (a) Occasionally requiring Plaintiff and other current and former aggrieved California-  
18 based hourly non-exempt employees to complete off-the-clock work without being paid for that  
19 time such as reviewing and responding to management messages and requiring Plaintiff and other  
20 current and former aggrieved California-based hourly non-exempt employees to remain on-duty  
21 during their off-the-clock meal breaks in order to provide customer service with override codes for  
22 transactions, double counts for transactions, open the door for other employees, and answer calls,  
23 without being paid for that time.

24 14. Therefore, Defendants suffered, permitted, and required Plaintiff and other current  
25 and former aggrieved California-based hourly non-exempt employees to be subject to Defendants’  
26 control without paying wages for that time. This resulted in Plaintiff and other current and former  
27 aggrieved California-based hourly non-exempt employees working time for which they were not  
28 compensated any wages, in violation of Labor Code sections 1194 and 1197 and the applicable

1 Wage Order.

2 15. Employee is further informed and believes, and based thereon alleges, that  
3 Employer's conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.  
4 Employer would further be liable for civil penalties pursuant to Labor Code section  
5 2699(f)(2)(B)(ii).

6 16. **Failure to pay wages for overtime hours worked at the overtime rate of pay**  
7 **and/or failure to pay overtime wages at the proper rate of pay:** Defendants employed many of  
8 their employees, including Plaintiff, as hourly non-exempt employees. In California, an employer  
9 is required to pay hourly employees for all "hours worked," which includes all time that an employee  
10 is under control of the employer and all time the employee is suffered and permitted to work. This  
11 includes the time an employee spends, either directly or indirectly, performing services that inure to  
12 the benefit of the employer.'

13 17. Labor Code sections 510 and 1194 require an employer to compensate employees a  
14 higher rate of pay for hours worked in excess of eight (8) hours in a workday, in excess of forty (40)  
15 hours in a workweek, and on any seventh consecutive day of work in a workweek:

16 Any work in excess of eight (8) hours in one workday, any work in excess of forty (40) hours  
17 in any one (1) workweek, and the first eight (8) hours worked on the seventh day of work in  
18 any one (1) workweek, shall be compensated at the rate of no less than one-and-one-half  
19 (1.5) times the regular rate of pay for an employee. Any work in excess of twelve (12) hours  
20 in one (1) day shall be compensated at the rate of no less than twice the regular rate of pay  
for an employee. In addition, any work in excess of eight (8) hours on any seventh day of a  
workweek shall be compensated at the rate of no less than twice the regular rate of pay of an  
employee.

21 Labor Code section 510.

22 18. In this case, Defendants failed to pay Plaintiff and other current and former aggrieved  
23 California-based hourly non-exempt employees overtime wages for all overtime hours worked due  
24 to Defendants' policies, practices, and/or procedures including, but not limited to:

25 (a) Occasionally requiring Plaintiff and other current and former aggrieved California-  
26 based hourly non-exempt employees to complete off-the-clock work without being paid for that  
27 time such as reviewing and responding to management messages and requiring Plaintiff and other  
28 current and former aggrieved California-based hourly non-exempt employees to remain on-duty

1 during their off-the-clock meal breaks in order to provide customer service with override codes for  
2 transactions, double counts for transactions, open the door for other employees, and answer calls,  
3 without being paid for that time.

4 19. Employee is further informed and believes, and based thereon alleges, that  
5 Employer's conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.  
6 Employer would further be liable for civil penalties pursuant to Labor Code section  
7 2699(f)(2)(B)(ii).

8 20. Furthermore, overtime is based upon an employee's regular rate of pay. "The regular  
9 rate at which an employee is employed shall be deemed to include all remuneration for employment  
10 paid to, or on behalf, of the employee." See Division of Labor Standards Enforcement –  
11 Enforcement Policies and Interpretations Manual, Section 49.1.2.

12 21. In this case, Plaintiff alleges that when he and other current and former aggrieved  
13 California-based hourly non-exempt employees earned overtime wages, Defendants failed to pay  
14 them overtime wages at the proper overtime rate of pay due to Defendants' failure to include all  
15 remuneration when calculating the overtime rate of pay. Specifically, Defendants maintained a  
16 policy, practice, and/or procedure of failing to include all remuneration such as quarterly bonuses  
17 based on sales prepaid cards and check cashing fees, for example, when calculating Plaintiff's and  
18 other current and former aggrieved California-based hourly non-exempt employees' regular rate of  
19 pay for the purpose of paying overtime.

20 22. The foregoing policies, practices, and/or procedures resulted in time during each  
21 workday that Plaintiff and other current and former aggrieved California-based hourly non-exempt  
22 employees were under the control of Defendants but were not compensated. To the extent that the  
23 foregoing uncompensated time occurred when Plaintiff and other current and former aggrieved  
24 California-based hourly non-exempt employees worked more than eight (8) hours in a workday,  
25 more than forty (40) hours in a workweek, and/or seven (7) days in a workweek, Defendants failed  
26 to pay them at their overtime rate of pay for overtime hours worked, in violation of Labor Code  
27 sections 510, 1194 and 1198, and the applicable Wage Order.

28 23. **Failure to pay wages to hourly non-exempt employees for workdays that**

1 **Defendants failed to provide legally required and compliant meal periods and/or failure to**  
2 **pay period premium wages:** Plaintiff and other current and former aggrieved California-based  
3 hourly non-exempt employees regularly worked shifts of more than five (5) hours in length and  
4 shifts of more than ten (10) hours in length.

5 24. California law requires an employer to authorize or permit an employee an  
6 uninterrupted meal period of no less than thirty (30) minutes in which the employee is relieved of  
7 all duties and the employer relinquishes control over the employee's activities prior to the  
8 employee's sixth hour of work. Labor Code sections 226.7, 512, and 1198; Wage Order 4 at §11;  
9 *Brinker Rest. Corp. v. Super Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004. An employer may not employ  
10 an employee for a work period of more than ten (10) hours per day without providing the employee  
11 with a second such meal period of not less than thirty (30) minutes prior to the start of the eleventh  
12 hour of work. *Id.* If the employee is not relieved of all duty during a meal period, the meal period  
13 shall be considered an "on duty" meal period and counted as time worked. A paid "on duty" meal  
14 period is only permitted when: (1) the nature of the work prevents an employee from being relieved  
15 of all duty; and (2) the parties have a written agreement agreeing to on-duty meal periods.

16 25. If an employer fails to provide an employee a meal period in accordance with the  
17 law, the employer must pay the employee one (1) hour of pay at the employee's regular rate of pay  
18 for each workday that a legally required and compliant meal period was not provided. Labor Code  
19 sections 226.7 and 1198; Wage Order 4 at §11.

20 26. In this case, Defendants failed to authorize or permit legally required and compliant  
21 meal periods to Plaintiff and other current and former aggrieved California-based hourly non-  
22 exempt employees due to Defendants' policies, practices, and/or procedures, including but not  
23 limited to:

24 (a) failing to provide Plaintiff and other current and former aggrieved California-based  
25 hourly non-exempt employees timely, uninterrupted, duty-free meal breaks of at least 30 minutes for  
26 every five hours worked.

27 (b) requiring Plaintiff and other current and former aggrieved California-based hourly non-  
28 exempt employees to remain on-duty during their off-the-clock meal breaks in order to provide customer

1 service with override codes for transactions, double counts for transactions, open the door for other  
2 employees, and answer calls, without being paid for that time.

3 27. Additionally, Plaintiff alleges that Defendants maintained a policy, practice, and/or  
4 procedure of failing to compensate Plaintiff and other current and former aggrieved California-based  
5 hourly non-exempt employees one (1) hour of pay at their regular rate of pay for each workday that  
6 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees did  
7 not receive legally required and compliant meal periods, in violation of Labor Code section 226.7.

8 28. Finally, on occasions when Defendants paid Plaintiff and other current and former  
9 aggrieved California-based hourly non-exempt employees a “premium” wage for late, missed, short,  
10 on-premise, on-duty, and/or interrupted meal periods, Defendants failed to pay the one (1) additional  
11 hour of pay at Plaintiff’s and other current and former aggrieved California-based hourly non-  
12 exempt employees’ regular rate of compensation. Specifically, Defendants maintained a policy,  
13 practice, and/or procedure of failing to include all remuneration such as quarterly bonuses based on  
14 sales prepaid cards and check cashing fees, for example, when calculating Plaintiff’s and other  
15 current and former aggrieved California-based hourly non-exempt employees’ regular rate of pay  
16 for the purpose of paying meal period premium wages.

17 29. Defendants’ foregoing policies, practices, and/or procedures resulted in Plaintiff and  
18 other current and former aggrieved California-based hourly non-exempt employees not receiving  
19 wages to compensate them for workdays during which Defendants did not provide them with meal  
20 periods in compliance with California law.

21 30. Employee is further informed and believes, and based thereon alleges, that  
22 Employer’s conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.  
23 Employer would further be liable for civil penalties pursuant to Labor Code section  
24 2699(f)(2)(B)(ii).

25 31. **Failure to pay wages to hourly non-exempt employees for workdays that**  
26 **Defendants failed to provide legally required and compliant rest periods and/or failure to pay**  
27 **rest period premium:** Plaintiff and other current and former aggrieved California-based hourly  
28 non-exempt employees regularly worked shifts of more than three-and-a-half (3.5) hours.

32. California law requires every employer to authorize and permit an employee a rest period of ten (10) net minutes for every four (4) hours worked or major fraction thereof. Labor Code section 226.7; Wage Order 4 at §12. Under California law, “[e]mployees are entitled to 10 minutes’ rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on.” *Brinker Restaurant Corp. v. Sup. Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004, 1029; Labor Code section 226.7; Wage Order 4 at §12. Rest periods, insofar as practicable, shall be in the middle of each work period. Wage Order 4 at §12. Additionally, the rest period requirement “obligates employers to permit – and authorizes employees to take – off-duty rest periods.” *Augustus v. ABM Security Services, Inc.*, (2016) 5 Cal.5th 257, 269. That is, during rest periods employers must relieve employees of all duties and relinquish control over how employees spend their time. *Id.*

33. If the employer fails to authorize or permit a required rest period, the employer must pay the employee one (1) hour of pay at the employee’s regular rate of pay for each workday the employer did not authorize or permit a legally required rest period. Labor Code section 226.7; Wage Order 4 at § 12.

34. In this case, Defendants failed to authorize or permit all legally required and compliant rest periods to Plaintiff and other current and former aggrieved California-based hourly non-exempt employees due to Defendants’ policies, practices, and/or procedures including, but not limited to:

(a) requiring Plaintiff and other current and former aggrieved California-based hourly non-exempt employees to remain on-duty during their rest breaks in order to provide customer service with override codes for transactions, double counts for transactions, open the door for other employees, and answer calls, without being paid for that time.

35. Additionally, Plaintiff alleges that Defendants maintained a policy, practice, and/or procedure of failing to compensate Plaintiff and other current and former aggrieved California-based hourly non-exempt employees with one (1) hour of pay at their regular rate of pay for each workday they did not receive legally required and compliant rest periods, in violation of Labor Code section 226.7.

1           36.     Finally, on occasions when Defendants did pay Plaintiff and other current and former  
2 aggrieved California-based hourly non-exempt employees a “premium” wage for late, missed, short,  
3 on-premise, on-duty, and/or interrupted rest periods, Defendants failed to pay the one (1) additional  
4 hour of pay at Plaintiff’s and other current and former aggrieved California-based hourly non-  
5 exempt employees’ regular rate of compensation. Specifically, Defendants maintained a policy,  
6 practice, and/or procedure of failing to include all remuneration such as quarterly bonuses based on  
7 sales prepaid cards and check cashing fees, for example, when calculating Plaintiff’s and other  
8 current and former aggrieved California-based hourly non-exempt employees’ regular rate of pay  
9 for the purpose of paying rest period premiums.

10           37.     Defendants’ foregoing policies, practices, and/or procedures resulted in Plaintiff and  
11 other current and former aggrieved California-based hourly non-exempt employees not receiving  
12 wages to compensate them for workdays in which Defendants did not provide them with rest periods  
13 in compliance with California law.

14           38.     Employee is further informed and believes, and based thereon alleges, that  
15 Employer’s conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.  
16 Employer would further be liable for civil penalties pursuant to Labor Code section  
17 2699(f)(2)(B)(ii).

18           39.     **Failure to Indemnify for Losses and Expenditures Incurred as Part of**  
19 **Employment:** California law requires that every employer must indemnify its employees for all  
20 necessary expenditures or losses incurred by the employee in discharge of his or her duties or at the  
21 obedience of the directions of the employer. Moreover, an employer is prohibited from passing the  
22 ordinary business expenses and losses of the employer onto the employee. (Lab. Code, § 2802.)

23           40.     Defendants have violated Labor Code Section 2802 by failing to indemnify Plaintiff  
24 and other current and former aggrieved California-based non-exempt hourly employees’ necessary  
25 expenditures they incurred in the discharge of their duties. Specifically, Defendants employed  
26 policies, practices, and/or procedures included, but not limited to:

27                   (b) requiring Plaintiff and other current and former aggrieved California-based hourly  
28 non-exempt employees to use or purchase their own tools and/or resources in order to work for

1 Defendants, including but not limited to cellphone usage and gas mileage, for work-related purposes  
2 - without reimbursing Plaintiff and other current and former aggrieved California-based hourly non-  
3 exempt employees for such use.

4 41. Moreover, Defendants employed policies and procedures which ensured Plaintiff and  
5 aggrieved employees would not receive indemnification for their employment related expenses.  
6 This practice resulted in Plaintiff and aggrieved employees not receiving such indemnification in  
7 compliance with California law.

8 42. Therefore, Defendants are liable to Plaintiff and aggrieved employees for their  
9 employment related expenses, including but not limited to costs related to use of their personal cell  
10 phones and costs associated with their uniforms pursuant to Labor Code section 2802.

11 43. Employee is further informed and believes, and based thereon alleges, that  
12 Employer's conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.  
13 Employer would further be liable for civil penalties pursuant to Labor Code section  
14 2699(f)(2)(B)(ii).

15 44. **Failure to provide sick pay wages:** Defendants had a policy and/or procedure where  
16 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees  
17 accrued paid sick time.

18 45. Labor Code section 246, subdivision (a), states in relevant part "[a]n employee  
19 who...works in California for the same employer for 30 or more days within a year from the  
20 commencement of employment is entitled to paid sick days." Additionally, an employee accrues  
21 paid sick days at the rate of no-less-than one (1) hour per every thirty (30) hours worked, beginning  
22 at the commencement of employment. Labor Code section 246(b).

23 46. Here, Plaintiff and other current and former aggrieved California-based hourly non-  
24 exempt employees were employed by Defendants for 30 or more days and were entitled to paid sick  
25 days. Defendants, however, lacked a policy, practice, and/or procedure whereby Plaintiffs and other  
26 current and former aggrieved California-based hourly non-exempt employees who were employed  
27 by Defendants for 30 days or more could accrue paid sick days at the rate of no-less-than one (1)  
28 hour per every thirty (30) hours worked, beginning at the commencement of employment as required

1 by Labor Code section 246(b).

2 47. In this case, Plaintiff alleges that when he and other current and former aggrieved  
3 California-based hourly non-exempt employees elected to use paid sick time, Defendants failed to  
4 pay them sick time wages at the proper sick time rate of pay due to Defendants' failure to include  
5 all remuneration when calculating the sick time rate of pay. Specifically, Defendants maintained a  
6 policy, practice, and/or procedure of failing to include all remuneration including but not limited to  
7 quarterly bonuses based on sales prepaid cards and check cashing fees, for example, when  
8 calculating Plaintiff and other current and former aggrieved California-based hourly non-exempt  
9 employees' regular rate of pay for the purpose of paying sick time.

10 48. Defendants' foregoing policy, practice, and/or procedure resulted in Defendants  
11 failing to provide Plaintiff and other current and former aggrieved California-based hourly non-  
12 exempt employees' paid sick days, in violation of Labor Code section 246.

13 49. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.  
14 Employer would further be liable for civil penalties pursuant to Labor Code section  
15 2699(f)(2)(B)(ii).

16 50. **Failure to timely pay earned wages during employment:** In California, wages  
17 must be paid at least twice during each calendar month on days designated in advance by the  
18 employer as regular paydays, subject to some exceptions. Labor Code section 204(a). Wages earned  
19 between the 1st and 15th days, inclusive, of any calendar month must be paid between the 16th and  
20 the 26th day of that month and wages earned between the 16th and the last day, inclusive, of any  
21 calendar month must be paid between the 1st and 10th day of the following month. *Id.* Other payroll  
22 periods such as those that are weekly, biweekly, or semimonthly, must be paid within seven (7)  
23 calendar days following the close of the payroll period in which wages were earned. Labor Code  
24 section 204(d).

25 51. As a derivative of Plaintiff's claims above, Plaintiff alleges that Defendants failed to  
26 timely pay Plaintiff's and other current and former aggrieved California-based hourly non-exempt  
27 employees' earned wages (including minimum wages, overtime wages, meal period premium wages  
28 and/or rest period premium wages), in violation of Labor Code section 204. Defendants'

1   aforementioned policies, practices, and/or procedures resulted in their failure to pay Plaintiff's and  
2   other current and former aggrieved California-based hourly non-exempt employees' their earned  
3   wages within the applicable time frames outlined in Labor Code section 204.

4           52.     Plaintiff also believes these failures were malicious, fraudulent, or oppressive.  
5   Employer would further be liable for civil penalties pursuant to Labor Code section  
6   2699(f)(2)(B)(ii).

7           53.     **Secret payment of lower wages than designated by statute:** Labor Code section  
8   223 provides that, where any statute or contract requires an employer to maintain the designated  
9   wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage  
10   designated by statute or contract. By engaging in the unlawful conduct alleged herein, including by  
11   failing to: pay overtime wages at the applicable legal overtime rate, meal break premiums and lawful  
12   sick pay at the employees' regular rate of pay, as established by Labor Code sections 226.7, 246,  
13   510, 1194 and sections 11 and 12 of the applicable IWC Wage Orders, as incorporated by Labor  
14   Code section 1198, the Defendant secretly paid a lower wage than designated by statute while  
15   purporting to pay the wages designated by statute, in violation of Labor Code section 223.

16           54.     Plaintiff also believes these failures were malicious, fraudulent, or oppressive.  
17   Employer would further be liable for civil penalties pursuant to Labor Code section  
18   2699(f)(2)(B)(ii).

19           55.     **Failure to provide complete and accurate wage statements:** Labor Code section  
20   226, subdivision (a). Labor Code section 226(a) provides, *inter alia*, that, upon paying an employee  
21   his or her wages, the employer must "furnish each of his or her employees ... an itemized statement  
22   in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any  
23   employee whose compensation is solely based on a salary and who is exempt from payment of  
24   overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare  
25   Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee  
26   is paid on a piece-rate basis, (4) all deductions, provided, that all deductions made on written orders  
27   of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive  
28   dates of the pay period for which the employee is paid, (7) the name of the employee and his or her

1 social security number, (8) the name and address of the legal entity that is the employer, and (9) all  
2 applicable hourly rates in effect during the pay period and the corresponding number of hours  
3 worked at each hourly rate by the employee.”

4 56. As a derivative of Plaintiff’s allegations above, Defendants’ failure to pay Plaintiff  
5 and other current and former aggrieved California-based hourly non-exempt employees all wages  
6 earned (including minimum wages, overtime wages, meal period premium wages, and/or rest period  
7 premium wages) rendered Plaintiff’s and other current and former aggrieved California-based  
8 hourly non-exempt employees’ wage statements inaccurate, in violation of Labor Code section  
9 226(a)(1, 2, 5 & 9).

10 57. Plaintiff believes these failures were willful and intentional.

11 58. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.  
12 Employer would further be liable for civil penalties pursuant to Labor Code section  
13 2699(f)(2)(B)(ii).

14 59. **Failure to pay employees all wages due at time of termination/resignation:** An  
15 employer is required to pay all unpaid wages timely after an employee’s employment ends. The  
16 wages are due immediately upon termination (Labor Code section 201) or within seventy-two (72)  
17 hours of resignation (Labor Code section 202).

18 60. As a derivative of Plaintiff’s allegations above, because Defendants failed to pay  
19 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees all  
20 their earned wages (including minimum wages, overtime wages, meal period premium wages,  
21 and/or rest period premium wages), Defendants failed to pay those employees timely after each  
22 employee’s termination and/or resignation, in violation of Labor Code sections 201, 202, and 203.

23 61. Plaintiff believes these failures were willful and intentional.

24 62. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.  
25 Employer would further be liable for civil penalties pursuant to Labor Code section  
26 2699(f)(2)(B)(ii).

27 63. Labor Code sections 2699, subdivisions (a) and (g) authorize an aggrieved employee,  
28 on behalf of himself or herself and other current or former employees, to bring a civil action to

1 recover civil penalties against all Defendants pursuant to the procedures specified in Labor Code  
2 section 2699.3.

3 64. Plaintiff has complied with the procedures for bringing suit specified in Labor Code  
4 section 2699.3. On January 8, 2025, Plaintiff filed a PAGA Claim Notice with the LWDA and  
5 provided notice to Defendants by certified mail which provided notice of the specific provisions of  
6 the Labor Code alleged to have been violated, including the facts and theories to support the  
7 violations alleged.

8 65. Pursuant to Labor Code section 2699.3, the LWDA must give written notice by  
9 certified mail to the parties that it intends to investigate the alleged violations of the Labor Code  
10 within 60 days of the date of the complainant's written notice. The LWDA failed to provide the  
11 parties notice within 60 days of the date of Plaintiff's PAGA Claim Notice that the LWDA intends  
12 to investigate Plaintiff's claims.

13 66. Pursuant to Labor Code sections 2699(a) and (f), Plaintiff is entitled to recover civil  
14 penalties for Defendants' violations of Labor Code sections 201, 202, 203, 204, 223, 226(a), 226.7,  
15 246, 510, 512, and 1194, During Plaintiff's employment and continuing through the present,  
16 preceding Plaintiff sending the initial PAGA Claim Notice to the LWDA to the present, in the  
17 following amounts:

18 a. For violations of Labor Code sections 201, 202, 203, 226(a), 226.7, and 2802;  
19 one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and  
20 two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent  
21 violation [penalty amounts established by Labor Code section 2699(f)(2)].

22 b. For violations of Labor Code section 226(a), alternatively, two hundred fifty  
23 dollars (\$250) for each employee for each pay period for the initial violation, and for each  
24 subsequent violation, one thousand dollars (\$1000) for each underpaid employee for each pay period  
25 [penalty amounts established by Labor Code section 226.3].

26 c. For violations of Labor Code section 510 and 512, fifty dollars (\$50) for each  
27 employee for each pay period for the initial violation, and for each subsequent violation, one  
28 hundred dollars (\$100) for each underpaid employee for each pay period [penalty amounts

1 established by Labor Code section 558].

2 d. For violations of Labor Code section 204, one hundred dollars (\$100) for  
3 each failure to pay each employee in any initial violation, and for each subsequent violation, or any  
4 willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee,  
5 plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code  
6 section 210].

7 e. For violations of Labor Code section 223, one hundred dollars (\$100) for  
8 each failure to pay each employee in any initial violation, and for each subsequent violation, or any  
9 willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee,  
10 plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code  
11 section 225.5].

12 67. Pursuant to Labor Code section 2699(g), Plaintiff is entitled to an award of  
13 reasonable attorneys' fees and costs in connection with his claims for civil penalties.

14 **PRAYER FOR RELIEF**

15 **WHEREFORE, PLAINTIFF, ON BEHALF OF HIMSELF AND ON OTHER AGGRIEVED**  
16 **EMPLOYEES, PRAYS AS FOLLOWS:**

17 **ON THE FIRST CAUSE OF ACTION:**

18 1. That Defendants be found to have violated the provisions of the Labor Code and the  
19 IWC Wages Orders as to the Plaintiff and aggrieved employees;

20 2. For any and all legally applicable penalties during the relevant statute of limitations  
21 subject to any permissible tolling, including but not limited to those recoverable under the California  
22 Labor Code, including but not limited to sections 210, 225.5, 226.3, 558, 2699(f);

23 3. For attorneys' fees and costs of suit, including but not limited to those recoverable  
24 under California Labor Code section 2699(g); and

25 4. For such and other further relief, in law and/or equity, as the Court deems just or  
26 appropriate.

1 Dated: March 19, 2025

Respectfully submitted,  
**LAVI & EBRAHIMIAN, LLP**

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Attorneys for Plaintiff

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DAVID BARAJAS,

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on behalf of himself and current and former  
aggrieved employees

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