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PAMELA WATSON,
and all putative class members

FILED
Superior Court of California
County of Los Angeles
01/28/2026

David W. Slayton, Executive Officer / Clerk of Court
By: M. Arellanes Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

PAMELA WATSON, an individual, on behalf
of herself and all others similarly situated,

Plaintiff,

vs.

GATEWAYS HOSPITAL AND MENTAL
HEALTH CENTER, a California corporation
and DOES 1-50, inclusive,

Defendant.

Case No.: 25STCV34421

**FIRST AMENDED CLASS AND
REPRESENTATIVE ACTION
COMPLAINT FOR:**

- 1. Failure to Pay For All Hours Worked,
Including Overtime Hours Worked**
- 2. Failure to Pay All Wages Owed Twice
Per Month**
- 3. Failure to Pay Minimum Wage**
- 4. Failure to Provide Compliant Meal
Breaks**
- 5. Failure to Provide Rest Breaks**
- 6. Failure to Provide Accurate Itemized
Wage Statements & Violation of
Record Keeping Requirements**
- 7. Failure to Pay Wages Upon
Termination**
- 8. Unlawful Business Practices
Bus & Prof. Code §17200**
- 9. Private Attorneys General Act
Penalties (Lab. Code §2699)**

***FILED AS A MATTER OF RIGHT
PURSUANT TO LABOR CODE
2699.3(a)(2)(C)***

1 Plaintiff PAMELA WATSON, individually, and on behalf of all others similarly situated,
2 all aggrieved employees, and as Private Attorney General for the State of California (collectively
3 “Plaintiff”), alleges as follows:

4 NATURE OF THE ACTION

5 1. This is an employment class and representative action on behalf of over 50 hourly, non-
6 exempt employees against their employer for violations of numerous wage and hour laws. Plaintiff
7 brings this employment class action complaint on behalf of herself, and all others similarly
8 situated, all aggrieved employees, and as Private Attorney General for the State of California
9 against GATEWAYS HOSPITAL AND MENTAL HEALTH CENTER and DOES 1-50,
10 inclusive, (hereafter collectively “Defendant” or “Defendants”).

11 2. Defendant GATEWAYS HOSPITAL AND MENTAL HEALTH CENTER is a mental
12 health medical facility in the County of Los Angeles, doing business in California. Plaintiff worked
13 for Defendant from August 8, 2007 to December 13, 2024.

14 3. As described further below, Defendant has violated the California Labor Code by (1)
15 failing to pay for all hours worked, including overtime hours worked (§200, 204, 206, 206.5, 207,
16 210, 216, 218, 218.6, 221, 223, 351, 510, 558, 1194, 1197, 1197.1, 1198, IWC Wage Orders); (2)
17 failing to pay all wages owed twice per month (§204, 210); (3) failing to pay minimum wage
18 (§200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199); (4) failing to provide compliant
19 meal breaks (§226 (a), 226.7, 512, 558, 1198, Wage Orders); (5) failing to provide rest breaks
20 (§226, 226.7, 512, 558, 1198, Wage Orders); (6) failing to provide accurate itemized wage
21 statements and violating record keeping requirements (§226, 1174); (7) failing to pay all wages
22 due upon termination (§201, 202, 203, 227.3, 256); (8) unlawful and unfair business practices
23 (Bus. & Prof. Code §17200, *et. seq.*); and (9) penalties under the Private Attorneys General Act
24 (“PAGA”), Labor Code §2698 et seq. Attorney General Act (“PAGA”), Labor Code §2698 et seq.

25 4. The class claims in this action are brought pursuant to Code of Civil Procedure (“CCP”)
26 §382, seeking recovery for unpaid wages, including overtime wages, missed meal and rest period
27 penalty pay, statutory and waiting time penalties, injunctive and other equitable relief, interest, and
28 reasonable attorneys’ fees and costs. Pursuant to the class and representative action procedures

provided for under California law, Plaintiff, on behalf of herself and proposed Class Members (also referred to as “Class”), also seeks injunctive relief and restitution of all benefits Defendant has received from their unlawful actions as alleged herein. Plaintiff has also provided notice of these claims pursuant to §2698 *et seq.*, to the Labor and Workforce and Development Agency (“LWDA”) and now brings this First Amended Complaint, including claims for civil penalties under the Private Attorneys General Act (“PAGA”), Labor Code §2698 *et seq.* Attorneys General Act (“PAGA”), Labor Code §2698 *et seq.*

5. The “Class Period” is designated as the four-year period prior to the filing of this Complaint through the date of the final disposition of this action.

6. The “PAGA Period” is defined herein commences one year prior to the date of filing the PAGA Notice Letter with the LWDA.

7. Defendant has treated all persons employed in California in such a way as to violate California’s laws governing conditions of employment and payment of wages owed. Defendant has violated numerous Labor Code provisions, as set forth herein. Class Members and aggrieved employees are owed their back pay, plus interest and/or premiums and penalties under Business and Professions Code section 17203 to compensate Class Members and aggrieved employees for the delay in receiving wages due.

8. Defendants, by and through their actions, have engaged in unfair competition, requiring restitution to persons affected and disgorgement of profits so obtained.

THE PARTIES

9. Plaintiff PAMELA WATSON is an individual who resides in California and Plaintiff worked for Defendant from August 8, 2007 to December 13, 2024.

10. Defendant GATEWAYS HOSPITAL AND MENTAL HEALTH CENTER, is a California corporation authorized to do business and doing business, in Los Angeles County, State of California. Defendant exercised control over the wages, hours, and/or working conditions of Plaintiff and members of the proposed class and aggrieved employees throughout the liability period.

1 11. Defendant Does 1-50, inclusive, are sued herein under fictitious names. Their true
2 names and capacities are unknown to Plaintiff. When their true names and capacities are
3 ascertained, Plaintiff will amend this complaint by inserting their true names and capacities herein.
4 Plaintiff is informed and believe, and thereon alleges, that each of the fictitiously named Defendant
5 is responsible in some manner for the occurrences herein alleged, and that the damages sustained
6 by Plaintiff and the Class Members and aggrieved employees herein alleged were proximately
7 caused by such Doe Defendants.

8 12. Plaintiff is informed and believes and thereon alleges that each Defendant, directly or
9 indirectly, or through agents or other persons, employed Plaintiff and other members of the Class,
10 and exercised control over their wages, hours, and working conditions. Plaintiff is informed and
11 believes and thereon alleges that each Defendant acted in all respects pertinent to this action as the
12 agent of the other Defendants, carried out a joint scheme, business plan or policy in all respects
13 pertinent hereto, and the acts of each Defendant is legally attributable to the other Defendants.

14 15 **JURISDICTION AND VENUE**

16 13. Venue is proper in this judicial district because Defendant conducts business in this
17 County and Defendant has legal obligations to Plaintiff and many of the Class Members and
18 aggrieved employees in this case that arose in this county.

19 14. The monetary damages, restitution, and statutory penalties sought by Plaintiff exceed
20 the minimal jurisdictional limits of the Superior Court and will be established according to proof
21 at trial. Based on information, investigation, and analysis, Plaintiff alleges that the amount in
22 controversy, including claims for monetary damages, penalties, and attorney's fees, is more than
23 thirty-five thousand dollars (\$35,000) and less than five million dollars (\$5,000,000).

24 15. The California Superior Court has jurisdiction over this matter because Plaintiff is a
25 resident of California and Defendant is incorporated in and/or qualified to do business in California
26 and regularly conduct business in California. Further, there is no federal question at issue as the
27 claims herein are based solely on California law.

28 **CLASS AND REPRESENTATIVE ACTION ALLEGATIONS**

1 16. During the Class Period and PAGA Period, Defendant committed various violations of
2 the California Labor Code, the UCL and the applicable IWC Wage Order, as alleged below in more
3 detail. Defendant enforces multiple policies that violate state law which are intended to increase its
4 own profits to the detriment of its employees.

5 17. Defendant failed to properly pay for all hours worked, including overtime
6 compensation. Plaintiff and class members from time to time work while being clocked out due to
7 employers' failure to provide adequate coverage or relief. For example, Plaintiff would need to
8 clock out for a meal break but continue working due to the press of work on multiple occasions
9 each week.

10 18. Defendant from time to time failed to pay all wages owed twice per month.

11 19. Defendant from time to time failed to pay minimum wage.

12 20. Defendant from time to time failed to maintain a policy and practice that provides its
13 employees with compliant meal breaks as required by California law.

14 21. Defendant from time to time failed to maintain a policy and practice that provides its
15 employees with rest periods as required by California law.

16 22. Defendant from time to time failed to consistently provide timely, accurate, itemized
17 wage statements to employees, as well as maintain accurate records, in accordance with Labor
18 Code §§ 226 and 1174.

19 23. Defendant from time to time failed to pay all wages due upon termination.

20 24. Based upon the above allegations, Defendant from time to time engaged in unfair
21 competition.

22 25. Plaintiff brings this action on behalf of himself, and all other persons similarly situated,
23 all aggrieved employees, and the State of California to recover from Defendant for failure to
24 comply with California wage and hour laws, and for claims under Business and Professions Code
25 § 17200.

26 26. This action has been brought and may properly be maintained as a class action
27 pursuant to the provisions of Code of Civil Procedure § 382 because the proposed class is
28 ascertainable and there is a well-defined community of interest. Plaintiff is among in excess of 50

1 employees who have been similarly injured by Defendant's unlawful employment policies and
2 practices.

3 27. The "PAGA Period" is defined herein commences one year prior to the date of filing
4 the PAGA Notice Letter with the LWDA.

5 28. The PAGA Class, also referred to herein as "aggrieved employees": "All current and
6 former hourly, non-exempt employees of Defendants in California, at any time from one year prior
7 to the filing of the PAGA Notice letter with the LWDA until the resolution of this matter." Plaintiff
8 reserves the right to the issues or in any other way.

9 29. The "Relevant Class Period" or proposed "Class Period" as defined herein commences
10 four years prior to the date of filing the Complaint in this action.

11 30. Plaintiff brings this action on his behalf and as a class action under Cal. Code of Civil
12 Procedure §382 on behalf of the following defined groups:

13 31. Proposed Class: "All persons who are employed or have been employed by Defendant
14 in the State of California as hourly, non-exempt workers during the period of the relevant statute
15 of limitations."

16 32. Proposed Sub-classes: are defined below and/or a representative action under Business
17 & Professions Code §§17200 et seq. and Labor Code §2699.

18 A. All persons who are employed or have been employed by Defendant in the State
19 of California as hourly, non-exempt workers during the period of the relevant
20 statute of limitations, who worked one or more shift in excess of five (5) hours.

21 B. All persons who are employed or have been employed by Defendant in the State
22 of California as hourly, non-exempt workers during the period of the relevant
23 statute of limitations, who worked one or more shifts in excess of six (6) hours.

24 C. All persons who are employed or have been employed by Defendant in the State
25 of California as hourly, non-exempt workers during the period of the relevant
26 statute of limitations, who worked one or more shifts in excess of eight (8)
27 hours.
28

1 D. All persons who are employed or have been employed by Defendant in the State
2 of California as hourly, non-exempt workers during the period of the relevant
3 statute of limitations, who worked one or more shifts in excess of three and one-
4 half hours (3 ½), but less than or equal to six (6) hours.

5 E. All persons who are employed or have been employed by Defendant in the State
6 of California as hourly, non-exempt workers during the period of the relevant
7 statute of limitations, who worked one or more shifts in excess of six (6) hours,
8 but less than or equal to ten (10) hours.

9 F. All persons who are employed or have been employed by Defendant in the State
10 of California as hourly, non-exempt workers during the period of the relevant
11 statute of limitations, who were paid sick pay.

12 G. All persons who are employed or have been employed by Defendant in the State
13 of California as hourly, non-exempt workers during the period of the relevant
14 statute of limitations, who separated their employment from Defendant.

15 H. All persons who are employed or have been employed by Defendant in the State
16 of California as hourly, non-exempt workers during the period of the relevant
17 statute of limitations, who received pay for one or more pay periods.

18 33. This action is brought, and may properly be maintained, as a class action under CCP
19 §382 and/or a representative action under Business & Professions Code §§17200 et seq. and Labor
20 Code §2699 because there is a well-defined community of interest in the litigation, and the
21 proposed Class, PAGA Class, and Subclasses (collectively “Class”) are easily ascertainable.

22 34. Numerosity: The Proposed Class is so numerous that joinder of all members is
23 impractical. Plaintiff is informed and believes, and on that basis alleges, that during the relevant
24 time period, Defendant employed over 50 putative Class Members who are geographically
25 dispersed and who satisfy the definition of the proposed Class. As such, a class action is the only
26 available method for the fair and efficient adjudication of this controversy. Membership in the
27 Proposed Class can be easily ascertained by an examination and analysis of employee and payroll
28 records, among other records within Defendant’s possession and control.

1 35. Typicality: Plaintiff's claims are typical of the claims of the Class Members. Plaintiff,
2 like others similarly situated, was subjected to Defendant's common, unlawful policies, practices,
3 and procedures described above. The Plaintiff's positions at the company was typical of those of
4 other Class Members. Plaintiff's claims are typical of the claims of each Class Member because
5 each have sustained damages arising out of and caused by Defendant's common course of conduct,
6 as alleged herein. As such, Plaintiff has the same interests in this matter as all members of the
7 Class.

8 36. Adequacy: Plaintiff will fairly and adequately protect the interests of the members of
9 the Class. Plaintiff has retained counsel competent and experienced in complex class actions and
10 California labor and employment litigation.

11 37. Commonality: Common questions of law and fact exist, including but not limited to
12 the following:

- 13 i. Whether Defendant violated wage and hour laws by failing to pay overtime
14 wages;
- 15 ii. Whether Defendant violated wage and hour laws by failing to pay all wages
16 owed twice per month;
- 17 iii. Whether Defendant violated wage and hour laws by failing to pay minimum
18 wage;
- 19 iv. Whether Defendant violated wage and hour laws by failing to provide rest
20 breaks;
- 21 v. Whether Defendant's policy and practice concerning rest breaks was
22 unlawful;
- 23 vi. Whether Defendant violated wage and hour laws by failing to provide timely
24 meal breaks;
- 25 vii. Whether Defendant's policy and practice concerning meal breaks was
26 unlawful;
- 27
- 28

- 1 viii. Whether Defendant unlawfully failed to keep and furnish Class Members
2 with accurate, itemized records of hours worked, in violation of Labor Code
3 §§ 226 and 1174;
- 4 ix. Whether Defendant violated wage and hour laws by failing to pay all wages
5 due upon termination;
- 6 x. The proper measure of damages sustained and the proper measure of
7 restitution recoverable by Plaintiff, the Class Members, and Subclass
8 Members;
- 9 xi. Whether the Class Members are entitled to injunctive relief to enjoin any
10 further violations of wage and labor laws;
- 11 xii. Whether Defendant, and each of them, are/were participants in the alleged
12 unlawful and/or tortious conduct;
- 13 xiii. Whether Defendant's conduct was willful and reckless;
- 14 xiv. The effect upon and the extent of injuries suffered by Plaintiff and the Plaintiff
15 Class and the appropriate amount of reimbursement, restitution, damages, or
16 other compensation; and
- 17 xv. What is the extent of liability of each Defendant, including DOE defendants,
18 to each Class and Subclass member?

19 38. Superiority: A class action is superior to other available methods of the fair and
20 efficient adjudication of the controversy, particularly in the context of wage and hour litigation
21 where the damage suffered by individual plaintiffs, while not inconsequential, makes individual
22 actions impracticable given the expenses and burdens associated with seeking individual relief.
23 Prosecuting over 50 identical, individual lawsuits does not promote judicial efficiency or equity
24 and consistency in judicial results. Moreover, the Class is a group of hourly, low-wage earning
25 employees who rely on their wages and requiring that each individual take time away from work
26 to prosecute individual actions would be inequitable and result in undue hardship for the individual
27 Class members and their families. Public policy favors efficient resolution of their claims and
28

uniform enforcement of California Labor laws against entities skirting their legal obligations at the expense of a vulnerable working population.

39. Manageability: Plaintiff is informed and believes that all allegations in this Complaint are capable of being determined on the same evidence and based primarily on review of corporate records and key testimony of Defendant's corporate representatives. To the extent statistical analysis and representative evidence is necessary, Plaintiff and proposed class counsel will employ competent experts and consultants in the field to determine and review evidence for both issues of liability and damages in a scientifically reliable manner.

40. Plaintiff requests, pursuant to Rule 1857(a)(1) and Rule 3.766 of the California Rules of Court, that the absent Class and Subclass Members be notified by the best notice practicable under the circumstances, including individual notice to all members who can be identified through reasonable effort. The names and address of the Class and Subclass Members are available from Defendant.

FIRST CAUSE OF ACTION

FAILURE TO PAY FOR ALL HOURS WORKED, INCLUDING OVERTIME HOURS WORKED

Cal. Lab. Code §§218, 226.7, 510, 512, 558, 1194, 1197, 1198, 1199, 2698 *et seq.*, IWC Wage
Orders

(Plaintiff Against All Defendants)

41. Plaintiff incorporates by reference in this cause of action each allegation of the preceding paragraphs as though fully set forth herein.

42. Defendant's conduct described in this complaint from time to time violates the provisions of Cal. Lab. Code §§218, 226.7, 510, 512, 558, 1194, 1197, 1198, 1199, 2698 *et seq.*, IWC Wage Orders.

43. The Wage Orders define "hours worked" as "the time during which an employee is subject to the control of an employer, and including all the time the employee is suffered or permitted to work, whether or not required to do so." Defendant has been engaged in many unlawful employment practices which resulted in underpayment for hours worked each pay period,

1 including overtime hours worked, as more fully set forth below. Defendant has also failed to pay
2 the required minimum wage for all hours worked, and has failed to pay all wages owed twice per
3 month.

4 44. Plaintiff and class members have been employed under conditions prohibited by the
5 wage order, and thus Defendant has also violated §§1198 and 1199.

6 45. Off-the-Clock Hours Worked. Plaintiff and class members often worked off the clock
7 and were subjected to periods wherein they were under the Defendant's control but not
8 compensated for their time. On multiple occasions each week, Plaintiff was required to clock out
9 for a meal period but continue working.

10 46. Work Performed During Unpaid Meal Periods. Plaintiff and class members were
11 periodically required to perform work while off the clock when they experienced interrupted, late
12 and/or missed meal breaks due to the press of work and inadequate staffing.

13 47. Regular Rate Violations. The Defendant also failed to pay overtime, sick pay, and
14 premium pay at the required regular rate of pay.

15 **SECOND CAUSE OF ACTION**

16 **FAILURE TO PAY ALL WAGES OWED TWICE PER MONTH**

17 Cal. Lab. Code §§204, 210

18 (Plaintiff Against All Defendants)

19 48. Plaintiff incorporates by reference in this cause of action each allegation of the
20 preceding paragraphs as though fully set forth herein.

21 49. Defendant's conduct described in this complaint violates the provisions of Labor Code
22 §§ 204, 210.

23 50. Defendant was required to pay Plaintiff and class members all wages earned twice
24 during each calendar month pursuant to Labor Code §204(a).

25 51. Defendant failed to pay all wages earned to employees as a result of the unlawful
26 employment policies and practices discussed herein. As a result of these practices, employees were
27
28

1 underpaid for hours worked, including overtime and penalty wages, and this underpayment
2 resulted in a failure to pay all wages owed twice per month.

3 52. Due to these failures, Defendant is liable under Labor Code §204 and 210 for failure to
4 pay wages as required by law.

5 **THIRD CAUSE OF ACTION**

6 **FAILURE TO PAY MINIMUM WAGE**

7 Cal. Lab. Code §§200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199

8 (Plaintiff Against All Defendants)

9 53. Plaintiff incorporates by reference in this cause of action each allegation of the
10 preceding paragraphs as though fully set forth herein.

11 54. Defendant's conduct described in this complaint violates the provisions of Labor Code
12 §§ 200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199.

13 55. Pursuant to Labor Code sections 1194, 1194.2 and 1197, it is unlawful for an employer
14 to suffer or permit a California employee to work without paying wages at the proper minimum
15 wage for all time worked as required by the applicable IWC Wage Order.

16 56. Defendant failed to pay Plaintiff and class members for all hours worked as a result of
17 Defendant's practices described above. Based on Defendant's unlawful conduct described herein,
18 and because Plaintiff and the class members were paid at or near minimum wage, employer's
19 failure to pay for all hours worked, including overtime, resulted in a payment of less than the
20 minimum wage for all hours worked, in violation of Labor Code §1197, 1197.1, 1199 and the
21 Wage Orders.

22 ///

23 **FOURTH CAUSE OF ACTION**

24 **FAILURE TO PERMIT COMPLIANT MEAL BREAKS**

25 Cal. Labor Code §§ 226 (a), 226.7, 512, 558, 1198, Wage Order

26 (Plaintiff Against All Defendants)

27 57. Plaintiff incorporates by reference in this cause of action each allegation of the
28 preceding paragraphs as though fully set forth herein.

1 58. Defendant's conduct described in this complaint from time to time violates the
2 provisions of Labor Code §§ 226 (a), 226.7, 512, 558, 1198, Wage Order.

3 59. Labor Code §512 provides, "[a]n employer may not employ an employee for a work
4 period of more than five hours per day without providing the employee with a meal period of not
5 less than 30 minutes..." Labor Code §226.7(a) provides, "[n]o employer shall require an employee
6 to work during any meal... period mandated by an applicable order of the Industrial Welfare
7 Commission." Paragraph 11 of the Wage Order provides, in pertinent part, "[u]nless an employee
8 is relieved of all duty during a 30-minute meal period, the meal period shall be considered an 'on
9 duty' meal period and counted as time worked."

10 60. Defendant failed to permit Plaintiff and others to take timely, off-duty, meal breaks of
11 "not less than 30 minutes" for each five consecutive hours of work in violation of Labor Code
12 §§226.7 and 512. Defendant failed to pay all penalty pay to Plaintiff or class members for
13 noncompliant meal periods. As a derivative claim, Plaintiff alleges that pay statements were
14 inaccurate, failing to include required meal period penalties, thus failing the requirements of Labor
15 Code §226(a).

16 61. As explained above, Plaintiff and class members frequently missed their first and
17 second meal periods due to Defendant's failure to provide adequate coverage or relief during shifts,
18 effectively preventing Plaintiff and class members from being relieved of all duties. For example,
19 Plaintiff reports that on multiple occasions each week, she would need to clock out for a meal
20 break but continue working due to the press of work.

21 62. Full, uninterrupted, off-duty, thirty-minute meal periods were not provided because
22 Defendant: (1) did not account for all hours worked that were unaccounted for on their timecard;
23 (2) did not adequately inform and train employees about their rights to meal periods and premium
24 payments for non-compliant meal periods; (3) did not adequately inform and train employees about
25 when, where and how to take timely and uninterrupted thirty-minute meal periods; (4) because
26 Defendant did not staff enough people to schedule all timely and uninterrupted thirty-minute meal
27 periods; (5) because management at various levels, affecting all hourly, non-exempt employees,
28 refused to offer, permit, or enforce a lawfully compliant meal period policy; and/or (6) because

1 Defendant unlawfully shaved and/or rounded clock in and clock out times for meal periods.
2 Plaintiff and class members were not paid a premium payment, paid as an hour's wage when meal
3 periods were not given to them in compliance with California law.

4 **FIFTH CAUSE OF ACTION**

5 **FAILURE TO PROVIDE REST BREAKS**

6 Cal. Labor Code §§ 226, 226.7, 512, 558, 1198, Wage Orders

7 **(Plaintiff Against All Defendants)**

8 63. Plaintiff incorporates by reference in this cause of action each allegation of the
9 preceding paragraphs as though fully set forth herein.

10 64. Defendant's conduct described in this complaint from time to time violates the
11 provisions of Labor Code §§ 226, 226.7, 512, 558, 1198, Wage Orders.

12 65. Defendant failed to maintain a compliant rest period policy and practice that provides
13 its employees with off-duty rest periods as required by California law. Plaintiff reports that
14 employees frequently missed rest periods as a result of Defendant's staffing and business practices.

15 66. Rest periods are from time to time short and noncompliant. Rest breaks were frequently
16 taken late—often after more than four hours of work—and, in many instances, missed entirely.
17 This was primarily due to a consistent lack of coverage, which made it difficult for Plaintiff and
18 class members to be relieved of their duties. Plaintiff estimates that she was unable to take
19 compliant rest breaks daily.

20 67. Rest periods were either less than ten minutes, not provided, interrupted or late, "on
21 duty," or not scheduled before and after a meal period for shifts greater than six hours, as
22 prescribed by California law because Defendant: (1) did not account for all hours worked that were
23 unaccounted for on their timecard; (2) did not adequately inform and train employees about their
24 rights to rest breaks and premium payments for non-compliant rest breaks; (3) did not adequately
25 inform and train employees about when, where and how to take timely and uninterrupted ten-
26 minute rest breaks; (4) because Defendant did not staff enough people to schedule all timely and
27 uninterrupted ten-minute rest breaks; and/or (5) because management at various levels, affecting
28

1 all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant rest
2 break policy.

3 68. The rest period requirement obligates employers to permit and authorize employees to
4 take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish
5 control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5
6 Cal.5th 257, 269. Defendant must pay employees an additional hour of wages at the employee's
7 regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted
8 rest period, rest period(s) at improper time(s) during shift(s). Lab. Code §226.7; applicable IWC
9 Wage Order, §12(B) ("If an employer fails to provide an employee a rest period in accordance
10 with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of
11 pay at the employee's regular rate of compensation for each work day that the rest period is not
12 provided"). Moreover, under California law rest periods must be a "net" ten minutes in a suitable
13 rest area. (*Id.* at 268) (relying on January 3, 1986 and February 22, 2002 DLSE Letters wherein
14 the DLSE ruled that the net ten-minute language for rest periods means ten minutes of time in a
15 rest area and cannot include time it takes to get to and from the rest area). The employer must show
16 that it clearly articulates the right to a net ten minutes, which means it must clearly communicate
17 what "net" ten minutes means (i.e., regardless of what happens along the way to and from a rest
18 area, employees are entitled to a full ten minutes of rest in the rest area). *Id.*; *see also*, *Bufile v.*
19 *Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the "onus is on the employer to
20 clearly communicate the authorization and permission [to take rest periods] to their employees.").

21 69. Defendant did not authorize or permit all of its hourly employees to take at least a ten
22 minute rest period in which they were relieved of all duties, for every 4 hours of work, or major
23 fraction thereof, as required by Cal. Lab. Code §226.7, §512 and the Wage Orders. When breaks
24 were missed Defendant failed to pay the 1-hour penalty, as required. Because Defendant violated
25 the Wage Order, Defendant is liable under Labor Code §1198.

26 **SIXTH CAUSE OF ACTION**

27 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS &** 28 **VIOLATION OF RECORD KEEPING REQUIREMENTS**

1 Cal. Labor Code §§ 226, 1174

2 (Plaintiff Against All Defendants)

3 70. Plaintiff incorporates by reference in this cause of action each allegation of the
4 preceding paragraphs as though fully set forth herein.

5 71. Defendant's conduct described in this complaint from time to time violates the
6 provisions of Labor Code §§ 226, 1174.

7 72. Defendant knowingly and intentionally failed to provide timely, accurate, itemized
8 wage statements to Plaintiff and the class members in accordance with Labor Code §§ 226 and
9 keep accurate records as required by §1174(d).

10 73. Wage statements listed a different name than the Defendant's operating name.

11 74. Derivative of the claims above, the statements provided to Plaintiff and class members,
12 and the records maintained by Defendant, have not accurately reflected actual gross wages earned,
13 including pay for all hours worked and the accurate rate of pay for all hours worked, and overtime
14 pay, sick pay at the correct rate, and pay for meal and rest period premium wages.

15 75. §226 (a) requires:

16 A. An employer, semimonthly or at the time of each payment of wages,
17 shall furnish to his or her employee, either as a detachable part of the check,
18 draft, or voucher paying the employee's wages, or separately if wages are paid
19 by personal check or cash, an accurate itemized statement in writing showing
20 (1) gross wages earned, (2) total hours worked by the employee, except as
21 provided in subdivision (j), (3) the number of piece-rate units earned and any
22 applicable piece rate if the employee is paid on a piece-rate basis, (4) all
23 deductions, provided that all deductions made on written orders of the employee
24 may be aggregated and shown as one item, (5) net wages earned, (6) the
25 inclusive dates of the period for which the employee is paid, (7) the name of the
26 employee and only the last four digits of his or her social security number or an
27 employee identification number other than a social security number, (8) the
28 name and address of the legal entity that is the employer and, if the employer is

1 a farm labor contractor, as defined in subdivision (b) of Section 1682, the name
2 and address of the legal entity that secured the services of the employer, and (9)
3 all applicable hourly rates in effect during the pay period and the corresponding
4 number of hours worked at each hourly rate by the employee...

5 76. Such failures caused injury to Plaintiff and others, by, among other things, impeding
6 them from knowing the total hours worked, and the amount of wages to which they are and were
7 entitled. Defendant knowingly and intentionally failed to accurately itemize the gross wages
8 earned, net wages earned, and total hours worked.

9 77. Finally, Defendant has violated Labor Code §432.5 for forcing Plaintiff and class
10 members to sign employment related contracts and documents that contained unlawful terms of
11 employment.

12 **SEVENTH CAUSE OF ACTION**

13 **FAILURE TO PAY WAGES DUE UPON TERMINATION**

14 Cal. Lab. Code §§201, 202, 203, 227.3, 256

15 **(Plaintiff Against All Defendants)**

16 78. Plaintiff incorporates by reference in this cause of action each allegation of the
17 preceding paragraphs as though fully set forth herein.

18 79. Defendant's conduct described in this complaint violates the provisions of Labor Code
19 §§ 201, 202, 203, 227.3, 256.

20 80. An employee who is discharged must be paid all of his or her wages, including accrued
21 vacation, immediately at the time of termination. (Labor Code Sections 201 and 227.3.) As set
22 forth above, Defendant knowingly and willfully failed to pay all compensation due and owing to
23 Plaintiff at the time employment terminated.

24 81. Defendant willfully failed to pay employees who are no longer employed by it all
25 compensation due upon termination of employment as required by Cal. Lab. Code §§201 and 202.
26 Plaintiff and similarly situated individuals are now entitled to recover up to thirty (30) days pay as
27 waiting time under the terms of §203.

28 **EIGHTH CAUSE OF ACTION**

1 **UNFAIR BUSINESS PRACTICES IN VIOLATION OF**

2 California Business and Professions Code section 17200, et seq.

3 (Plaintiff Against All Defendants)

4 82. Plaintiff incorporates by reference in this cause of action each allegation of the
5 preceding paragraphs as though fully set forth herein.

6 83. Defendant from time to time knowingly committed, and upon information and belief
7 continue to commit, ongoing unlawful business practices within the meaning of the UCL,
8 including, but not limited to unlawful practices as described in the causes of action articulated
9 above, and hereby incorporated herein.

10 84. Plaintiff lost money and property as a result of Defendant's unlawful business practices
11 described above.

12 85. Pursuant to the UCL, Plaintiff and all Class Members are entitled to restitution of
13 money or property acquired by Defendant by means of such unlawful business practices, in
14 amounts not yet known, but to be ascertained at trial.

15 86. Pursuant to the UCL, Plaintiff and Class Members are entitled to injunctive relief
16 against Defendant's ongoing unlawful business practices. If an injunction does not issue enjoining
17 Defendant from engaging in the unlawful business practices described above, Plaintiff and the
18 general public will be irreparably injured.

19 87. Plaintiff has no plain, speedy, and adequate remedy at law. Defendant, if not enjoined
20 by this Court, will continue to engage in the unlawful business practices described above in
21 violation of the UCL, in derogation of the rights of Plaintiff and Class Members and of the general
22 public.

23 88. Plaintiff's success in this action will result in the enforcement of important rights
24 affecting the public interest by conferring a significant benefit upon the general public.

25 89. Defendant's numerous violations of local and California law, as well as the other
26 statutory and regulatory violations alleged herein, constitute unlawful business actions and
27 practices in violation of Business and Professions Code § 17200, et seq.
28

1 90. Pursuant to Business and Professions Code § 17200, et seq., Plaintiff and the Class
2 Members are entitled to restitution of unpaid wages, including overtime, sick pay, and premium
3 wages, among other relief alleged herein, that were withheld and retained by Defendant during a
4 period that commences four years prior to the filing of this action. Plaintiff is further entitled to a
5 permanent injunction requiring Defendant to comply with all provisions of California labor law,
6 including properly paying the lawful rate of pay for all hours worked, properly paying sick pay,
7 providing rest periods to all workers as defined herein, timely paying due wages upon termination,
8 maintaining accurate wages statements and payroll records, in addition to an award of attorneys’
9 fees and costs pursuant to Code of Civil Procedure § 1021.5 and other applicable law, and costs.

10 **NINTH CAUSE OF ACTION**

11 **STATUTORY PENALTIES PURSUANT TO PRIVATE ATTORNEYS GENERAL ACT,** 12 **LABOR CODE §2698 et seq. AGAINST ALL DEFENDANTS**

13 91. 91. Plaintiff incorporates by reference in this cause of action each allegation of the
14 preceding paragraphs as though fully set forth herein.

15 92. 92. Under the Private Attorneys General Act of 2006, Labor Code §§2698-2699.5, an
16 aggrieved employee, on behalf of herself and other current or former employees, may recover
17 penalties under any provision of the Labor Code that provides for civil penalties. These penalties
18 are in addition to any other relief available under the Labor Code. Plaintiff is an aggrieved
19 employee under PAGA.

20 93. 93. As set forth above, Defendants have committed numerous violations for which the
21 Labor Code provides for penalties, including violations of all applicable Labor Code provisions
22 set forth in the foregoing causes of action. Labor Code §2699.5 identifies the aforementioned
23 Labor Code provisions as statutes to which §2699.3’s procedural requirements must be met before
24 a penalty may be assessed under §2699(f). Plaintiff has complied with the procedural requirements
25 specified in §2699.3 by providing written notice to the Defendants and the Labor & Workforce
26 Development Agency (“LWDA”). See Exhibit 1 attached hereto, which is a true and correct copy
27 of the Notice correspondence showing compliance with §2699.3. No notice of intent to investigate
28 the alleged violations was provided within the statutory period. Consequently, Plaintiff has

1 exhausted administrative remedies, and on behalf of themselves and all other aggrieved current
2 and former employees of Defendants. Plaintiff, therefore, now pursues this cause of action as
3 permitted by §2698, et seq.

4 94. 94. Enforcement of statutory provisions enacted to protect workers and to ensure proper
5 and prompt payment of wages due to employees is a fundamental public interest in California.
6 Consequently, Plaintiff's success in this action will result in the enforcement of important rights
7 affecting the public interest and will confer a significant benefit upon the general public. Private
8 enforcement of the rights enumerated herein is necessary, as no public agency has pursued
9 enforcement. Plaintiff is incurring a financial burden in pursuing this action and it would be against
10 the interests of justice to require payment of attorneys' fees and costs from any recover that might
11 be obtained herein, pursuant to, inter alia, Labor Code §§2698, et seq., and Code of Civil Procedure
12 §1021.5

13 95. 95. In addition, if Plaintiff succeeds in enforcing these rights affecting the public
14 interest, then attorneys' fees may be awarded to Plaintiff and against Defendants under Code of
15 Civil Procedure §1021.5 and other applicable law in part, because:

16 a. A successful outcome in this action will result in the enforcement of important
17 rights affecting the public interest by requiring Defendants to comply with the wage and hour
18 laws and California's unfair business practice law;

19 b. This action will result in a significant benefit to Plaintiff, the Class, and the
20 general public by bringing to a halt unlawful and/or unfair activity;

21 c. Unless this action is prosecuted, members of the Class and general public will not
22 recover those moneys, and many of Defendants' employees would not be aware that the acts and
23 practices they were subjected to by Defendants were wrongful;

24 d. Unless this action is prosecuted, Defendants will continue to mislead their
25 employees about the true nature of their rights and remedies under the wage and hour laws; and

26 96. An award of attorneys' fees and costs is necessary for the prosecution of this action and will
27 result in a benefit to Plaintiff, the Class, aggrieved employees, and to consumers in general, by
28 preventing Defendants from continuing to circumvent the wage and hour statutes and frustrate the
long-standing recognition by the California legislature and the courts that such statutes, as pled

1 herein, are not merely a matter of private concern between employer and employee to be
2 eviscerated by considerations of waiver, contributory negligence, good or bad faith, and private
3 agreements. Rather, the wage and hour statutes have been described as a matter of public concern,
4 were designed to provide minimum substantive guarantees to individual workers and are essential
5 to public welfare.

6 **REQUEST FOR RELIEF**

7 WHEREFORE, Plaintiff, on behalf of herself and the Proposed Class, request judgment
8 and the following specific relief against Defendant as follows:

- 9 A. That the Court determine that this action may be maintained as a class action
10 under Code of Civil Procedure § 382;
- 11 B. That the Court determine that this action may be maintained as a PAGA
12 representative action under Cal. Labor Code. §2698 *et seq.*
- 13 C. Provision of class notice to all members of the Class;
- 14 D. That Defendant is found to have violated the above-referenced provisions of the
15 Labor Code, CCR and the IWC Wage Order as to Plaintiff, Class Members
16 relevant subclass Members, and aggrieved employees;
- 17 E. For compensatory damages, in an amount according to proof at trial, with
18 interest thereon;
- 19 F. For compensation for not being paid overtime;
- 20 G. For compensation for not being paid all wages owed twice per month;
- 21 H. For compensation for not being paid minimum wage;
- 22 I. For compensation for not being provided rest breaks;
- 23 J. For compensation for not being provided compliant meal breaks;
- 24 K. For compensation for not being paid all wages due upon termination;
- 25 L. For compensation for not being paid premium and penalty wages;
- 26 M. That Defendant's actions are found to be willful and/or in bad faith to the extent
27 necessary under §§ 201, 202, 203, and 558 of the California Labor Code for
28

1 willful failure to pay all compensation owed at the time of separation to Plaintiff
2 Class Members, and aggrieved employees no longer employed by Defendant;

3 N. That Plaintiff Class Members, and aggrieved employees receive penalties for
4 Defendant's violation of §226 and 1174 of the California Labor Code for willful
5 failure to provide and maintain the required accurate and itemized wage
6 statements;

7 O. That Plaintiff Class Members, and aggrieved employees receive an award in the
8 amount of unpaid wages owed, including interest thereon, and penalties as
9 provided in the Labor Code, CCR and Wage Order, including under Labor Code
10 §§ 203, 510, 558, and 2698 et seq., subject to proof at trial;

11 P. That Defendant be ordered to pay restitution to Plaintiff Class Members, and
12 aggrieved employees for amounts acquired through Defendant's unlawful
13 activities pursuant to Business and Professions Code §§ 17200-05 and enjoined
14 to cease and desist from unlawful and unfair activities in violation of California
15 Business and Professions Code § 17200 et. seq.;

16 Q. That Plaintiff Class Members, and aggrieved employees receive an award of
17 reasonable attorneys' fees and costs pursuant to Code of Civil Procedure
18 §1021.5, Labor Code §226, 218.5, and 1194 and/or applicable laws;

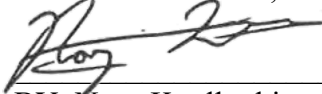
19 R. That the Court award penalties pursuant to Labor Code §2698 et seq.

20 S. That the Court issue declaratory relief that Defendant's challenged policies are
21 unlawful; and

22 T. That the Court order further relief, in law and equity, as it deems appropriate
23 and just.

24
25 DATED: January 27, 2026

KOUL LAW FIRM, APC

26
27 

28 BY: Nazo Koulloukian, Esq.
Attorneys for Plaintiff PAMELA WATSON
and putative class members

EXHIBIT 1



Nazo@Koullaw.com

P (213) 325 - 3032

F (818) 561 - 3938

217 SOUTH KENWOOD ST.

GLENDALE, CA 91205

www.koullaw.com

November 17, 2025

Via E-filing:

California Labor & Workforce
Development Agency
455 Golden Gate Avenue, 9th Floor
San Francisco, CA 94102

Via Certified U.S. Mail:

Gateways Hospital and Mental Health Center
1891 Effie Street
Los Angeles, Ca 90026

Re: **AMENDED** PAGA Notice Pursuant to California Labor Code §2698 *et seq.*

Claimant(s): Gateways Hospital and Mental Health Center
Employer(s): Pamela Watson

Dear Sir or Madam:

Pamela Watson (“Claimant”) has retained Nazo Koulloukian, Esq. of Koul Law Firm, APC, to represent Claimant, and all other aggrieved employees, for conditions of employment and wage and hour claims against her employer, Gateways Hospital and Mental Health Center (hereafter “Employer”).

Employer operates a mental health medical facility. Claimant worked for Employer from August 8, 2007 to December 13, 2024 as a “Prepared Professional Counselor” at Employer’s Los Angeles location. Claimant is still employed by Employer and works as an hourly, nonexempt employee earning approximately \$26.00.

Claimant brings this Amended PAGA Notice to assert a claim for failure to pay wages due upon termination. (Cal. Lab. Code §§201, 202, 203, 227.3.)

Claimant alleges herein the specific provisions of California law that Employer has violated, requiring this Notice, including but not limited to: California Labor Code sections 201-203, 204, 208, 216, 221-223, 226, 226.2, 226.7, 245-248.6, 432, 432.5, 432.6, 432.7, 510, 512, 558, 558.1, 1024.5, 1174, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2810.5, and all applicable Wage Orders.

During Claimant’s employment, Claimant personally experienced the Labor Code violations described below. We request that your agency investigate the claims alleged below or permit Claimant to seek civil penalties under the Private Attorney General Act on behalf of the

Labor and Workforce and development Agency and the State of California in a representative action. This letter will serve as notice of these allegations pursuant to Labor Code § 2699.3.

Failure to Pay For All Hours Worked, Including Overtime Hours Worked

(Cal. Labor Code §§200, 204, 206, 206.5, 207, 210, 216, 218, 218.6, 221, 223, 351, 510, 558, 1194, 1197, 1197.1, 1198, 2698 *et seq.*, IWC Wage Orders)

The Wage Orders define “hours worked” as “the time during which an employee is subject to the control of an employer, and including all the time the employee is suffered or permitted to work, whether or not required to do so.” Employer has been engaged in many unlawful employment practices which resulted in underpayment for hours worked each pay period, including overtime hours worked based on the employees regular rate of pay, as more fully set forth below. Employer has also failed to pay the required minimum wage for all hours worked, and has failed to pay all wages owed twice per month.

Claimant and aggrieved employees have been employed under conditions prohibited by the wage order, and thus Employer has also violated §§1198 and 1199. Employer is liable for civil penalties pursuant to Labor Code §§558 and 2698 *et seq.*

Off-the-Clock Hours Worked

Claimant and aggrieved employees frequently worked off the clock and were routinely subjected to periods wherein they were under the Employer’s control but not compensated for their time. For example, Claimant reports that on multiple occasions each week, she would clock out for a meal break but continue working due to the press of work.

Work Performed During Unpaid Meal Periods

As more fully set forth below, Employer failed to permit Claimant and others to take timely, off-duty, meal breaks of “not less than 30 minutes” for each five consecutive hours of work in violation of Labor Code §§226.7 and 512.

Claimant and aggrieved employees often experience interrupted, late, and/or missed meal breaks due to the press of work and understaffing. Employees often work while being clocked out due to employer’s failure to provide adequate coverage or relief.

Regular Rate Violations

Employer pays additional compensation such as shift premiums and/or nondiscretionary bonuses to its hourly, non-exempt employees. It is well established that nondiscretionary bonuses retroactively increase the employee’s “regular rate” of pay for purposes of calculating overtime. (Labor Code §207) The “regular rate” is calculated by dividing the hours worked in a week by all the compensation earned for that week. When an employee is later paid a bonus that is partly due to work performed in that week, this additional pay must be added into the total compensation for the week, increasing the employee’s regular rate of pay. (*Marin v. Costco Wholesale Corp.* (2008) 169 CA4th 804, 807.) Employer further failed to pay sick pay and premium pay at the required regular rate of pay.

Failure to Pay All Wages Owed Twice Per Month

(Cal. Lab. Code §§204, 210, and 2698 *et seq.*)

Employer was required to pay Claimant and aggrieved employees all wages earned twice during each calendar month pursuant to Labor Code §204(a).

Employer failed to pay all wages earned to employees as a result of the unlawful employment policies and practices discussed herein. As a result of these practices, employees were underpaid for hours worked, including overtime and premium wages, and this underpayment resulted in a failure to pay all wages owed twice per month.

Due to these failures, Employer is liable under Labor Code §204, 210 and 2698 *et seq.* for failure to pay wages as required by law.

Failure to Pay Minimum Wage

(Cal. Labor Code §§ 200, 218.5, 226, 558, 1194, 1194.2, 1197, 1197.2, 1198, 1199, 2698 *et seq.*)

Pursuant to Labor Code sections 1194, 1194.2 and 1197, it is unlawful for an employer to suffer or permit a California employee to work without paying wages at the proper minimum wage for all time worked as required by the applicable IWC Wage Order.

Employer failed to pay Claimant and aggrieved employees for all hours worked as a result of Employer's practices described above. Based on Employer's unlawful conduct described herein, and because Claimant and the aggrieved employees were paid at or near minimum wage, employer's failure to pay for all hours worked, including overtime, resulted in a payment of less than the minimum wage for all hours worked, in violation of Labor Code §1197, 1197.1, 1199 and the Wage Orders. Employer is liable for civil penalties pursuant to Labor Code §§558 and 2698 *et seq.*

Failure to Permit Compliant Meal Periods

(Cal. Labor Code §§226 (a), 226.7, 512, 558, 1198, 2698 *et seq.*, Wage Order)

Labor Code §512 provides, "[a]n employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes..." Labor Code §226.7(a) provides, "[n]o employer shall require an employee to work during any meal... period mandated by an applicable order of the Industrial Welfare Commission." Paragraph 11 of the Wage Order provides, in pertinent part, "[u]nless an employee is relieved of all duty during a 30-minute meal period, the meal period shall be considered an 'on duty' meal period and counted as time worked."

Employer failed to permit Claimant and others to take timely, off-duty, meal breaks of "not less than 30 minutes" for each five consecutive hours of work in violation of Labor Code §§226.7 and 512. When meal periods were noncompliant, Employer failed to pay all premium pay to

Claimant and aggrieved employees at their regular rates of pay. As a derivative claim, Claimant alleges that pay statements were inaccurate, failing to include required meal period penalties, thus failing the requirements of Labor Code §226(a).

Full, uninterrupted, off-duty, thirty-minute meal periods were not provided because Employer: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to meal periods and premium payments for non-compliant meal periods; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted thirty-minute meal periods; (4) because Employer did not staff enough people to schedule all timely and uninterrupted thirty-minute meal periods; (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant meal period policy; and/or (6) because Employer unlawfully shaved and/or rounded clock in and clock out times for meal periods. Employees were not paid a premium payment, paid as an hour's wage when meal periods were not given to them in compliance with California law.

Claimant and Claimant's coworkers frequently missed first and second meal periods. When meal periods were provided, they were often late, short, and/or interrupted.

Meal breaks were missed due to the press of work and understaffing. Employees frequently experienced missed and/or interrupted meal breaks due to employer's failure to provide adequate coverage or relief during shifts, effectively preventing employees from being relieved of all duties. For example, Claimant reports that on multiple occasions each week, she would clock out for a meal break but continue working due to the press of work.

Failure to Provide Rest Breaks

(Cal. Labor Code §§226, 226.7, 512, 558, 1198, 2698 et seq., Wage Orders)

Employer failed to maintain a compliant rest period policy and practice that provides its employees with off-duty rest periods as required by California law. Claimant reports that employees frequently missed rest periods as a result of Employer's staffing and business practices, and that rest breaks were not scheduled into daily shifts.

Rest periods were either less than ten minutes, not provided, interrupted or late, "on duty," or not scheduled before and after a meal period for shifts greater than six hours, as prescribed by California law because Employer: (1) did not account for all hours worked that were unaccounted for on their timecard; (2) did not adequately inform and train employees about their rights to rest breaks and premium payments for non-compliant rest breaks; (3) did not adequately inform and train employees about when, where and how to take timely and uninterrupted ten-minute rest breaks; (4) because Employer did not staff enough people to schedule all timely and uninterrupted ten-minute rest breaks; and/or (5) because management at various levels, affecting all hourly, non-exempt employees, refused to offer, permit, or enforce a lawfully compliant rest break policy.

The rest period requirement obligates employers to permit and authorize employees to take off-duty rest periods, meaning employers must relieve employees of all duties and relinquish control over how employees spend their time. *Augustus v. ABM Security Services, Inc.*, (2016) 5

Cal.5th 257, 269. Employers must pay employees an additional hour of wages at the employee's regular rate of pay for each missed or improper rest period (e.g., less than 10 minutes, interrupted rest period, rest period(s) at improper time(s) during shift(s). Lab. Code §226.7; applicable IWC Wage Order, §12(B) ("If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this Order, the employer shall pay the employee one (1) hour of pay at the employee's regular rate of compensation for each work day that the rest period is not provided"). Moreover, under California law rest periods must be a "net" ten minutes in a suitable rest area. (*Id.* at 268) (relying on January 3, 1986 and February 22, 2002 DLSE Letters wherein the DLSE ruled that the net ten-minute language for rest periods means ten minutes of time in a rest area and cannot include time it takes to get to and from the rest area). The employer must show that it clearly articulates the right to a net ten minutes, which means it must clearly communicate what "net" ten minutes means (i.e., regardless of what happens along the way to and from a rest area, employees are entitled to a full ten minutes of rest in the rest area). *Id.*; *see also*, *Bufile v. Dollar Fin. Grp., Inc.*, (2008) 162 Cal. App. 4th 1193, 1199 (the "onus is on the employer to clearly communicate the authorization and permission [to take rest periods] to their employees.").

Employer did not authorize or permit all of its hourly employees to take at least a ten minute rest period in which they were relieved of all duties, for every 4 hours of work, or major fraction thereof, as required by Cal. Lab. Code §226.7, §512 and the Wage Orders. When breaks were missed Employer failed to pay the 1-hour premium, as required.

Rest breaks were frequently taken late—often after more than four hours of work—and, in many instances, missed entirely. This was primarily due to a consistent lack of coverage, which made it difficult for employees to be relieved of their duties. Claimant estimates that she was unable to take compliant rest breaks daily.

Failure to Provide Accurate Itemized Wage Statements **(Cal. Labor Code §§ 226, 1174, 2698 et seq)**

Employer knowingly and intentionally failed to provide timely, accurate, itemized wage statements to Claimant and the aggrieved employees in accordance with Labor Code §§ 226 and keep accurate records as required by §1174(d).

Wage statements listed a different name than Employer's operating name.

Derivative of the claims above, the statements provided to Claimant and aggrieved employees, and the records maintained by Employer, have not accurately reflected actual gross wages earned, including pay for all hours worked and the accurate rate of pay for all hours worked, and overtime pay, sick pay at the correct rate, and pay for meal and rest period premium wages.

§226 (a) requires:

An employer, semimonthly or at the time of each payment of wages, shall furnish to his or her employee, either as a detachable part of the check, draft, or voucher paying the employee's wages, or separately if wages are paid by personal check or cash, an

accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, except as provided in subdivision (j), (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer and, if the employer is a farm labor contractor, as defined in subdivision (b) of Section 1682, the name and address of the legal entity that secured the services of the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee...

Such failures caused injury to Claimant and others, by, among other things, impeding them from knowing the true legal name of their employer, the total hours worked, and the amount of wages to which they are and were entitled. Employer knowingly and intentionally failed to accurately itemize the gross wages earned, net wages earned, and total hours worked.

Failure to Pay Wages Due Upon Termination

(Cal. Lab. Code §§201, 202, 203, 227.3 and 2698 *et seq.*)

An employee who is discharged must be paid all of his or her wages immediately at the time of termination. (Labor Code Sections 201 and 227.3.) As set forth above, Employer knowingly and willfully failed to pay all compensation due and owing to Claimant at the time employment terminated.

Employer willfully failed to pay employees who are no longer employed by it all compensation due upon termination of employment as required by Cal. Lab. Code §§201 and 202. Claimant and similarly situated individuals are now entitled to recover up to thirty (30) days pay as waiting time under the terms of §203. Moreover, Employer is liable for civil penalties pursuant to Cal. Lab. Code § 2698 *et. seq.*

Employer is liable for civil penalties pursuant to Labor Code § 2698 *et seq.*

Finally, Employer has violated Labor Code §432.5 for forcing Claimant and aggrieved employees to sign employment-related contracts and documents that contained unlawful terms of

employment, including invalid meal period waivers resulting from a noncompliant meal period policy and/or practice.

Conclusion

Employer has violated a number of California wage and hour laws and is therefore liable for civil penalties pursuant to Cal. Labor Code §2698 *et seq.* Claimant respectfully requests that the agency investigate the above allegations and hereby provides notice of the allegations pursuant to PAGA's provisions. Alternatively, Claimant requests that the agency inform Claimant if it does not intend to investigate these violations so that Claimant may pursue these claims as a representative action in civil court.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nazo Koulloukian', with a stylized flourish at the end.

Nazo Koulloukian, Esq.
Attorney for Claimant

PROOF OF SERVICE

Case No. 25STCV34421

Watson v. Gateways Hospital and Mental Health Center

I, NADIA CHAVEZ declare that I am a resident of or employed in the County of Los Angeles, California. I am over the age of 18 years and not a party to the entitled case. The name and address of my residence or business is KOUL LAW FIRM, 217 South Kenwood Street, Glendale, California 91205.

On January 27, 2026, I served the foregoing document described as:

FIRST AMENDED CLASS AND REPRESENTATIVE ACTION COMPLAINT

 X

BY E-MAIL: I hereby certify that this document was served from Glendale, California, by e-mail delivery on the parties listed herein at their most recent known e-mail address from e-mail nadia@koullaw.com pursuant to California Rules of Court. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

on the interested parties in this action by sending [] the original [or] [✓] a true copy thereof [✓] to interested parties as follows [or] [] as stated on the attached service list:

Dina S. Glucksman
Jennifer Jambor-Delgado
Emilie Maclean

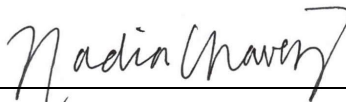
GORDON REES SCULLY MANSUKHANI, LLP

633 West Fifth Street, 52nd Floor
Los Angeles, CA 90071
dglucksman@grsm.com
jjambordelgado@grsm.com
emaclean@grsm.com
stello@grsm.com

Attorneys for Defendant
GATEWAYS HOSPITAL AND MENTAL HEALTH
CENTER,

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on this January 27, 2026, in Glendale, California.



NADIA CHAVEZ