

COHELAN KHOURY & SINGER

Isam C. Khoury (SBN 58759)

ikhoury@ckslaw.com

Michael D. Singer (SBN 115301)

msinger@ckslaw.com

Rosemary C. Khoury (SBN 331307)

rkhoury@ckslaw.com

605 C Street, Suite 200

San Diego, CA 92101

Phone: (619) 595-3001/Fax: (619) 595-3000

MAJARIAN LAW GROUP, APC

Sahag Majarian (SBN 236226)

sahagii@aol.com

Garen Majarian (SBN 334104)

garen@majarianlawgroup.com

18250 Ventura Blvd.

Tarzana, CA 91356

Phone: (818) 609-0807/Fax: (818) 609-0892

Attorneys for Plaintiff Alizabeth Kanberian,
on behalf of herself and other aggrieved employees**SUPERIOR COURT OF THE STATE OF CALIFORNIA****FOR THE COUNTY OF LOS ANGELES**ALIZABETH KANBERIAN, on behalf of
herself and other aggrieved employees,

Plaintiff,

vs.

PENNYMAC FINANCIAL SERVICES,
INC., a Delaware Corporation; PRIVATE
NATIONAL MORTGAGE ACCEPTANCE
COMPANY, LLC, a Delaware Limited
Liability Company; and DOES 1 through
10, inclusive,

Defendants.

Case No.

**PRIVATE ATTORNEYS GENERAL
ACT ("PAGA") COMPLAINT [Labor
Code §§ 2698, *et seq.*]**

- 1. PAGA Civil Penalties for Failure to Pay Minimum, Regular, and Overtime Wages**
- 2. PAGA Civil Penalties for Failure to Provide Meal Periods**
- 3. PAGA Civil Penalties for Failure to Authorize and Permit Paid Rest Periods**
- 4. PAGA Civil Penalties for Failure to Reimburse Business-Related Expenses**
- 5. PAGA Civil Penalties for Failure to Provide Accurate, Itemized Wage Statements**
- 6. PAGA Civil Penalties for Failure to Timely Pay Wages Due Upon Separation of Employment**

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- 7. **PAGA Civil Penalties for Failure to Maintain Accurate Records**
- 8. **PAGA Civil Penalties for Failure to Pay Sick Leave Wages**

NATURE OF CLAIM

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2 1. Plaintiff Alizabeth Kanberian (“Plaintiff”) brings this representative action under
3 the Private Attorneys General Act of 2004 (“PAGA”), Labor Code sections 2698, *et seq.*, against
4 PENNYMAC FINANCIAL SERVICES, INC., a Delaware Corporation; PRIVATE
5 NATIONAL MORTGAGE ACCEPTANCE COMPANY, LLC, a Delaware Limited Liability
6 Company; and DOES 1 through 10, inclusive (collectively, “Defendants”) to recover civil
7 penalties arising out of Defendants’ failure to: pay minimum, regular, and overtime wages;
8 provide meal periods; authorize and permit paid rest periods; reimburse business-related
9 expenses; provide accurate itemized wage statements; timely pay wages due upon separation of
10 employment; maintain accurate records; pay properly-calculated sick leave wages; and timely
11 pay final wages.

12 2. Plaintiff gave written notice of these claims to the California Labor and
13 Workforce Development Agency (“LWDA”) on June 28, 2022 per Labor Code section 2699.3,
14 and there has been no LWDA intervention within 65 days of her notice. Plaintiff seeks civil
15 penalties under the PAGA as a representative of the State of California and has standing as an
16 aggrieved employee. Plaintiff seeks to represent all current and former employees of
17 Defendants who suffered one or more of the violations alleged (“aggrieved employees”) during
18 the “PAGA Period” (one year and 65 days before this complaint filing date until the start of
19 trial). Labor Code §§ 2698, *et seq.*, 2699.3(a)(2)(C).

JURISDICTION AND VENUE

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21 3. Venue as to each Defendant is proper in this judicial district. Code of Civil
22 Procedure § 395. Defendants conduct business and commit Labor Code violations in Los
23 Angeles County, California.

24 4. This Court has jurisdiction over Plaintiff’s and other aggrieved employees’
25 claims because Defendants regularly conduct business in California and are alleged to have
26 violated the law in California. Plaintiff’s claims raise no federal question and PAGA civil
27 penalty actions are not subject to federal jurisdiction.

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THE PARTIES

5. Defendant PENNYMAC FINANCIAL SERVICES, INC. (“Pennymac”) is a Delaware Corporation. Pennymac is a home lone lender and servicer operating nationally, including in California.

6. Defendant PRIVATE NATIONAL MORTGAGE ACCEPTANCE COMPANY, LLC (“Private National”) is a Delaware Limited Liability Company. Private National offers mortgage lending, refinancing, calculations, foreclosure, and other financial services nationally, including in California.

7. Plaintiff Alizabeth Kanberian is a resident of Los Angeles County, California. Plaintiff worked in the non-exempt customer service representative position of “Analyst, Call Monitor” for Defendants from approximately April 2021 through June 27, 2022.

8. Does 1 through 10, inclusive, are persons or entities whose true names and identities are now unknown to Plaintiff, and who are sued by such fictitious names. Plaintiff will amend this complaint to allege their true names and capacities when known. Plaintiff is informed and believes each Doe defendant is the agent, representative, or parent or subsidiary corporation of Pennymac and Private National, is responsible in some manner for the occurrences and injuries alleged, and that harm suffered by Plaintiff and other aggrieved employees was proximately caused by them in addition to Pennymac and Private National.

FACTUAL ALLEGATIONS

9. During the PAGA Period, Defendants conducted business in California and Los Angeles County and employed Plaintiff and other aggrieved employees in the State of California.

10. During the PAGA Period, Plaintiff and other aggrieved employees of Defendants worked under the same policies, practices, and procedures relating to their employment.

11. During the PAGA Period, Defendants failed to pay Plaintiff and other aggrieved employees for all time worked or subject to Defendants’ control. Defendants required Plaintiff and other aggrieved employees to clock in on a computer and did not compensate employees

1 for any compensable time prior to clocking in, including time it took to start their computers.
2 Defendants also required Plaintiff and other aggrieved employees to work from home for some
3 period of time but did not compensate them for the time it took to set up home office
4 operations. Further, Defendants paid Plaintiff and other aggrieved employees based on rounded
5 times, rather than actual time worked. Defendants had the ability to pay for all time actually
6 worked but chose to round employees' time non-neutrally to the nearest quarter hour to benefit
7 Defendants.

8 12. During the PAGA Period, Defendants failed to pay Plaintiff and other aggrieved
9 employees properly-calculated overtime wages, meal and rest period premium wages, and sick
10 leave wages. Plaintiff and other aggrieved employees received compensation, including "QSP"
11 bonuses, in addition to their hourly wages. Those additional amounts should have been
12 included when calculating regular rates of pay and used when paying overtime wages, meal and
13 rest period premium wages, and sick leave wages, but were not. Thus, overtime, premium, and
14 sick leave wages were not paid the correct regular rates of pay.

15 13. During the PAGA Period, Defendants failed to provide all compliant meal
16 periods and authorize and permit all compliant rest periods to which Plaintiff and other
17 aggrieved employees were entitled. Plaintiff and other aggrieved employees were entitled to
18 take off-duty, uninterrupted 30-minute meal periods before the fifth and tenth hours of work
19 and to take uninterrupted 10-minute rest periods for every four hours or major fraction thereof
20 worked. However, Defendants frequently interrupted Plaintiff and other aggrieved employees
21 during their meal and rest periods and required them to attend to work matters. On information
22 and belief, Defendants did not provide premium wages for these violations; if Defendants did
23 provide premium wages, they were not paid at the correct rate, as explained above.

24 14. During the PAGA Period, Defendants failed to adequately reimburse Plaintiff
25 and other aggrieved employees for business expenses they incurred in direct consequence of
26 the discharge of their duties or in obedience to Defendants' directions. Defendants required
27 Plaintiff and other aggrieved employees to work from home for some period of time and
28 reimbursed them \$75.00 for approximately every three months worked. This amount was not

adequate to cover all expenses of working from home, including but not limited to any computer-related, wi-fi, internet, cell phone, office supplies, chair, and desk expenses.

15. During the PAGA Period, Defendants did not provide Plaintiff and other aggrieved employees accurate, itemized wage statements. Wage statements must include, among other things, total hours worked by the employee. Labor Code § 226(a)(2). Defendants issued wage statements that inaccurately reflected total hours worked because they included in this figure items which are not hours worked, including sick pay hours and vacation hours. Wage statements were also inaccurate as to total hours worked, gross and net wages earned, and the number of hours worked at each hourly rate because of Defendants' failure to properly pay wages as explained herein, including due to rounding. Labor Code §§ 226(a)(1), (2), (5), (9). Defendants' failure to maintain accurate records as to the hours worked daily by employees also constitutes a violation of Labor Code section 1174(d).

16. During the PAGA Period, because Defendants did not properly pay all wages earned as explained herein, Defendants also failed to pay final wages owed to Plaintiff and other aggrieved employees in violation of Labor Code section 203.

17. Labor Code section 2699(a) provides: "Notwithstanding any other provision of law, any provision of this code that provides for a civil penalty to be assessed and collected by the Labor and Workforce Development Agency or any of its departments, divisions, commissions, boards, agencies, or employees, for a violation of this code, may, as an alternative, be recovered through a civil action brought by an aggrieved employee on behalf of himself or herself and other current or former employees pursuant to the procedures specified in Section 2699.3."

18. Labor Code section 2699(f)(2) states: "For all provisions of this code except those for which a civil penalty is specifically provided, there is established a civil penalty for a violation of these provisions, as follows... (2) If, at the time of the alleged violation, the person employs one or more employees, the civil penalty is one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation."

19. Plaintiff, as a representative of the general public and State of California, seeks to recover all civil penalties under the PAGA for violations of sections 201-203, 218.5, 226, 226.7, 246, 510, 512, 1174, 1194, 1197, 1197.1, 1198, and 2802 shown to have occurred, in an amount according to proof, as to those penalties that are otherwise only available in public agency enforcement actions. The funds recovered will be distributed in accordance with the PAGA, with 75% of penalties recovered distributed to the LWDA and 25% distributed to the aggrieved employees, subject to Court approval.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

PAGA Civil Penalties for Failure to Pay Minimum, Regular, and Overtime Wages (By Plaintiff and Aggrieved Employees against Each Defendant)

20. Plaintiff re-alleges all preceding paragraphs.

21. “Notwithstanding any agreement to work for a lesser wage, any employee receiving less than the legal minimum wage or the legal overtime compensation applicable to the employee is entitled to recover in a civil action the unpaid balance of the full amount of this minimum wage or overtime compensation, including interest thereon, reasonable attorney’s fees, and costs of suit.” Labor Code § 1194(a).

22. “Eight hours of labor constitutes a day’s work. Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee. Any work in excess of 12 hours in one 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 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.” Labor Code § 510(a).

23. Section 2699.3(a) applies to any alleged violation of Labor Code sections 510 and 1194 and allows for recovery of PAGA civil penalties. Labor Code § 2699.5.

24. Defendants failed to pay minimum, regular, and overtime wages during the PAGA Period. Plaintiff will seek \$100 for each initial violation and \$200 for each subsequent

violation. Labor Code § 2699(f)(2).

SECOND CAUSE OF ACTION

**PAGA Civil Penalties for Failure to Provide Meal Periods
(By Plaintiff and Aggrieved Employees against Each Defendant)**

25. Plaintiff re-alleges all preceding paragraphs.

26. By failing to provide uninterrupted meal periods of at least 30 minutes for shifts of five hours or more, which began before the end of the fifth hour of work, and a second meal period at least 30 minutes for shifts of ten hours or more, which began before the end of the tenth hour of work, Defendants willfully violated Labor Code sections 226.7 and 512 and the applicable Wage Order(s).

27. By failing to pay employees one hour of pay at their regular rate of compensation for each workday a meal period was not provided, Defendants willfully violated Labor Code sections 226.7 and 512, and the applicable Wage Order(s).

28. During the PAGA Period, Defendants failed to provide compliant meal periods or premium wages in lieu thereof. Plaintiff will seek \$100 for each initial violation and \$200 for each subsequent violation. Labor Code § 2699(f)(2).

THIRD CAUSE OF ACTION

**PAGA Civil Penalties for Failure to Authorize and Permit Paid Rest Periods
(By Plaintiff and Aggrieved Employees against Each Defendant)**

29. Plaintiff re-alleges all preceding paragraphs.

30. By failing to authorize and permit a paid uninterrupted rest period of at least 10 minutes for every four (4) hours or major fraction thereof worked per day, Defendants willfully violated provisions of Labor Code section 226.7 and the applicable Wage Order(s).

31. By failing to pay employees one hour of pay at their regular rate of compensation for each day a compliant rest period was not authorized and permitted, Defendants willfully violated the provisions of Labor Code section 226.7 and the applicable Wage Order(s).

32. During the applicable statutory period, Defendants failed to authorize and permit paid uninterrupted rest periods. Plaintiff will seek \$100 for each initial violation and \$200 for each subsequent violation. Labor Code § 2699(f)(2).

FOURTH CAUSE OF ACTION

**PAGA Civil Penalties for Failure to Reimburse Business-Related Expenses
(By Plaintiff and Aggrieved Employees against Each Defendant)**

33. Plaintiff re-alleges all preceding paragraphs.

34. By failing to adequately reimburse Plaintiff and other aggrieved employees for their business-related expenses incurred while working from home, including but not limited to any computer-related, wi-fi, internet, cell phone, office supplies, chair, and desk expenses, Defendants willfully violation Labor Code section 2802.

35. Defendants failed to adequately reimburse business-related expenses. Plaintiff will seek \$100 for each initial violation and \$200 for each subsequent violation. Labor Code § 2699(f)(2).

FIFTH CAUSE OF ACTION

**PAGA Civil Penalties for Failure to Provide Accurate Itemized Wage Statements
(By Plaintiff and Aggrieved Employees against Each Defendant)**

36. Plaintiff re-alleges all preceding paragraphs.

37. Every employer must, semimonthly or at the time of each payment of wages, furnish each of its employees an accurate itemized statement in writing showing, among other things, total hours worked, gross and net wages earned, and the number of hours worked at each hourly rate. Labor Code §§ 226(a)(1), (2), (5), (9).

38. Defendants intentionally and willfully violated Section 226 by providing wage statements to employees that did not accurately reflect all required information, as explained herein.

39. Labor Code section 226.3 provides for civil penalties for violations of Section 226. Plaintiff seeks civil penalties of \$250 for each initial violation and \$1,000 for each subsequent violation. Labor Code § 226.3.

SIXTH CAUSE OF ACTION

**PAGA Civil Penalties for Failure to Timely Pay Wages Due Upon Separation of
Employment
(By Plaintiff and Aggrieved Employees against Each Defendant)**

40. Plaintiff re-alleges all preceding paragraphs.

41. Final wages must be paid to quitting employees within 72 hours and to

1 terminated employees immediately. Labor Code §§ 201, 202. Defendants had a consistent and
2 uniform policy, practice, and procedure of willfully failing to pay the earned final wages of
3 Defendants' former employees. An employer that willfully fails to timely pay all final wages
4 must, as a statutory penalty, pay an employee's wages for 30 days, or until back wages are paid
5 in full. Labor Code § 203.

6 42. Defendants failed to pay Plaintiff and other aggrieved employees all final wages,
7 including minimum, regular, and overtime wages, and meal and rest period premium wages, as
8 required by Labor Code sections 201 and 202. Defendants also failed to pay Plaintiff and other
9 aggrieved employees penalties due them based on Defendants' failure to pay all final wages in
10 a timely manner as required by Labor Code section 203.

11 43. Plaintiff will seek penalties of \$100 for each employee in his or her final pay
12 period in which he or she was not paid all final wages earned. Labor Code § 2699(f)(2).

13 **SEVENTH CAUSE OF ACTION**
14 **PAGA Civil Penalties for Failure to Maintain Accurate Records**
(By Plaintiff and Aggrieved Employees against Each Defendant)

15 44. Plaintiff re-alleges all preceding paragraphs.

16 45. California employers must "[k]eep, at a central location in the state or at the
17 plants or establishments at which employees are employed, payroll records showing the hours
18 worked daily by and the wages paid to...employees employed at the respective plants or
19 establishments. These records shall be kept in accordance with rules established for this
20 purpose by the commission, but in any case shall be kept on file for not less than three years."
21 Labor Code § 1174(d).

22 46. "Any person employing labor who willfully fails to maintain...accurate and
23 complete records required by subdivision (d) of section 1174 ...shall be subject to a civil
24 penalty of five hundred dollars (\$500)." Labor Code § 1174.5.

25 47. Plaintiff will seek penalties of \$500 for each employee for whom Defendant has
26 not maintained accurate records as required by Labor Code section 1174(d). Labor Code §
27 1174.5.

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EIGHTH CAUSE OF ACTION
PAGA Civil Penalties for Failure to Timely Pay Sick Leave Wages
(By Plaintiff and Aggrieved Employees against Each Defendant)

48. Plaintiff re-alleges all preceding paragraphs.

49. Sick leave wages must be compensated at the employee's regular rate of pay, for the workweek in which the paid leave was taken, or at a rate determined by averaging over 90 days. Labor Code § 246(l).

50. By failing to pay Plaintiff and other aggrieved employees for sick leave wages at the correct rate, Defendants willfully violated Labor Code section 246. Plaintiff will seek \$100 for each initial violation and \$200 for each subsequent violation. Labor Code § 2699(f)(2).

PRAYER FOR RELIEF

Plaintiff prays for judgment as follows:

A. That this action be maintained as a Representative Action under the PAGA, and Plaintiff and her counsel be provided with all enforcement capability as if the action were brought by the California Division of Labor Standards Enforcement;

B. For recovery of all civil penalties permitted by Labor Code section 2699(f)(2), for unpaid minimum, regular, and overtime wages pursuant to Labor Code sections 510 and 1194;

C. For recovery of civil penalties permitted by Labor Code section 2699(f)(2), for unpaid meal period premiums pursuant to Labor Code section 226.7;

D. For recovery of civil penalties permitted by Labor Code section 2699(f)(2) for unpaid rest period premiums pursuant to Labor Code section 226.7;

E. For recovery of all civil penalties as permitted by Labor Code section 2699(f)(2), for failing to reimburse all necessary business-related expenses incurred, pursuant to Labor Code section 2802;

F. For recovery of civil penalties permitted by Labor Code section 2699, for inaccurate itemized wage statements pursuant to Labor Code sections 226 and 226.3;

G. For recovery of civil penalties permitted by Labor Code section 2699(f)(2) for failing to timely pay all final wages due pursuant to Labor Code sections 201-202;

1 H. For recovery of civil penalties permitted by Labor Code section 2699(f)(2) for
2 failing to pay statutory waiting time penalties due pursuant to Labor Code section 203;

3 I. For recovery of civil penalties permitted by Labor Code section 2699(f)(2) for
4 failing to pay sick leave wages due pursuant to Labor Code section 246;

5 J. For recovery of civil penalties permitted by Labor Code section 2699 for failing
6 to pay statutory waiting time penalties due pursuant to Labor Code sections 1174 and 1174.5;

7 K. For Pre-Judgment and Post-Judgment interest;

8 L. Attorneys' fees and costs of suit, including expert fees and fees pursuant to
9 California Labor Code sections 226, 1194, 2699.3 and all other applicable state laws including
10 Code of Civil Procedure section 1021.5; and

11 M. Such other relief as this Court deems necessary, just, equitable, and proper.

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13 COHELAN KHOURY & SINGER

14
15 Dated: September 6, 2022

16 By: 
Rosemary C. Khoury, Esq.
Attorneys for Plaintiff Alizabeth Kanberian, on behalf of
herself and all other aggrieved employees