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LAUREL
EMPLOYMENT LAW

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ELECTRONICALLY FILED

Attn: PAGA Administrator
Labor and Workforce Development Agency
1515 Clay Street, Suite 801
Oakland, California 94612
PAGAfilings@dir.ca.gov

VIA CERTIFIED MAIL

NVA Services IV, Inc.
Wendy Harris
2710 Gateway Oaks Drive,
Sacramento, Ca 95833

Re:	**Private Attorneys General Act of 2004 Notice**
Employee:	**Christina Mercado**
Employer:	**NVA Services IV, Inc.**

Dear PAGA Administrator:

Pursuant to California Labor Code § 2699.3(a)(1), Christina Mercado notifies the California Labor & Workforce Development Agency ("LWDA") that she intends to seek civil penalties pursuant to California Labor Code § 2699(a) and (f) for violations of the following provisions of the California Labor Code by NVA Services IV, Inc., as well as any unknown related entities involved in the alleged violations:

1. Failure to Pay for All Hours Worked (Lab. Code §§ 510, 1194, and 1197.1);
2. Failure to Pay Overtime Wages (Lab. Code § 510);
3. Failure to Provide Meal Periods (Lab. Code § 512);
4. Failure to Provide Rest Periods (Lab. Code § 226.7);
5. Failure to Provide Accurate Itemized Wage Statements (Lab. Code § 226);
6. Failure to Maintain Accurate Payroll Records (Lab. Code §§ 1174 and 1174.5);
7. Failure to Timely Pay All Wages Upon Separation of Employment (Lab. Code §§ 201, 202, 203, and 204); and
8. Retaliation for Exercising Labor Code Rights (Lab. Code § 1102.5).

Ms. Mercado intends to pursue PAGA civil penalties on her own behalf, on behalf of the State of California, and on behalf of other current and former employees of NVA Services IV, Inc. who performed non-exempt work for said entity. The Aggrieved Employees are defined as all current and former non-exempt hourly employees who worked in kennel, boarding, and doggy daycare positions at the Thousand Oaks, California location (3580 Willow Lane, Thousand Oaks, CA 91361) at any time during the period from June 4, 2025 through February 5, 2026, and extending to the full relevant limitations period under Labor Code § 2699.3. The names of Aggrieved Employees (other than Ms. Mercado) are contained within the personnel and business records of the Employer.

Ms. Mercado intends to pursue this PAGA action against NVA Services IV, Inc. and its parent companies, subsidiaries, successors, owners, officers, directors, and managing agents (collectively referred to as "Employer"). Ms. Mercado will seek to hold all owners, directors, officers, and managing agents of the Employer personally liable for said violations to the extent permitted under Labor Code § 558 and Labor Code § 558.1.

All business entities referenced herein were the alter-egos of each and every other entity and individual referenced herein. There exists, and at all times herein mentioned has existed, a unity of interest and ownership between said entities and individuals such that any separateness between them ceased to exist in that said individuals and other entities have completely controlled, dominated, managed, and operated the business entities. Further, each of the business entities is, and at all times mentioned herein were, mere shells, instrumentalities, and conduits through which the other above-referenced entities carried out their business while exercising complete control and dominance.

The Employer and its related entities are joint employers of Aggrieved Employees for the following reasons: (1) said entities directly or indirectly exercised control over the wages, hours, and working conditions of Aggrieved Employees; (2) said entities had knowledge of the work Aggrieved Employees were performing and failed to prevent Labor Code violations from occurring; and (3) said entities retained or assumed a general right of control over relevant day-to-day aspects of the workplace.

Background of NVA Services IV, Inc.:

At all times herein, NVA Services IV, Inc. operates kennel, boarding, and doggy daycare facilities providing pet care services throughout California and nationwide. The Employer specializes in animal boarding, daycare services, and kennel operations at multiple locations across the United States. NVA Services IV, Inc. operates approximately 1,300 locations nationwide with approximately 1,900 employees. Within the State of California, the Employer operates facilities including the Thousand Oaks location at 3580 Willow Lane, Thousand Oaks, CA 91361, where the Employer employed/jointly employed non-exempt hourly workers (including Claimant) to perform kennel, boarding, and doggy daycare work in furtherance of its business operations.

<u>Background of Aggrieved Employees</u>:

Ms. Mercado was employed by NVA Services IV, Inc. as an hourly kennel, boarding, and doggy daycare worker from June 4, 2025, through February 5, 2026. NVA Services IV, Inc. classified Ms. Mercado as a non-exempt W-2 employee and paid her at an hourly rate of $17.50 per hour. Ms. Mercado worked approximately six days per week with typical nine-hour shifts, regularly exceeding 40 hours per week. She documented a total of 1,177 hours worked over her eight-month employment period. The Employer utilized an automatic clock-in/clock-out timekeeping system to track employee hours.

The Aggrieved Employees, like Ms. Mercado, are NVA Services IV, Inc.'s current and former non-exempt hourly employees who worked in kennel, boarding, and doggy daycare positions at the Thousand Oaks location. Throughout approximately four months of Ms. Mercado's employment, from around September 2025 through January 2026, the Employer subjected Ms. Mercado and her coworkers to systematic wage and hour violations. Management placed employees in an impossible situation by simultaneously disciplining workers for failing to complete all assigned tasks while explicitly warning that working overtime would result in serious disciplinary action, including termination. This forced employees to clock out and continue working unpaid for periods of time per shift, multiple days per week. Additionally, despite working regular nine-hour shifts, Ms. Mercado and her coworkers never received the mandatory ten-minute paid rest breaks required by California law. These violations were known to management and affected multiple employees in the department.

<u>Failure to Pay for All Hours Worked</u>

Labor Code §§ 204, 510, 1194, 1197.1, and the applicable IWC Wage Order impose a non-waivable duty on employers to pay employees for all hours worked. This obligation prohibits any policy or practice that requires or permits employees to perform work without compensation. California law states that employees must be compensated for all time during which they are subject to the control of an employer and required to perform work-related duties, regardless of whether the employer's timekeeping system records such time.

NVA Services IV, Inc. systematically violated Labor Code §§ 204, 510, 1194, and 1197.1 by requiring Ms. Mercado and other Aggrieved Employees to perform off-the-clock work without compensation. From approximately September 2025 through January 2026, a period of approximately four months, the Employer regularly required Ms. Mercado and the Aggrieved Employees to work off the clock for approximately 15-30 minutes per shift, multiple days per week, approximately four days per week. The Employer created an impossible double-bind situation: management simultaneously disciplined employees for failing to complete all assigned tasks while explicitly warning employees that working overtime would result in serious disciplinary action, including termination. This forced employees to clock out and continue working unpaid to complete their required duties. When Ms. Mercado reported this unlawful practice to her supervisor, she was reprimanded. Management briefly instructed employees to leave notes for unfinished work instead, but this alternative soon became unacceptable to management as well, forcing employees back into the pattern of unpaid work. The Employer's systematic practice of requiring off-the-clock work while prohibiting overtime affected Ms. Mercado and multiple coworkers throughout the department, and management had knowledge of and participated in creating and enforcing these unlawful policies.

This cause of action is brought solely for civil penalties pursuant to Labor Code § 2699(a) on a representative basis under the Private Attorneys General Act (PAGA), subject to all prefiling requirements in Labor Code § 2699.3. The Employer and any joint employers or agents are responsible for these violations if they set, knew of, controlled, or failed to correct these policies or practices. This section seeks civil penalties only and does not seek unpaid wages, waiting-time penalties, or other damages, which are reserved for non-PAGA claims that Ms. Mercado may pursue separately.

Based on the foregoing, Ms. Mercado seeks civil penalties pursuant to PAGA on behalf of the State of California and all Aggrieved Employees for the Employer's systematic failure to pay for all hours worked.

Failure to Pay Overtime Wages

Labor Code § 510 and the applicable IWC Wage Order impose a non-waivable duty on employers to pay overtime premiums at one and one-half times the employee's regular rate of pay for all hours worked more than eight hours per workday and more than forty hours per workweek. These statutes also require double-time compensation for hours worked more than twelve hours in a workday or more than eight hours on the seventh consecutive day of work in a workweek.

Despite regularly working more than eight hours per day and more than forty hours per week, NVA Services IV, Inc. failed to pay Ms. Mercado and the Aggrieved Employees overtime premiums at one and one-half times their regular rate of pay in accordance with Labor Code § 510. Ms. Mercado worked typical nine-hour shifts approximately six days per week, regularly exceeding forty hours per week. Documentary evidence demonstrates this violation: Ms. Mercado's pay stub for the period of January 4-17, 2026, shows 60.50 hours worked paid entirely at her straight-time rate of $17.50 per hour, with no overtime premium whatsoever. The Employer actively discouraged and threatened employees against reporting or clocking overtime hours, warning that working overtime would result in serious disciplinary action including termination. This systematic practice affected Ms. Mercado and multiple other Aggrieved Employees throughout the department.

This cause of action is brought solely for civil penalties pursuant to Labor Code § 2699(a) on a representative basis under the Private Attorneys General Act and does not seek unpaid wages or damages reserved for non-PAGA claims.

Based on the foregoing, Ms. Mercado seeks civil penalties pursuant to PAGA on behalf of the State of California and all Aggrieved Employees for the Employer's systematic failure to pay overtime wages.

Failure to Provide Meal Periods and Failure to Provide Rest Periods

Failure to Provide Meal Periods (Lab. Code § 512)

Labor Code § 512 and the applicable IWC Wage Order impose a non-waivable duty on employers to provide timely, uninterrupted meal periods of not less than thirty minutes for qualifying shifts. Employees working shifts exceeding five hours must be provided with a first meal period before the end of the fifth hour of work. Employees working shifts exceeding ten hours are entitled to a second meal period before the end of the tenth hour of work. Employees must be completely relieved of all duty during meal periods.

Ms. Mercado and the Aggrieved Employees were provided with a single one-hour meal break during their typical nine-hour shifts. However, verification is needed to confirm whether these meal breaks were consistently provided before the fifth hour of work as required by statute and whether employees were truly uninterrupted and completely relieved of all duty during such periods. This potential violation warrants further investigation but is included in this notice to preserve the claim. For each workday that compliant meal periods were not provided, the Employer owes affected employees one hour of premium pay at the employee's regular rate of compensation.

Failure to Provide Rest Periods (Lab. Code § 226.7)

Labor Code § 226.7 and the applicable IWC Wage Order impose a non-waivable duty on employers to provide paid ten-minute rest periods for every four hours worked or major fraction thereof. Employees must be completely relieved of all duty during rest periods, and rest periods must be counted as hours worked for which there shall be no deduction from wages. Under California law, employees working nine-hour shifts are entitled to two ten-minute paid rest breaks.

Throughout her entire eight-month employment, Ms. Mercado never received any mandatory ten-minute paid rest breaks despite regularly working nine-hour shifts. Employees were provided with only the single one-hour meal break with no rest breaks whatsoever. Ms. Mercado explicitly confirmed that despite working nine-hour shifts, she received no ten-minute rest breaks during her employment. Under California law, her nine-hour shifts required two ten-minute paid rest breaks. The Employer's systematic failure to provide any rest breaks affected Ms. Mercado and multiple other Aggrieved Employees throughout the department and was known to management. For each workday that compliant rest periods were not provided, the Employer owes affected employees one hour of premium pay at the employee's regular rate of compensation.

These causes of action are brought solely for civil penalties pursuant to Labor Code § 2699(a) on a representative basis under the Private Attorneys General Act, subject to all prefiling requirements in Labor Code § 2699.3. The Employer and any joint employer or agents are responsible if they set, knew of, controlled, or failed to correct these policies or practices. These sections seek civil penalties only and do not seek unpaid wages, waiting-time penalties, or other damages, which are reserved for non-PAGA claims.

Based on the foregoing, Ms. Mercado seeks civil penalties pursuant to PAGA on behalf of the State of California and all Aggrieved Employees for the Employer's failure to provide compliant meal periods and rest periods.

Failure to Provide Accurate Itemized Wage Statements (Lab. Code § 226(a))

Labor Code § 226(a) and the applicable IWC Wage Order impose a non-waivable duty on employers to furnish each employee with accurate, itemized wage statements that include all required information: gross wages earned, total hours worked (for non-exempt employees), piece-rate units and applicable rates, all deductions, net wages earned, inclusive dates of the pay period, the employee's name and last four digits of social security number, the employer's legal name and address, all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate, and the employer identification number.

Because off-the-clock work was not recorded in the Employer's timekeeping system, Ms. Mercado's and the Aggrieved Employees' wage statements necessarily failed to accurately reflect the actual hours they worked. The wage statements failed to reflect unpaid overtime hours, and unpaid overtime premiums owed. The wage statements also failed to reflect rest-break premium pay owed to Ms. Mercado and the Aggrieved Employees. These omissions and inaccuracies prevented Ms. Mercado and the Aggrieved Employees from confirming the correctness of their pay and tracking wages earned. The paystub evidence demonstrates these inaccuracies: Ms. Mercado's January 2026 paystub shows 60.50 hours worked paid entirely at straight time when overtime premiums should have been paid.

Labor Code § 226(e) provides statutory penalties for knowing and intentional failures to provide accurate wage statements.

This cause of action is brought solely for civil penalties pursuant to Labor Code § 2699(a) on a representative basis under the Private Attorneys General Act, subject to all prefiling requirements in Labor Code § 2699.3.

Based on the foregoing, Ms. Mercado seeks civil penalties pursuant to PAGA on behalf of the State of California and all Aggrieved Employees for the Employer's failure to provide accurate itemized wage statements.

Failure to Maintain Accurate Payroll Records (Lab. Code §§ 1174, 1174.5)

Labor Code §§ 1174 and 1174.5 and the applicable IWC Wage Order impose a non-waivable duty on employers to accurately keep, maintain, and preserve complete payroll records showing hours worked, wages paid, and other required data for each employee for a period of at least three years. This duty includes ensuring that such records are available for inspection and copying by employees and state officials upon request. Any policy or practice that causes records to be missing, incomplete, inaccurate, or not produced as required constitutes a violation.

NVA Services IV, Inc. failed to maintain accurate and complete payroll records for Ms. Mercado and the Aggrieved Employees. The Employer's timekeeping system did not capture the 15-30 minutes per shift (approximately four days per week) that Ms. Mercado and the Aggrieved Employees were required to work off-the-clock during the approximately four-month period from September 2025 through January 2026. The Employer's payroll records failed to accurately reflect overtime hours worked and overtime premiums owed, as demonstrated by the paystub showing 60.50 hours worked paid entirely at straight time. The Employer's records also failed to document rest-break violations and rest break premiums owed to Ms. Mercado and the Aggrieved Employees. These record-keeping failures impeded Ms. Mercado's and the Aggrieved Employees' ability to verify their pay and hours worked. The Employer knowingly maintained inaccurate records or failed to maintain records as required by law.

This cause of action is brought solely for civil penalties pursuant to Labor Code § 2699(a) on a representative basis under the Private Attorneys General Act, subject to all prefiling requirements in Labor Code § 2699.3. The Employer and any joint employer or agents are responsible if they set, knew of, controlled, or failed to correct these policies or practices.

Evidence substantiating recordkeeping violations may include timekeeping and scheduling exports, payroll registers, audit logs, and other records documenting deficiencies, gaps, or inaccuracies.

Based on the foregoing, Ms. Mercado seeks civil penalties pursuant to PAGA on behalf of the State of California and all Aggrieved Employees for the Employer's failure to maintain accurate payroll records.

<u>Failure to Pay All Wages Upon Separation of Employment (Lab. Code §§ 201-204)</u>

Labor Code §§ 201, 202, 203, and 204 require employers to pay all earned wages within specific timeframes upon separation of employment. Labor Code § 201 requires immediate payment of all wages upon involuntary termination. Labor Code § 202 requires payment within 72 hours of voluntary resignation. When an employer willfully fails to pay all wages due, waiting time penalties under Labor Code § 203 accrue at the employee's daily rate for up to 30 days.

Ms. Mercado's employment was terminated on February 5, 2026, constituting an involuntary termination requiring immediate payment under Labor Code § 201. At termination, the Employer failed to pay all wages owed, including unpaid off-the-clock wages, unpaid overtime premiums, and unpaid rest break premiums. Because these wages were not paid at termination, Ms. Mercado is entitled to waiting-time penalties. Other Aggrieved Employees who separated from employment likewise did not receive all wages owed, including all premium pay. [The exact date the final paycheck was received needs confirmation to assess the full penalty period.]

This cause of action is brought solely for civil penalties pursuant to Labor Code § 2699(a) on a representative basis under the Private Attorneys General Act, subject to all prefiling requirements in Labor Code § 2699.3. This section seeks civil penalties only and does not seek waiting time penalties themselves, which are reserved for non-PAGA claims.

Based on the foregoing, Ms. Mercado seeks civil penalties pursuant to PAGA on behalf of the State of California and all Aggrieved Employees for violations of Labor Code §§ 201-204.

Attorneys' Fees, Costs, Interest, and Penalties

Labor Code §§ 218.6, 226(e), 1194, 1194.2, and 2699, *et seq*., give employees the right to recover in a civil action the unpaid balance of the full amount of minimum wages, regular wages, overtime compensation, damages, liquidated damages, and penalties, including interest thereon, reasonable attorney's fees, and costs of suit.

Pursuant to Labor Code § 2699(i), Aggrieved Employees are entitled to collect 35% of the civil penalty assessment, with 65% paid to the California Labor and Workforce Development Agency. Accordingly, the Employer is liable for these items in addition to the unpaid wages.

Ms. Mercado has already incurred actual damages, costs, and attorney's fees and will continue to incur such costs and fees as a result of the Employer's unlawful actions described herein.

Conclusion

If the State of California intends to investigate the matters set forth herein, please notify our office as soon as possible, as prompt administrative action will enable the unlawful practices to be rectified in a timely manner. If the State of California does not send notification of its intent to investigate the alleged violations within the statutory period of 65 days from receipt of this notice (Labor Code § 2699.3(a)(1)(A)), then pursuant to Labor Code §§ 2698 et seq., Ms. Mercado reserves the right to file a PAGA civil action seeking all available damages, civil penalties, and remedies, as well as attorneys' fees, interest, and costs. Should the LWDA require any additional information, please do not hesitate to contact the undersigned.

Sincerely,

Laurel Employment Law APC

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Mae-Elaine@laurelemploymentlaw.com