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Attorneys for Plaintiff Carl Gustavsson

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

CARL GUSTAVSSON, an individual;

Plaintiff,

v.

**DCS2 ASSET RECOVERY, LLC, a limited
liability company; and DOES 1-100,
inclusive,**

Defendants.

Case No.: 26CV012317

COMPLAINT FOR CIVIL PENALTIES

1. PRIVATE ATTORNEYS GENERAL ACT

Plaintiff Carl Gustavsson brings this action against DCS2 Asset Recovery, LLC, a limited liability company; and Does 1 through 100, for violations of the Labor Code as set forth herein.

PARTIES

1. Plaintiff Carl Gustavsson (“Gustavsson” or “Plaintiff”) at all times relevant herein was a citizen of Sacramento County, California, was employed in Sacramento County, California, and was an “employee” as defined by the Government Code and Labor Code.

2. Defendant DCS2 Asset Recovery, LLC (aka “DCS2” or “Defendant”) is a California limited liability company formed under the laws of Texas and, at all times relevant herein, was an “employer” as defined by the Labor Code.

3. Defendant and Does 1-100 are collectively referred to as Defendants.

4. Plaintiff is not aware of the true names and capacities of the Defendants sued herein as Does 1 through 100, whether individual, corporate, associate, or otherwise and therefore sues such Defendants by these fictitious names. Plaintiff will amend this Complaint to allege their true names and capacities when ascertained. Plaintiff is informed and believes, and on that basis alleges, that each of the fictitiously named Defendants is responsible in some manner for the occurrences herein alleged and that Plaintiff's injuries and damages herein alleged were legally caused by such Defendants. Unless otherwise indicated, each Defendant was acting within the course and scope of said agency and/or employment, with the knowledge and/or consent of said co-Defendant.

5. Plaintiff is informed and believes and thereupon alleges that at all times mentioned herein, each of the Defendants, including each Doe Defendant, was acting as the agent, servant, employee, partner and/or joint venturer of and was acting in concert with each of the remaining Defendants, including each Doe Defendant, in doing the things herein alleged, while at all times acting within the course and scope of such agency, service, employment partnership, joint venture and/or concert of action. Each Defendant, in doing the acts alleged herein, was acting both individually and within the course and scope of such agency and/or employment, with the knowledge and/or consent of the remaining Defendants.

VENUE

6. Venue is proper in this Court because Plaintiff's place of employment with Defendants was, at all times relevant herein, located in Sacramento County.

GENERAL ALLEGATIONS

7. DCS2 is a company that specializes in locating and recovering stolen vehicles. Gustavsson was employed by DCS2 in California from January 2024 through June 9, 2025 as an investigator. He was correctly classified as an hourly, nonexempt employee. In addition to his hourly pay, Gustavsson received nondiscretionary bonuses and commissions.

8. However, DCS2 failed to pay earned overtime wages at the correct rate of pay. Although DCS2's employees earned nondiscretionary bonuses and commissions, *supra*, DCS2 did not incorporate the value of these wages into its employees' regular rate of pay when calculating overtime wages

1 earned. Instead, DCS2 simply took its employees' base, hourly rate and used that as the regular rate of
2 pay for overtime purposes, resulting in an underpayment of wages. Thus, DCS2 violated Labor Code
3 section 510.

4 9. Furthermore, DCS2 failed to pay sick hours at its employees' regular rate of pay. When
5 employees took paid time off or paid sick hours, were not paid such wages at their regular rate of pay,
6 inclusive of the value of earned nondiscretionary bonuses and commissions, *supra*. Instead, as with
7 overtime, DCS2 ignored the value of those payments and did not incorporate them into the regular rate
8 of pay. Thus, DCS2 violated Labor Code section 246.

9 10. Gustavsson was also denied compliant rest and meal periods. He typically worked a shift
10 of at least eight hours, entitling him to two ten-minute rest periods and a thirty-minute meal period. He
11 was never affirmatively relieved of all duty to take a ten-minute rest period, and was frequently unable
12 to take rest breaks given the volume of work. Similarly, Gustavsson was never affirmatively relieved of
13 duty to take thirty-minute meal periods. To the extent he was able to take them, rest periods were
14 frequently interrupted by work calls and other tasks. Gustavsson was not paid an hour's pay at his
15 regular rate of pay for these violations. Additionally, Gustavsson alleges that time records were falsified
16 to reflect that he did take meal periods for all of his work shifts.¹ Thus, DCS2 violated Labor Code
17 sections 226.7 and 512.

18 11. Because of the foregoing violations, the wage statements furnished to Gustavsson and
19 other employees did not accurately show gross wages earned, total hours worked, net wages earned, and
20 all applicable hourly rates in effect during the pay period and the corresponding number of hours worked
21 at each rate, in violation of Labor Code section 226(a).

22 12. Because of the foregoing meal period violations, DCS2 also failed to maintain records
23 accurately showing the hours worked by Claimants. Thus, DCS2 violated Labor Code section 1174(d).

26 ¹ On days on which a full shift was already worked these falsifications resulted in further violations of Labor Code section
27 510. Further, by failing to pay any wages for this 0.5 hour of daily work, DCS2 failed to pay the minimum wage in violation
of Labor Code sections 1182.12 and 1197.

1 13. At no point since his separation of employment has Gustavsson been paid all wages due
2 and owing, *supra*. Thus, DCS2 violated Labor Code sections 201 and 202.

3 14. The list of foregoing misconduct is a partial list only and set forth by way of mere
4 example.

5 15. On January 20, 2026, Gustavsson provided written notice to the Labor and Workforce
6 Development Agency (“LWDA”) and Defendant regarding the specific provisions of the Labor Code
7 alleged to have been violated, including the facts and theories to support those alleged violations.

8 **Exhibit 1.**

9 16. As of the filing of this Complaint, more than 65 calendar days after Gustavsson’s written
10 notice, the LWDA did not provide written notice that it intends to investigate any of Gustavsson’s
11 allegations as set forth above. Accordingly, Gustavsson satisfied the administrative prerequisites under
12 Labor Code section 2699.3 to bring a civil action to recover civil penalties against Defendant, in
13 addition to other remedies, for violations of the Labor Code.

14 **FIRST CAUSE OF ACTION**
15 **PRIVATE ATTORNEYS GENERAL ACT**
16 **(Lab. Code, § 2698 *et seq.*)**
 Against Defendants

17 17. Plaintiff hereby realleges and incorporates by reference each and every allegation set forth
18 above as though fully set forth herein, except as said paragraphs are inconsistent with the allegations of
19 this cause of action.

20 18. Pursuant to Labor Code section 2699, subdivision (a), any provision of the Labor Code
21 which provides for a civil penalty to be assessed and collected by the LWDA for violations of the Labor
22 Code may, as an alternative, be recovered through a civil action brought by an aggrieved employee on
23 behalf of himself or herself and other current or former employees pursuant to the procedures outlined in
24 Labor Code section 2699.3.

25 19. Plaintiff was employed by Defendants and the alleged violations were committed against
26 her during her time of employment. Plaintiff is therefore an aggrieved employee as defined by Labor
27 Code section 2699, subdivision (c). Other current and former employees are also aggrieved employees

1 in that one or more of the alleged violations were also committed against them during their time of
2 employment with Defendants.

3 20. Pursuant to Labor Code section 2699, subdivision (f), the civil penalty recoverable in a
4 PAGA action is that which is provided for by the Labor Code or, where no civil penalty is specifically
5 provided, one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation
6 and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent
7 violation.

8 21. Pursuant to California Labor Code section 2699, subdivision (g), an aggrieved employee
9 may recover the civil penalty on behalf of himself or herself and other current or former employees
10 against whom one or more of the alleged violations was committed. Furthermore, any employee who
11 prevails in any such action shall be entitled to an award of reasonable attorney's fees and costs.

12 22. Pursuant to the PAGA, Plaintiff seeks to recover civil penalties against Defendants for
13 violations of the Labor Code.

14 23. Wherefore, Plaintiff and other employees (current and former) have been aggrieved and
15 Plaintiff, on behalf of the Labor and Workforce Development Agency, requests relief as hereafter
16 provided.

17 **PRAYER FOR RELIEF**

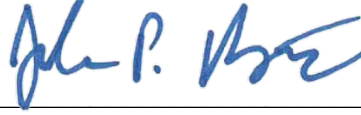
18 WHEREFORE, Plaintiff prays judgment against Defendants as follows:

- 19 1. For civil penalties, including but not limited to those available under Labor Code sections
20 226.3, 558, 1197.1, and 2699(f);
- 21 2. For injunctive relief;
- 22 3. For statutory attorneys' fees and costs, including but not limited to those available under
23 Labor Code section 2699(g);
- 24 4. For prejudgment and post-judgment interest according to any applicable provision of law
25 or as otherwise permitted by law, including those available under Civil Code sections
26 3287(a) and 3289(b); and
- 27 5. For such other and further relief as the court deems just and proper.

1 **DATED:** May 19, 2026

MAYALL HURLEY P.C.

2
3 By



JOHN P. BRISCOE

Attorneys for Plaintiff

CARL GUSTAVSSON

EXHIBIT 1

NORTHERN CALIFORNIA
118 WEST OAK STREET
LODI, CALIFORNIA 95240
[BY APPT. ONLY – NO SERVICE ACCEPTED]

2453 GRAND CANAL BLVD.
STOCKTON, CALIFORNIA 95207

SOUTHERN CALIFORNIA
360 EAST 2ND STREET, SUITE 800
LOS ANGELES, CALIFORNIA 90012
[BY APPT. ONLY – NO SERVICE ACCEPTED]



112 SOUTH CHURCH STREET
LODI, CALIFORNIA 95240

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VLADIMIR F. KOZINA
STEVEN A. MALCOUN
MARK E. BERRY
WILLIAM J. GORHAM, III
NICHOLAS F. SCARDIGLI
ROBERT J. WASSERMANN
JENNY D. BAYSINGER
JOHN P. BRISCOE
VLADIMIR J. KOZINA

January 20, 2026

SUBMITTED ELECTRONICALLY

Labor and Workforce Development Agency
Attn: PAGA Administrator
1515 Clay Street, Suite 801
Oakland, California 94612

SENT VIA CERTIFIED MAIL

DCS2 Asset Recovery, LLC
500 W. 2nd St., Suite 1900
Austin, TX 78701

Re: Carl Gustavsson and Zachary Kachmar

To whom it may concern:

This firm represents Carl Gustavsson (“Gustavsson”) and Zachary Kachmar (“Kachmar”) in connection with claims arising from their respective former employment with DCS2 Asset Recovery, LLC (“DCS2”).¹ In accordance with California Labor Code section 2699.3, this letter shall serve as Claimants’ written notice to the Labor and Workforce Development Agency (“LWDA”) and DCS2 regarding the following violations, and facts and theories supporting those violations, on Claimants’ behalf and, as a proxy for the LWDA, on behalf of current and other former California employees of DCS2.

DCS2 is a company that specializes in locating and recovering stolen vehicles. Gustavsson was employed by DCS2 in California from January 2024 through June 9, 2025 as an investigator. He was correctly classified as an hourly, nonexempt employee. In addition to his hourly pay, Gustavsson received nondiscretionary bonuses and commissions. (Exhibit 1.)

Kachmar was employed by DCS2 from December 2023 through January 2024. He, too, was employed as an investigator, was correctly classified as an hourly,

¹ Gustavsson and Kachmar are jointly referred to as “Claimants”.

nonexempt employee, and also received hourly pay as well as nondiscretionary bonuses and commissions. (Exhibit 2.) Kachmar sometimes worked in excess of eight hours in a day and/or forty hours in a workweek, earning overtime wages.

However, DCS2 failed to pay Kachmar his earned overtime wages at the correct rate. Although Kachmar earned nondiscretionary bonuses and commissions, *supra*, DCS2 did not incorporate the value of these wages into Kachmar's regular rate of pay when calculating overtime wages earned. Instead, DCS2 simply took Kachmar's base, hourly rate and used that as the regular rate of pay for overtime purposes, resulting in an underpayment of wages. (Exhibit 2, *supra*.) Thus, DCS2 violated Labor Code section 510.

Furthermore, DCS2 failed to pay sick hours at Claimants' regular rate of pay. When they took paid time off or paid sick hours, Claimants were not paid such wages at their regular rate of pay, inclusive of the value of earned nondiscretionary bonuses and commissions, *supra*. Instead, as with overtime, DCS2 ignored the value of those payments and did not incorporate them into the regular rate of pay. (Exhibit 3.) Thus, DCS2 violated Labor Code section 246.

Both Kachmar and Gustavsson were denied compliant rest and meal periods. Both employees typically worked a shift of at least eight hours, entitling them to two ten-minute rest periods and a thirty-minute meal period. Neither employee was ever affirmatively relieved of all duty to take a ten-minute rest period, and they were both frequently unable to take rest breaks given the volume of work. Similarly, neither Claimant was ever affirmatively relieved of duty to take thirty-minute meal periods. To the extent Claimants were able to take them, rest periods were frequently interrupted by work calls and other tasks. On one occasion, Kachmar notified his supervisor, Roland Tracy, that he was unable to take an afternoon rest period, and asked if he could take one at that time of day (4:00 p.m.); Mr. Tracy refused this request. Neither employee was paid an hour's pay at his regular rate of pay for these rest period or meal period violations. For his part, Kachmar was also unable to provide himself with thirty-minute meal periods on occasion, yet he was still not paid an hour's pay at his regular rate of pay for these violations. Kachmar is informed and believes that his time records were falsified to reflect that he did take meal periods for all of his work shifts.² Thus, DCS2 violated Labor Code sections 226.7 and 512.

Because of the foregoing violations, the wage statements furnished to Claimants did not accurately show gross wages earned, total hours worked, net wages earned, and

² As Kachmar typically worked at least from 9:00 a.m. – 5:30 p.m., these falsifications resulted in further violations of Labor Code section 510. Further, by failing to pay any wages for this 0.5 hour of daily work, DCS2 failed to pay the minimum wage in violation of Labor Code sections 1182.12 and 1197.

Labor and Workforce Development Agency
DCS2 Asset Recovery, LLC
Re: Carl Gustavsson and Zachary Kachmar
January 20, 2026
Page 3 of 3

all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each rate, in violation of Labor Code section 226(a).

Because of the foregoing meal period violations, DCS2 also failed to maintain records accurately showing the hours worked by Claimants. Thus, DCS2 violated Labor Code section 1174(d).

At no point since their respective separation of employment have Gustavsson or Kachmar been paid all wages due and owing, *supra*. Thus, DCS2 violated Labor Code sections 201 and 202.

The foregoing violations, and each of them, were committed against current and other former employees of DCS2 in California, and within the last year.

If the LWDA believes that it needs additional information to determine whether to investigate these claims, please contact me and I will provide that information to the extent it is available to me or my client.

If the LWDA does not intend to investigate these violations, Claimants intend to file a civil complaint against DCS2 pursuant to the Labor Code Private Attorneys General Act of 2004 (Labor Code, § 2698 *et seq.*), on her behalf and, as a proxy for the LWDA, on behalf of all aggrieved current and former employees. Thank you for your attention in this matter.

Sincerely,

MAYALL HURLEY P.C.
By 
JOHN P. BRISCOE

Enclosures

Exhibit 1



Earnings Statement

Company

DCS2 Asset Recovery
15504 Storm Dr
Austin, TX 78734
855-327-2946

Employee

Carl Gustavsson

Pay period: Off-Cycle Payroll

Mar 1, 2025 - Mar 31, 2025 Pay Day: Apr 2, 2025 Carl

Gustavsson's bank account (. . . 1002): \$3,225.62

Employee Gross Earnings

Description	Rate	Hours	Current	Year To Date
<u>Regular Hours</u> Hourly				\$7,737.45
Paid Holidays				\$264.00
Paid Time Off				\$82.50
<u>Bonus</u>			\$750.00	\$2,333.00
<u>Commission</u>			\$3,800.00	\$16,150.00
<u>Additional Earnings</u>			\$0.00	\$760.14
Totals		0.0	\$4,550.00	\$27,327.09

Employee Taxes Withheld

Employee Tax	Current	Year To Date
<u>Federal Income Tax</u>	\$611.54	\$3,037.46
<u>Social Security</u>	\$282.10	\$1,694.28
<u>Medicare</u>	\$65.97	\$396.24
<u>CA State Income Tax</u>	\$128.17	\$573.06
<u>CA SDI</u>	\$54.60	\$327.93

Employer Tax

Company Tax	Current	Year To Date
<u>Social Security</u>	\$282.10	\$1,694.28
<u>Medicare</u>	\$65.97	\$396.24
<u>FUTA</u>	\$0.00	\$42.00
<u>CA SUI</u>	\$0.00	\$280.00
<u>CA ETT</u>	\$0.00	\$7.01

Employee Deductions

Description	Type	Current	Year To Date
Guideline Traditional 401(k)	401(k)	\$182.00	\$670.87

Employer Contributions

Description	Type	Current	Year To Date
Guideline Traditional 401(k)	401(k)	\$159.25	\$587.00

Summary

Description	Current	Year To Date
<u>Gross Earnings</u>	\$4,550.00	\$27,327.09
<u>Pre-Tax Deductions/Contributions</u>	\$182.00	\$670.87
<u>Taxes</u>	\$1,142.38	\$6,028.97
<u>Post-Tax Deductions/Contributions</u>	\$0.00	\$0.00
<u>Net Pay</u>	\$3,225.62	\$20,627.25
<u>Total Reimbursements</u>	\$0.00	\$0.00
<u>Check Amount</u>	\$3,225.62	\$20,627.25
<u>Total Hours Worked</u>	0.0	484.94

Unpaid Time Off Policy

Description	Hours
Hours used this period	0.00
Remaining Time Off	Unlimited

Sick Policy

Description	Hours
Hours used this period	0.00
Hours accrued this period	0.00
Remaining Sick Balance	10.02

Paid Time Off Policy

Description	Hours
Hours used this period	0.00
Hours accrued this period	0.00
Remaining Paid Time Off Balance	41.00

Exhibit 2

gusto

Earnings Statement

Company

DCS2 Asset Recovery
15504 Storm Dr
Austin, TX 78734
855-327-2946

Employee

Zachary Kachmar

Pay period: Dec 28, 2023 - Jan 11, 2024 Pay Day: Jan 8, 2024
Zach's Money (. . . 5246): \$2,164.70

Employee Gross Earnings

Description	Rate	Hours	Current	Year To Date
Regular Hours (Hourly)	\$16.00	37.24	\$595.84	\$595.84
Outstanding Paid Time Off Pay	\$16.00	4.0	\$64.00	\$64.00
Paid Holidays	\$16.00	8.0	\$128.00	\$128.00
Bonus			\$500.00	\$500.00
Commission			\$700.00	\$700.00
Severance			\$640.00	\$640.00
Totals		49.24	\$2,627.84	\$2,627.84

Employee Taxes Withheld

Employee Tax	Current	Year To Date	Employer Tax	Current	Year To Date
Federal Income Tax	\$192.05	\$192.05	Social Security	\$162.93	\$162.93
Social Security	\$162.93	\$162.93	Medicare	\$38.10	\$38.10
Medicare	\$38.10	\$38.10	FUTA	\$15.77	\$15.77
CA State Income Tax	\$41.15	\$41.15	CA SUI	\$89.35	\$89.35
CA SUI	\$28.91	\$28.91	CA EIT	\$2.63	\$2.63

Employee Deductions

Description	Type	Current	Year To Date
None	--	\$0.00	\$0.00

Employer Contributions

Description	Type	Current	Year To Date
None	--	\$0.00	\$0.00

Summary

Description	Current	Year To Date
Gross Earnings	\$2,627.84	\$2,627.84
Pre-Tax Deductions/Contributions	\$0.00	\$0.00
Taxes	\$463.14	\$463.14
Post-Tax Deductions/Contributions	\$0.00	\$0.00
Net Pay	\$2,164.70	\$2,164.70
Total Reimbursements	\$0.00	\$0.00
Check Amount	\$2,164.70	\$2,164.70
Total Hours Worked	37.24	49.24

Sick Policy

Description	Hours	Description	Hours
Hours used this period	0.00	Hours used this period	0.00
Hours accrued this period	+0.67	Hours accrued this period	-2.00
Remaining Sick Balance	1.67	Remaining Paid Time Off Balance	0.00

Paid Time Off Policy

Description	Hours
Hours used this period	0.00
Hours accrued this period	-2.00
Remaining Paid Time Off Balance	0.00



Exhibit 3



Earnings Statement

Company

DCS2 Asset Recovery
15504 Storm Dr
Austin, TX 78734
855-327-2946

Employee

Carl Gustavsson

Pay period: Mar 28, 2025 - Apr 11, 2025 Pay Day: Apr 15, 2025
Carl Gustavsson's bank account (. . . 1002): \$1,063.08

Employee Gross Earnings

Description	Rate	Hours	Current	Year To Date
<u>Regular Hours</u> Hourly	\$16.50	73.384	\$1,210.84	\$8,948.29
Paid Holidays				\$264.00
Paid Time Off	\$16.50	5.0	\$82.50	\$165.00
<u>Bonus</u>			\$0.00	\$2,333.00
<u>Commission</u>			\$0.00	\$16,150.00
<u>Additional Earnings</u>			\$0.00	\$760.14
Totals		78.384	\$1,293.34	\$28,620.43

Employee Taxes Withheld

Employee Tax	Current	Year To Date
<u>Federal Income Tax</u>	\$64.06	\$3,101.52
<u>Social Security</u>	\$80.19	\$1,774.47
<u>Medicare</u>	\$18.76	\$415.00
<u>CA State Income Tax</u>	\$0.00	\$573.06
<u>CA SDI</u>	\$15.52	\$343.45

Employer Tax

Company Tax	Current	Year To Date
<u>Social Security</u>	\$80.19	\$1,774.47
<u>Medicare</u>	\$18.76	\$415.00
<u>FUTA</u>	\$0.00	\$42.00
<u>CA SUI</u>	\$0.00	\$280.00
<u>CA ETI</u>	\$0.00	\$7.01

Employee Deductions

Description	Type	Current	Year To Date
Guideline Traditional 401(k)	401(k)	\$51.73	\$722.60

Employer Contributions

Description	Type	Current	Year To Date
Guideline Traditional 401(k)	401(k)	\$45.27	\$632.27

Summary

Description	Current	Year To Date
<u>Gross Earnings</u>	\$1,293.34	\$28,620.43
<u>Pre-Tax Deductions/Contributions</u>	\$51.73	\$722.60
<u>Taxes</u>	\$178.53	\$6,207.50
<u>Post-Tax Deductions/Contributions</u>	\$0.00	\$0.00
<u>Net Pay</u>	\$1,063.08	\$21,690.33
<u>Total Reimbursements</u>	\$0.00	\$0.00
<u>Check Amount</u>	\$1,063.08	\$21,690.33
<u>Total Hours Worked</u>	73.384	558.32

Unpaid Time Off Policy

Description	Hours
Hours used this period	0.00
Remaining Time Off	Unlimited

Sick Policy

Description	Hours
Hours used this period	0.00
Hours accrued this period	+1.67
Remaining Sick Balance	11.69

Paid Time Off Policy

Description	Hours
Paid Time Off Request (4/2/2025)	-5.00
Hours accrued this period	+3.67
Remaining Paid Time Off Balance	46.67



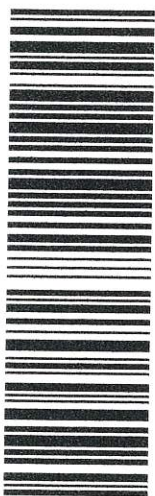
MAYALL HURLEY

EMPLOYMENT LAWYERS

112 S. CHURCH STREET
LODI, CALIFORNIA 95240



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9489 0090 0027 6615 8549 80

Label 890-PB, Oct. 2015
Pitney Bowes

FIRST-CLASS



USPS
ZIP 95207
02 7H
00061010

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