BOYAMIAN LAW

March 12, 2026

SUBMITTED VIA ONLINE SUBMISSION

Labor and Workforce Development Agency
Attention: PAGA Administrator
455 Golden Gate Avenue, 9th Floor
San Francisco, California 94102

Re: *Lay v. Kenny G & Company Fine Jewelers, LLC*
Notice of PAGA Claims Pursuant to Labor Code § 2699.3

To Whom It May Concern:

My office, along with Capstone Law APC, represent Marina Lay (hereinafter "Claimant"), with respect to claims on behalf of herself and other similarly situated current and former non-exempt, hourly employees of Kenny G & Company Fine Jewelers, LLC (hereinafter collectively referred to as "Kenny G & Company" or "Respondent") who worked in California from one year prior to the submission of this Notice and continuing through the present ("Relevant Time Period"). The purpose of this letter is to satisfy the notice requirements of Labor Code § 2699.3(a).

Below we set forth the facts and theories which we believe support our contention that Respondent has violated and continues to violate various provisions of the California Labor Code including, but not limited to, failures by Kenny G & Company Fine Jewelers, LLC to pay minimum wages and overtime wages, to provide meal and rest periods, pay for all hours worked, and to reimburse for necessary business expenditures.

The purpose of this letter is to provide the required notice to the Labor Workforce and Development Agency and the Respondent of the specific facts and theories which we believe support our contention that Kenny G & Company Fine Jewelers, LLC has also violated and continues to violate the California Labor Code, as set forth herein.

Facts & Theories About the Case

Kenny G & Company Fine Jewelers, LLC, own and operate jewelry stores in California and Nevada. Respondent utilizes Sales Associates to set up the store, make sales by assisting customers, and provide customer service.

Claimant was a non-exempt, hourly Sales Associate of Respondent. She commenced work for Respondent in or around November 2023 to on or about October 17, 2025. Claimant worked at Kenny G and Company's stores located in Elk Grove, Citrus Heights, and Roseville. Claimant's job duties included completing sales, assisting customers, and providing customer service after making a sale. Claimant's pay structure consisted of an hourly rate and commission and bonuses from sales. Claimant typically worked eight hours a day for five or more days a week. During the Relevant Time Period, Claimant and other non-exempt, hourly employees of Kenny G & Company ("Aggrieved Employees") would record their time electronically through a timeclock located on the wall of the back office of the building.

Aggrieved Employees, including Claimant, are denied meal and rest breaks, itemized wage statements, overtime pay, and other protections to which they are entitled under the California Labor Code. Ms. Lay, like other Aggrieved Employees, did not have uninterrupted meal periods as statutorily mandated and compliant meal and rest periods were not made available due to the press of work, deficiencies in the scheduling of staff, and the lack of any formalized process or procedure in place. When Ms. Lay attempted to take her rest break, she was reprimanded by management for taking a rest break. Moreover, Aggrieved Employees, such as Ms. Lay, were expected to keep up with scheduled appointments and walk-in customers on their meal or rest breaks. Due to the press of work, Claimant's and Aggrieved Employees' meal breaks were often interrupted or skipped altogether. Meal breaks were also interrupted or cut short to run errands for Respondent's managers. Furthermore, Ms. Lay was unable to leave the store premises during a meal break due to management pressure. When Claimant left the store during her meal break, Respondent's management would call her and demand her immediate return to the store. If Ms. Lay did not immediately return to the store, Respondent's manager would continuously call her until she returned. Ms. Lay rarely was able to take rest breaks due to the pressure by Kenny G & Company to complete sales coupled with the staff shortage issues.

Our investigation has revealed that Respondent engaged in an unlawful act of "shaving time" by altering the hours worked by Aggrieved Employees on timecards. On many occasions Respondent's management provided employees a handwritten timesheet adjustment form for any timekeeping issues or accidental missed punches. However, even after Claimant would utilize these timesheet adjustment forms, management would use whiteout to make edits to the timesheet adjustment form. When Ms. Lay confronted Respondent's management about these alterations to the timesheet forms, the managers told her not to worry about it. Ms. Lay was also unable to clock-in early from her interrupted lunch breaks due to the 30-minute timeclock lockout in the timekeeping system. Said differently, managers would routinely make adjustments to timecards to manipulate and adjust the times recorded by Aggrieved Employees to avoid and minimize the practice of compensating Ms. Lay and other similarly-situated Aggrieved Employees with one additional hour of pay to account for a meal and/or rest period violation. The same is equally true for purposes of eliminating or reducing the instances of paying for all hours worked, including overtime.

Relatedly, our investigation has uncovered that Kenny G & Company utilized a timekeeping system, which failed to compensate Ms. Lay and other Aggrieved Employees for all hours worked and overtime. Specifically, our investigation leads us to believe that management at Kenny G & Company such as Nicholas Gentry, has implemented a blanket directive that overtime work, even when it happens, is simply not tolerated. Aggrieved Employees such as Ms. Lay were directed not to record their time for mandatory pre-shift meetings and only clock-in for their scheduled hours. Oftentimes, these mandatory pre-shift meetings took thirty minutes to an hour and Ms. Lay, and other Aggrieved Employees, were not compensated for time spent at these meetings. In addition to attending pre-shift meetings, Claimant often worked twenty minutes prior to her scheduled shift to complete store set up. Respondent also had a policy or practice that required Claimant and Aggrieved Employees to leave the store as a group. This resulted in Aggrieved Employees waiting for thirty minutes to an hour to leave the store after clocking out. Similarly, Aggrieved Employees had to wait anywhere from five to fifteen minutes each day to be let in by a manager or key holder to clock into their shift.

Claimant was also required to respond to calls and texts from customers and managers after work hours and on her days off to complete sales, provide customer service, and address performance and customer issues. As a condition of their employment, Claimant and Aggrieved Employees were required complete training modules. Respondent directed Aggrieved Employees to complete these modules at home rather than during work hours. These modules took anywhere from two to three hours to complete, and Claimant and other Aggrieved Employees were not compensated for the time spent completing the modules. Thus, Respondent does not compensate non-exempt, hourly employees, including Claimant, for all hours worked.

Respondent also failed to properly compensate Claimant for sick pay. Rather than using Claimant's regular rate of pay, which included her commission and bonuses, Respondent only used Claimant's hourly rate to calculate sick time pay. Under the California Labor Code (as well as the FLSA), courts have held that regularly paid non-discretionary bonuses must be included in determining an employee's "regular rate of pay" for purposes of calculating overtime and sick pay wages. *See Ferra v. Loews Hollywood Hotel, LLC*, 11 5th 858 (2021); *See also Haber v. The Americana Corp*. 378 F. 2d 854, 855-856 (9th Cir. 1967) [holding that regularly paid efficiency bonuses must be included in calculating the "regular rate"]; *Wang v. Chinese Daily News, Inc*. 435 F. Supp. 2d 1042, 1055-1057 (C.D. Cal. 2006) [granting summary judgment to Plaintiffs under California and federal law on the grounds, that Defendants improperly calculated overtime by excluding annual bonuses paid to employees from the "regular rate of compensation"].)

Furthermore, Aggrieved Employees, including Claimant, are required to use their own personal cell phones and personal vehicles for work purposes. Aggrieved Employees, including Claimant, necessarily use their personal cell phones on a daily basis to communicate with customers and management in performing their work functions at the stores. Claimant also used her personal vehicle to run errands such as delivering supplies to other store locations or drive to get food for customers. Aggrieved Employees, including Claimant, were not reimbursed for using their personal cell phone or personal vehicles for work related purposes.

Accordingly, based on our investigation, we have found that Kenny G & Company has:

(1) required and/or knowingly permitted Aggrieved Employees to work hours considerably in excess of eight hours per day, 12 hours per day, and/or 40 hours per week. Claimant is informed and believes, and on that basis alleges, that it has been Kenny G & Company's policy and practice to require and/or knowingly and willfully permit Aggrieved Employees to work such overtime hours without paying them overtime compensation required by the California Labor Code and even when paying the overtime rates, Kenny G & Company unlawfully calculates the total amount of overtime hours worked for purposes of compensation;

(2) failed to provide a 30 minute off-duty meal period to Aggrieved Employees who worked more than five hours in a day. Moreover, Kenny G & Company has failed to provide a second 30 minute off-duty meal period to Aggrieved Employees who worked more than 10 hours in a day;

(3) failed to authorize and permit a rest period of ten minutes per every four hours, or major fraction thereof, worked. Kenny G & Company has failed to pay minimum wage compensation to Aggrieved Employees for all hours worked;

(4) failed to reimburse necessary business expenses incurred by Aggrieved Employees in violation of Cal. Labor Code § 2802;

(5) failed to pay to the Aggrieved Employees all wages due and owing twice per month at the times prescribed by Cal. Labor Code § 204;

(6) failed to itemize the total hours worked on wage statements furnished to the Aggrieved Employees as required by Cal. Labor Code §§ 226, 226.3, and Wage Order 4;

(7) not properly maintained payroll records showing the actual hours Aggrieved Employees worked each day as required by Cal. Labor Code § 1174 and IWC wage order No. 4, § 7(A); and

(8) willfully and knowingly failed to pay Aggrieved Employees upon termination of employment, all accrued compensation, including reimbursement of all unlawful deductions from wages, payment of missed meal and rest period compensation, and payment of minimum wage and overtime compensation.

Claimant seeks to recover the unpaid compensation for all hours worked as defined by the Labor Code and the applicable Industrial Welfare Commission wage order. California law requires that all hours worked over 8 in a day or 40 in a week or worked on the 7th consecutive day of a work week be paid 1.5 times an employee's regular rate of pay. *See*, *e.g*., Lab. Code §§ 510, 1194; Cal. Code Regs., tit. 8, § 11040, *et seq*. In addition, hours worked over 12 in a day or hours over 8 worked on the 7th consecutive day in a week are paid at 2 times an employee's regular rate of pay.

California law also requires that an employer provide an employee who works more than five hours a meal break that is no less than 30 minutes in duration. 8 CCR 11040(11)(A). Unless an employee is relieved of all duty during the 30-minute meal period, the meal period is considered an on-duty meal period and counted as time worked. However, an on-duty meal period is permitted only when the nature of the work prevents an employee from being relieved of all duty and the parties agree in writing to an on-the-job paid meal period. *Id.* If an employer fails to provide an employee a lawful meal period, the employer must pay the employee one hour of pay for each violation. 8 CCR 11040(11)(D).

Additionally, California law mandates that an employer must "authorize and permit" an employee to take a duty-free rest period not less than 10 minutes in duration for every four hours of work. 8 CCR 11040(12)(A). Violation of the rest break provisions requires the employer pay the employee one hour of pay for each workday a rest period was not provided. 8 CCR 11040(12)(B). Lastly, in California, the employer is required to keep records of all hours worked. Labor Code § 1174(d).

The California Supreme Court in *Brinker Restaurant Corp. v. Superior Ct*., Cal. 4th 1004 (2012) mandated that "absent truly unusual circumstances" placing both rest breaks before the meal break, and none after, would not comport with the wage order requirement that rest breaks "insofar as practicable, shall be in the middle of each work period." *Id*. at 1032, citing DLSE Opn. Letter No. 2001.09.17 at p.4. In other words, "[a]s a general matter," one rest break should fall on either side of the meal break. *Id*. An employer violates the law by maintaining a policy that "fails to give full effect" to the timing, duration, and relief from duty requirements of the Wage Order. *Id*. at 1032-1033. Such a defective policy or practice, by itself, establishes a substantive violation of the law. At a minimum, "an employer must inform employees in a meaningful or consistent way that they could take rest breaks, [and] the definition of any such rest breaks." *Godfrey v. Oakland Port Services Corp*., 230 Cal.App.4th 1267, 1286 (2014). Thus, Kenny G & Company does not provide meal and/or rest breaks in accordance with California law.

Furthermore, Labor Code section 2802(a) provides that an employer must reimburse employees for all necessary expenditures that the employee incurs in discharging his or her duties. *Cochran v. Schwan's Home Service, Inc*., 228 Cal. App. 4th 1137, 1144 (2014) is instructive and held that mandatory personal cell phone use must be reimbursed at a "reasonable percentage" of the cell phone bill). In *Cochran*, *supra*, 228 Cal. App. 4th at 1140, the Court of Appeal held that employers must reimburse employees when they use their personal cell phones for work-related calls.

The court discussed that "reimbursement is always required," whether the phone bill is paid for by a third person, whether the employee changed phone plans, when the employee incurs a reasonable expense of the mandatory use of his or her personal cell phone, or when the employee incurs an extra expense that he or she would not have otherwise incurred absent the job. *Id.* at 1144. Thus, *Cochran* stands for the position that when an employee uses a tool for business purposes (even if the tool is one that can be used for personal reasons), the employer must reimburse the employee a reasonable business expense. The use of personal cell phones and personal vehicles are necessary for Claimant and other Aggrieved Employees to fulfill their job duties.

The other alleged violations, including inaccurate wage statements and waiting time penalties, are largely derivative of the claims for failure to pay for all hours worked and failure to provide meal and rest periods. With respect to waiting time penalties, Kenny G & Company failed to fully compensate former Aggrieved Employees in a timely manner when their employment ended, in violation of Labor Code Section 201 et. seq.

Accordingly, we believe that Kenny G & Company Fine Jewelry, LLC has violated, and continues to violate, numerous provisions of California law, including, without limitation Labor Code Sections §§ 201, 202, 203, 204, 210, 216, 221, 225.5, 226, 226.3, 226.7, 226.8, 246, 450, 510, 511, 512, 551, 552, 558, 1194-1197.1, 1198, 2802, and 2698, *et seq*., as well as the relevant IWC orders and regulations, and that Claimant and other similarly situated Aggrieved Employees are entitled to all statutory penalties allowed by law. Our investigation is continuing, and there may be more violations uncovered.

We respectfully request that the Labor Workforce Development Agency notify this office within thirty (60) days if it wishes to investigate this matter further. If Kenny G & Company Fine Jewelers, LLC, wishes to resolve these claims without resorting to protracted litigation, please contact the undersigned forthwith to discuss this matter further. Should you have any questions or concerns or require additional information, please do not hesitate to contact the undersigned.

Thank you for your immediate attention to this matter.

Very truly yours,

Christina Tajerian

Cc: Kenny G & Company Fine Jewelers, LLC (*Sent via Certified U.S. Mail*)
1505 Corporation
GKL Corporate/Search, Inc. (*Agent of Service of Process*)
Clint Congdon
Trudy Desbiens

Kaylie Kerwin
One Capitol Mall, Ste 660
Sacramento, CA 95814-3265

Capstone Law, APC (*Sent via E-mail Only*)
Orlando Villalba, Esq.
Orlando.Villalba@capstonelawyers.com
Helga Hakimi, Esq.
Helga.Hakimi@capstonelawyers.com
Jaime Castaneda, Esq.
Jaime.Castaneda@capstonelawyers.com