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on behalf of himself and current and former aggrieved employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

JONATHAN MALINOVSKIY, on behalf of
himself and current and former aggrieved
employees

Plaintiff,

vs.

GLOBAL CAPITAL ENTERPRISES, LLC dba
NATIONAL DEBT RELIEF; and DOES 1 to
100, inclusive,

Defendants.

Case No.: **26CV019527**

PAGA ACTION

**PLAINTIFF JONATHAN
MALINOVSKIY'S COMPLAINT
FOR:**

**1. CIVIL PENALTIES PURSUANT
TO THE PRIVATE ATTORNEYS
GENERAL ACT OF 2004
("PAGA"), LABOR CODE
SECTIONS 2698, ET SEQ.**

COMES NOW Plaintiff JONATHAN MALINOVSKIY ("Plaintiff"), who alleges and
complains against Defendants GLOBAL CAPITAL ENTERPRISES, LLC dba NATIONAL DEBT
RELIEF; and DOES 1 to 100, inclusive (collectively "Defendants") as follows:

I. INTRODUCTION

1. This is a Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*
("PAGA") representative action brought by Plaintiff on behalf of the State of California, himself
and other current and former aggrieved employees of Defendants who worked as hourly non-exempt

1 employees in California during the relevant time period seeking civil penalties associated with
2 Defendants' violation of the Labor Code based on Defendants' failure to pay wages for all hours
3 worked at minimum wage and all overtime hours worked at the overtime rate of pay; failure to pay
4 overtime wages at the proper overtime rate of pay; failure to authorize or permit all legally required
5 and/or compliant meal periods or pay meal period premium wages; failure to authorize or permit
6 all legally required and/or compliant rest periods or pay rest period premium wages; statutory
7 penalties for failure to timely produce requested employment records; indemnification for all
8 necessary expenditures or losses incurred by employees in direct consequence of discharging their
9 duties; failure to pay wages for accrued paid sick time at the regular rate of pay; statutory penalties
10 for failure to provide accurate wage statements; statutory waiting time penalties in the form of
11 continuation wages for failure to timely pay employees all wages due upon separation of
12 employment. Plaintiff experienced these violations personally, as well as is informed and believes
13 other aggrieved employees did as well. Plaintiff seeks on a representative basis, following notice
14 to the Labor and Workforce Development Agency, civil penalties, reasonable attorneys' fees
15 pursuant to Labor Code section 2699(g)(1) and costs brought on behalf of Plaintiff, the State of
16 California, and others aggrieved.

17 **II. JURISDICTION AND VENUE**

18 2. This Court has jurisdiction over the claims of Plaintiff and all other current and
19 former aggrieved California-based hourly non-exempt employees because Plaintiff's lawsuit seeks
20 civil penalties on behalf of herself, all other current and former aggrieved California-based hourly
21 non-exempt employees, and the State of California in excess of thirty-five thousand dollars
22 (\$35,000); Defendants employed Plaintiff and all other current and former aggrieved California-
23 based hourly non-exempt employees; and the injuries to Plaintiff and all other current and former
24 aggrieved California-based hourly non-exempt employees occurred in locations throughout
25 California, including but not limited to Sacramento County, at 2377 Gold Meadow Way Unit 110,
26 Gold River, California 95670.

27 **III. PARTIES**

28 3. Plaintiff brings this action as a representative of the Labor and Workforce

1 Development Agency on behalf of himself and other current and former employees subject to
2 violations of the Labor Code. The named Plaintiff and the persons on whose behalf this action is
3 filed include current, former and/or future employees of Defendants who work, worked, or will work
4 for Defendants as direct employees as well as temporary employees employed through temp
5 agencies as hourly non-exempt employees in California. At all times mentioned herein, the currently
6 named Plaintiff is and was domiciled and a resident and citizen of California and was employed by
7 Defendants in an hourly position at Defendants' location in Sacramento from in or around July 2024,
8 until on or around December 26, 2025.

9 4. Plaintiff is informed and believes and thereon alleges that Defendant GLOBAL
10 CAPITAL ENTERPRISES, LLC dba NATIONAL DEBT RELIEF is authorized to do business
11 within the State of California and is doing business in the State of California and/or that Defendants
12 DOES 1-50 are, and at all times relevant hereto were persons acting on behalf of Defendant
13 GLOBAL CAPITAL ENTERPRISES, LLC dba NATIONAL DEBT RELIEF in the establishment
14 of, or ratification of, the aforementioned illegal wage and hour practices or policies. Defendant
15 GLOBAL CAPITAL ENTERPRISES, LLC dba NATIONAL DEBT RELIEF operates in
16 Sacramento County and employed Plaintiff and aggrieved employees in Sacramento County,
17 including but not limited to, at 2377 Gold Meadow Way Unit 110, Gold River, California 95670.

18 5. Plaintiff is informed and believes and thereon alleges that Defendants DOES 1
19 through 50 are corporations, or are other business entities or organizations of a nature unknown to
20 Plaintiff that employed Plaintiff and aggrieved California non-exempt employees, permitted
21 Plaintiff and aggrieved employees to work, and exercised control over the wages, hours and working
22 conditions of employment of Plaintiff and aggrieved employees.

23 6. Plaintiff is informed and believes and thereon alleges that Defendants DOES 51
24 through 100 are individuals unknown to Plaintiff. Each of the individual defendants is sued
25 individually and in his or her capacity as an agent, shareholder, owner, representative, manager,
26 supervisor, independent contractor and/or employee of each defendant who violated or caused to be
27 violated the minimum wage and overtime provisions of the Labor Code and/or any provision of the
28 Industrial Welfare Commission's wage orders regulating hours and days of work.

7. Plaintiff is unaware of the true names of Defendants DOES 1 through 100. Plaintiff sues said defendants by said fictitious names, and will amend this complaint when the true names and capacities are ascertained or when such facts pertaining to liability are ascertained, or as permitted by law or by the Court. Plaintiff is informed and believes that each of the fictitiously named defendants is in some manner responsible for the events and allegations set forth in this complaint.

8. Plaintiff makes the allegations in this complaint without any admission that, as to any particular allegation, Plaintiff bears the burden of pleading, proving, or persuading and Plaintiff reserves all of Plaintiff's right to plead in the alternative.

FIRST CAUSE OF ACTION

**CIVIL PENALTIES PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF
2004, LABOR CODE SECTIONS 2698, ET SEQ.**

**(Against all Defendants by Plaintiff on behalf of Themselves, the State of California, and
Other Current and Former Aggrieved Employees)**

9. Plaintiff incorporates all paragraphs above as though fully set forth herein.

10. During Plaintiff's employment and continuing through the present, Plaintiff alleges Defendants violated Labor Code sections 201, 202, 203, 204, 223, 226, 226.7, 246, 510, 512, 1194, 1197, 1198.5, 2802, and the applicable Wage Orders.

11. Specifically, Defendants have committed the following violations of California Labor Code:

12. **Failure to pay wages for all hours worked at the legal minimum wage:** Defendants employed many of their employees, including Plaintiff, as hourly non-exempt employees. In California, an employer is required to pay hourly employees for all “hours worked,” which includes all time that an employee is under control of the employer and all time the employee is suffered and permitted to work. This includes the time an employee spends, either directly or indirectly, performing services which inure to the benefit of the employer.

13. Labor Code sections 1194 and 1197 require an employer to compensate employees for all “hours worked” at least at a minimum wage rate of pay as established by the IWC and the

1 Wage Orders.

2 14. In this case, Plaintiff and other current and former aggrieved California-based hourly
3 non-exempt employees worked more minutes per shift than Defendants credited them with having
4 worked. Specifically, Defendants failed to pay Plaintiff and other current and former aggrieved
5 California-based hourly non-exempt employees all wages at the applicable minimum wage for all
6 hours worked due to Defendants' policies, practices, and/or procedures including, but not limited
7 to:

8 (a) Sometimes Plaintiff and other current and former aggrieved California-based hourly
9 non-exempt employees were not paid for the time spent booting up computers and remotely logging
10 into Defendants' computer systems using a multistep VPN and secure log in procedure including a
11 multifactor authentication process prior to being able to clock in for the start of their shifts and while
12 off-the-clock prior to being able to clock back in from meal breaks.

13 (b) Sometimes Plaintiff and other current and former aggrieved California-based hourly
14 non-exempt employees were not paid for the time spent securely logging out of all of Defendants'
15 computer systems and programs and securely shutting down Defendants' computer systems after
16 clocking out for the end of their shift.

17 15. Therefore, Defendants suffered, permitted, and required Plaintiff and other current
18 and former aggrieved California-based hourly non-exempt employees to be subject to Defendants'
19 control without paying wages for that time. This resulted in Plaintiff and other current and former
20 aggrieved California-based hourly non-exempt employees working time for which they were not
21 compensated any wages, in violation of Labor Code sections 1194 and 1197 and the applicable
22 Wage Order.

23 16. Plaintiff is further informed and believes, and based thereon alleges, that Defendant's
24 conduct above that gave rise to such violations was malicious, fraudulent, or oppressive. Defendant
25 would further be liable for civil penalties pursuant to Labor Code section 2699(f)(2)(B)(ii).

26 17. **Failure to pay wages for overtime hours worked at the overtime rate of pay**
27 **and/or failure to pay overtime wages at the proper rate of pay:** Defendants employed many of
28 their employees, including Plaintiff, as hourly non-exempt employees. In California, an employer

1 is required to pay hourly employees for all “hours worked,” which includes all time that an employee
2 is under control of the employer and all time the employee is suffered and permitted to work. This
3 includes the time an employee spends, either directly or indirectly, performing services that inure to
4 the benefit of the employer.’

5 18. Labor Code sections 510 and 1194 require an employer to compensate employees a
6 higher rate of pay for hours worked in excess of eight (8) hours in a workday, in excess of forty (40)
7 hours in a workweek, and on any seventh consecutive day of work in a workweek:

8 Any work in excess of eight (8) hours in one workday, any work in excess of forty (40) hours
9 in any one (1) workweek, and the first eight (8) hours worked on the seventh day of work in
10 any one (1) workweek, shall be compensated at the rate of no less than one-and-one-half
11 (1.5) times the regular rate of pay for an employee. Any work in excess of twelve (12) hours
12 in one (1) day shall be compensated at the rate of no less than twice the regular rate of pay
13 for an employee. In addition, any work in excess of eight (8) hours on any seventh day of a
14 workweek shall be compensated at the rate of no less than twice the regular rate of pay of an
15 employee.

16 Labor Code section 510.

17 19. In this case, Defendants failed to pay Plaintiff and other current and former aggrieved
18 California-based hourly non-exempt employees overtime wages for all overtime hours worked due
19 to Defendants’ policies, practices, and/or procedures including, but not limited to:

20 (a) Sometimes Plaintiff and other current and former aggrieved California-based hourly
21 non-exempt employees were not paid for the time spent booting up computers and remotely logging
22 into Defendants’ computer systems using a multistep VPN and secure log in procedure including a
23 multifactor authentication process prior to being able to clock in for the start of their shifts and while
24 off-the-clock prior to being able to clock back in from meal breaks.

25 (b) Sometimes Plaintiff and other current and former aggrieved California-based hourly
26 non-exempt employees were not paid for the time spent securely logging out of all of Defendants’
27 computer systems and programs and securely shutting down Defendants’ computer systems after
28 clocking out for the end of their shift.

29 20. Employee is further informed and believes, and based thereon alleges, that
30 Employer’s conduct above that gave rise to such violations was malicious, fraudulent, or oppressive.
31 Defendant would further be liable for civil penalties pursuant to Labor Code section

1 2699(f)(2)(B)(ii).

2 21. Furthermore, overtime is based upon an employee's regular rate of pay. "The regular
3 rate at which an employee is employed shall be deemed to include all remuneration for employment
4 paid to, or on behalf, of the employee." *See* Division of Labor Standards Enforcement –
5 Enforcement Policies and Interpretations Manual, Section 49.1.2.

6 22. In this case, Plaintiff alleges that when he and other current and former aggrieved
7 California-based hourly non-exempt employees earned overtime wages, Defendants failed to pay
8 them overtime wages at the proper overtime rate of pay due to Defendants' failure to include all
9 remuneration when calculating the overtime rate of pay. Specifically, Defendants maintained a
10 policy, practice, and/or procedure of failing to include all remuneration such as, "commissions", for
11 example, when calculating Plaintiff's and other current and former aggrieved California-based
12 hourly non-exempt employees' regular rate of pay for the purpose of paying overtime.

13 23. The foregoing policies, practices, and/or procedures resulted in time during each
14 workday that Plaintiff and other current and former aggrieved California-based hourly non-exempt
15 employees were under the control of Defendants but were not compensated. To the extent that the
16 foregoing uncompensated time occurred when Plaintiff and other current and former aggrieved
17 California-based hourly non-exempt employees worked more than eight (8) hours in a workday,
18 more than forty (40) hours in a workweek, and/or seven (7) days in a workweek, Defendants failed
19 to pay them at their overtime rate of pay for overtime hours worked, in violation of Labor Code
20 sections 510, 1194 and 1198, and the applicable Wage Order.

21 24. **Failure to pay wages to hourly non-exempt employees for workdays that**
22 **Defendants failed to provide legally required and compliant meal periods and/or failure to**
23 **pay period premium wages:** Plaintiff and other current and former aggrieved California-based
24 hourly non-exempt employees regularly worked shifts of more than five (5) hours in length and
25 shifts of more than ten (10) hours in length.

26 25. California law requires an employer to authorize or permit an employee an
27 uninterrupted meal period of no less than thirty (30) minutes in which the employee is relieved of
28 all duties and the employer relinquishes control over the employee's activities prior to the

1 employee's sixth hour of work. Labor Code sections 226.7, 512, and 1198; Wage Order 4 at §11;
2 *Brinker Rest. Corp. v. Super Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004. An employer may not employ
3 an employee for a work period of more than ten (10) hours per day without providing the employee
4 with a second such meal period of not less than thirty (30) minutes prior to the start of the eleventh
5 hour of work. *Id.* If the employee is not relieved of all duty during a meal period, the meal period
6 shall be considered an "on duty" meal period and counted as time worked. A paid "on duty" meal
7 period is only permitted when: (1) the nature of the work prevents an employee from being relieved
8 of all duty; and (2) the parties have a written agreement agreeing to on-duty meal periods.

9 26. If an employer fails to provide an employee a meal period in accordance with the
10 law, the employer must pay the employee one (1) hour of pay at the employee's regular rate of pay
11 for each workday that a legally required and compliant meal period was not provided. Labor Code
12 sections 226.7 and 1198; Wage Order 4 at §11.

13 27. In this case, Defendants failed to authorize or permit legally required and compliant
14 meal periods to Plaintiff and other current and former aggrieved California-based hourly non-
15 exempt employees due to Defendants' policies, practices, and/or procedures, including but not
16 limited to:

17 (a) Sometimes Plaintiff and other current and former aggrieved California-based hourly
18 non-exempt employees were required to boot up computers and securely log into Defendants'
19 computer systems using a multistep VPN and secure log in procedure including a multifactor
20 authentication process during their meal breaks prior to being able to clock back in from meal
21 breaks, resulting in meal breaks that were short and/or on-duty.

22 (b) Sometimes failing to provide Plaintiff and other current and former aggrieved
23 California-based hourly non-exempt employees with timely, uninterrupted, duty-free meal breaks
24 of at least thirty (30) minutes for every five hours worked due to workflow and understaffing.

25 (c) Sometimes failing to provide Plaintiff and other current and former aggrieved
26 California-based hourly non-exempt employees with a second uninterrupted duty-free meal break
27 of no less than thirty (30) minutes for each workday that Plaintiff and other current and former
28 aggrieved California-based hourly non-exempt employees work shifts over ten (10) hours.

1 28. Additionally, Plaintiff alleges that Defendants maintained a policy, practice, and/or
2 procedure of failing to compensate Plaintiff and other current and former aggrieved California-based
3 hourly non-exempt employees one (1) hour of pay at their regular rate of pay for each workday that
4 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees did
5 not receive legally required and compliant meal periods, in violation of Labor Code section 226.7.

6 29. Finally, on occasions when Defendants paid Plaintiff and other current and former
7 aggrieved California-based hourly non-exempt employees a “premium” wage for late, missed, short,
8 on-premise, on-duty, and/or interrupted meal periods, Defendants failed to pay the one (1) additional
9 hour of pay at Plaintiff’s and other current and former aggrieved California-based hourly non-
10 exempt employees’ regular rate of compensation. Specifically, Defendants maintained a policy,
11 practice, and/or procedure of failing to include all remuneration such as, “commissions”, for
12 example, when calculating Plaintiff’s and other current and former aggrieved California-based
13 hourly non-exempt employees’ regular rate of pay for the purpose of paying meal period premium
14 wages.

15 30. Defendants’ foregoing policies, practices, and/or procedures resulted in Plaintiff and
16 other current and former aggrieved California-based hourly non-exempt employees not receiving
17 wages to compensate them for workdays during which Defendants did not provide them with meal
18 periods in compliance with California law.

19 31. Plaintiff is further informed and believes, and based thereon alleges, that Defendant’s
20 conduct above that gave rise to such violations was malicious, fraudulent, or oppressive. Defendant
21 would further be liable for civil penalties pursuant to Labor Code section 2699(f)(2)(B)(ii).

22 32. **Failure to pay wages to hourly non-exempt employees for workdays that**
23 **Defendants failed to provide legally required and compliant rest periods and/or failure to pay**
24 **rest period premium:** Plaintiff and other current and former aggrieved California-based hourly
25 non-exempt employees regularly worked shifts of more than three-and-a-half (3.5) hours.

26 33. California law requires every employer to authorize and permit an employee a rest
27 period of ten (10) net minutes for every four (4) hours worked or major fraction thereof. Labor Code
28 section 226.7; Wage Order 4 at §12. Under California law, “[e]mployees are entitled to 10 minutes’

1 rest for shifts from three and one-half to six hours in length, 20 minutes for shifts of more than six
2 hours up to 10 hours, 30 minutes for shifts of more than 10 hours up to 14 hours, and so on.” *Brinker*
3 *Restaurant Corp. v. Sup. Ct. (Hohnbaum)* (2012) 53 Cal.4th 1004, 1029; Labor Code section 226.7;
4 Wage Order 4 at §12. Rest periods, insofar as practicable, shall be in the middle of each work period.
5 Wage Order 4 at §12. Additionally, the rest period requirement ““obligates employers to permit –
6 and authorizes employees to take – off-duty rest periods.” *Augustus v. ABM Security Services, Inc.*
7 (2016) 2 Cal.5th 257, 269. That is, during rest periods employers must relieve employees of all
8 duties and relinquish control over how employees spend their time. *Id.*

9 34. If the employer fails to authorize or permit a required rest period, the employer must
10 pay the employee one (1) hour of pay at the employee’s regular rate of pay for each workday the
11 employer did not authorize or permit a legally required rest period. Labor Code section 226.7; Wage
12 Order 4 at § 12.

13 35. In this case, Defendants failed to authorize or permit all legally required and
14 compliant rest periods to Plaintiff and other current and former aggrieved California-based hourly
15 non-exempt employees due to Defendants’ policies, practices, and/or procedures including, but not
16 limited to:

17 (a) Sometimes failing to provide Plaintiff and other current and former aggrieved
18 California-based hourly non-exempt employees with a rest break of ten (10) net minutes for every
19 four (4) hours worked or major fraction thereof as a result of missed, late, and/or interrupted rest
20 breaks due to workflow and understaffing.

21 (b) Sometimes failing to provide Plaintiff and other current and former aggrieved
22 California-based hourly non-exempt employees with a third uninterrupted duty-free rest break of no
23 less than ten (10) net minutes on each workday that Plaintiff and other current and former aggrieved
24 California-based hourly non-exempt employees work shifts over ten (10) hours.

25 36. Additionally, Plaintiff alleges that Defendants maintained a policy, practice, and/or
26 procedure of failing to compensate Plaintiff and other current and former aggrieved California-based
27 hourly non-exempt employees with one (1) hour of pay at their regular rate of pay for each workday
28 they did not receive legally required and compliant rest periods, in violation of Labor Code section

1 226.7.

2 37. Finally, on occasions when Defendants did pay Plaintiff and other current and former
3 aggrieved California-based hourly non-exempt employees a “premium” wage for late, missed, short,
4 on-premise, on-duty, and/or interrupted rest periods, Defendants failed to pay the one (1) additional
5 hour of pay at Plaintiff’s and other current and former aggrieved California-based hourly non-
6 exempt employees’ regular rate of compensation. Specifically, Defendants maintained a policy,
7 practice, and/or procedure of failing to include all remuneration such as, “commissions”, for
8 example, when calculating Plaintiff’s and other current and former aggrieved California-based
9 hourly non-exempt employees’ regular rate of pay for the purpose of paying rest period premiums.

10 38. Defendants’ foregoing policies, practices, and/or procedures resulted in Plaintiff and
11 other current and former aggrieved California-based hourly non-exempt employees not receiving
12 wages to compensate them for workdays in which Defendants did not provide them with rest periods
13 in compliance with California law.

14 39. Plaintiff is further informed and believes, and based thereon alleges, that Defendant’s
15 conduct above that gave rise to such violations was malicious, fraudulent, or oppressive. Defendant
16 would further be liable for civil penalties pursuant to Labor Code section 2699(f)(2)(B)(ii).

17 40. **Failure to produce requested employment records:** An employer must afford
18 current and former employees the right to inspect or receive a copy of records pertaining to their
19 employment, upon reasonable request to the employer. Labor Code section 226(b). An employer
20 who receives a request to inspect or receive a copy of records pertaining to a current or former
21 employee must comply with the request as soon as practicable, but no later than twenty-one (21)
22 calendar days from the date of the request. Labor Code section 226(c). Additionally, every current
23 and former employee, or his or her representative, has the right to inspect and receive a copy of the
24 personnel records that the employer maintains relating to the employee’s performance or to any
25 grievance concerning the employee. Labor Code section 1198.5(a). Upon written request from a
26 current or former employee or his or her representative, an employer must make the contents of
27 those personnel records available for inspection or provide a copy of the personnel records to the
28 current or former employee, or his or her representative, not later than thirty (30) calendar days from

1 the date the employer receives the written request, subject to some limited exceptions. Labor Code
2 §1198.5(b)(1). Failure to comply with these requests allows for a civil penalty seven hundred fifty
3 dollars (\$750), pursuant to Labor Code sections 1198.5(k) and 226(f).

4 41. On February 27, 2026, Plaintiff sent a written request through his counsel to
5 Defendants for his payroll records, timecards, and personnel records pursuant to Labor Code
6 sections 226 and 1198.5. However, Defendants failed to timely produce the requested employment
7 records, in violation of Labor Code sections 226 and 1198.5. Defendants have not produced any of
8 the requested employment records as of the date of this Complaint.

9 42. Plaintiff is informed and believes and thereon alleges that other similarly situated
10 employees also sent written requests for their employment records, but Defendants failed to timely
11 produce the required and requested records, in violation of Labor Code sections 226 and 1198.5.

12 43. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
13 Employer would further be liable for civil penalties pursuant to Labor Code section
14 2699(f)(2)(B)(ii).

15 44. **Failure to Indemnify for Losses and Expenditures Incurred as Part of**
16 **Employment:** California law requires that every employer must indemnify its employees for all
17 necessary expenditures or losses incurred by the employee in discharge of his or her duties or at the
18 obedience of the directions of the employer. Moreover, an employer is prohibited from passing the
19 ordinary business expenses and losses of the employer onto the employee. (Lab. Code, § 2802.)

20 45. Defendants have violated Labor Code Section 2802 by failing to indemnify Plaintiff
21 and other current and former aggrieved California-based non-exempt hourly employees' necessary
22 expenditures they incurred in the discharge of their duties. Specifically, Defendants employed
23 policies, practices, and/or procedures included, but not limited to:

24 (a) Sometimes requiring Plaintiff and other current and former aggrieved California-
25 based hourly non-exempt employees to use their personal Wi-Fi, electricity, and real estate for work-
26 related purposes - without reimbursing Plaintiff and other current and former aggrieved California-
27 based hourly non-exempt employees for such use.

28 46. Moreover, Defendants employed policies and procedures which ensured Plaintiff and

1 aggrieved employees would not receive indemnification for their employment related expenses.
2 This practice resulted in Plaintiff and aggrieved employees not receiving such indemnification in
3 compliance with California law.

4 47. Therefore, Defendants are liable to Plaintiff and aggrieved employees for their
5 employment related expenses, including but not limited to costs related to use of their personal cell
6 phones and costs associated with their uniforms pursuant to Labor Code section 2802.

7 48. Plaintiff is further informed and believes, and based thereon alleges, that Defendant's
8 conduct above that gave rise to such violations was malicious, fraudulent, or oppressive. Defendant
9 would further be liable for civil penalties pursuant to Labor Code section 2699(f)(2)(B)(ii).

10 49. **Failure to provide sick pay wages:** Defendants had a policy and/or procedure where
11 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees
12 accrued paid sick time.

13 50. Labor Code section 246, subdivision (a), states in relevant part "[a]n employee
14 who...works in California for the same employer for 30 or more days within a year from the
15 commencement of employment is entitled to paid sick days." Additionally, an employee accrues
16 paid sick days at the rate of no-less-than one (1) hour per every thirty (30) hours worked, beginning
17 at the commencement of employment. Labor Code section 246(b).

18 51. Here, Plaintiff and other current and former aggrieved California-based hourly non-
19 exempt employees were employed by Defendants for 30 or more days and were entitled to paid sick
20 days. Defendants, however, lacked a policy, practice, and/or procedure whereby Plaintiffs and other
21 current and former aggrieved California-based hourly non-exempt employees who were employed
22 by Defendants for 30 days or more could accrue paid sick days at the rate of no-less-than one (1)
23 hour per every thirty (30) hours worked, beginning at the commencement of employment as required
24 by Labor Code section 246(b).

25 52. In this case, Plaintiff alleges that when he and other current and former aggrieved
26 California-based hourly non-exempt employees elected to use paid sick time, Defendants failed to
27 pay them sick time wages at the proper sick time rate of pay due to Defendants' failure to include
28 all remuneration when calculating the sick time rate of pay. Specifically, Defendants maintained a

1 policy, practice, and/or procedure of failing to include all remuneration including but not limited to,
2 “commissions”, for example, when calculating Plaintiff and other current and former aggrieved
3 California-based hourly non-exempt employees’ regular rate of pay for the purpose of paying sick
4 time.

5 53. Defendants’ foregoing policy, practice, and/or procedure resulted in Defendants
6 failing to provide Plaintiff and other current and former aggrieved California-based hourly non-
7 exempt employees’ paid sick days, in violation of Labor Code section 246.

8 54. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
9 Defendant would further be liable for civil penalties pursuant to Labor Code section
10 2699(f)(2)(B)(ii).

11 55. **Failure to timely pay earned wages during employment:** In California, wages
12 must be paid at least twice during each calendar month on days designated in advance by the
13 employer as regular paydays, subject to some exceptions. Labor Code section 204(a). Wages earned
14 between the 1st and 15th days, inclusive, of any calendar month must be paid between the 16th and
15 the 26th day of that month and wages earned between the 16th and the last day, inclusive, of any
16 calendar month must be paid between the 1st and 10th day of the following month. *Id.* Other payroll
17 periods such as those that are weekly, biweekly, or semimonthly, must be paid within seven (7)
18 calendar days following the close of the payroll period in which wages were earned. Labor Code
19 section 204(d).

20 56. As a derivative of Plaintiff’s claims above, Plaintiff alleges that Defendants failed to
21 timely pay Plaintiff’s and other current and former aggrieved California-based hourly non-exempt
22 employees’ earned wages (including minimum wages, overtime wages, meal period premium wages
23 and/or rest period premium wages), in violation of Labor Code section 204. Defendants’
24 aforementioned policies, practices, and/or procedures resulted in their failure to pay Plaintiff’s and
25 other current and former aggrieved California-based hourly non-exempt employees’ their earned
26 wages within the applicable time frames outlined in Labor Code section 204.

27 57. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
28 Defendant would further be liable for civil penalties pursuant to Labor Code section

1 2699(f)(2)(B)(ii).

2 58. **Secret payment of lower wages than designated by statute:** Labor Code section
3 223 provides that, where any statute or contract requires an employer to maintain the designated
4 wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage
5 designated by statute or contract. By engaging in the unlawful conduct alleged herein, including by
6 failing to: pay overtime wages at the applicable legal overtime rate, meal break premiums and lawful
7 sick pay at the employees' regular rate of pay, as established by Labor Code sections 226.7, 246,
8 510, 1194 and sections 11 and 12 of the applicable IWC Wage Orders, as incorporated by Labor
9 Code section 1198, the Defendant secretly paid a lower wage than designated by statute while
10 purporting to pay the wages designated by statute, in violation of Labor Code section 223.

11 59. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
12 Defendant would further be liable for civil penalties pursuant to Labor Code section
13 2699(f)(2)(B)(ii).

14 60. **Failure to provide complete and accurate wage statements:** Labor Code section
15 226, subdivision (a). Labor Code section 226(a) provides, *inter alia*, that, upon paying an employee
16 his or her wages, the employer must "furnish each of his or her employees ... an itemized statement
17 in writing showing (1) gross wages earned, (2) total hours worked by the employee, except for any
18 employee whose compensation is solely based on a salary and who is exempt from payment of
19 overtime under subdivision (a) of Section 515 or any applicable order of the Industrial Welfare
20 Commission, (3) the number of piece-rate units earned and any applicable piece rate if the employee
21 is paid on a piece-rate basis, (4) all deductions, provided, that all deductions made on written orders
22 of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive
23 dates of the pay period for which the employee is paid, (7) the name of the employee and his or her
24 social security number, (8) the name and address of the legal entity that is the employer, and (9) all
25 applicable hourly rates in effect during the pay period and the corresponding number of hours
26 worked at each hourly rate by the employee."

27 61. As a derivative of Plaintiff's allegations above, Defendants' failure to pay Plaintiff
28 and other current and former aggrieved California-based hourly non-exempt employees all wages

1 earned (including minimum wages, overtime wages, meal period premium wages, and/or rest period
2 premium wages) rendered Plaintiff's and other current and former aggrieved California-based
3 hourly non-exempt employees' wage statements inaccurate, in violation of Labor Code section
4 226(a)(1, 2, 5 & 9).

5 62. Plaintiff believes these failures were willful and intentional.

6 63. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
7 Defendant would further be liable for civil penalties pursuant to Labor Code section
8 2699(f)(2)(B)(ii).

9 64. **Failure to pay employees all wages due at time of termination/resignation:** An
10 employer is required to pay all unpaid wages timely after an employee's employment ends. The
11 wages are due immediately upon termination (Labor Code section 201) or within seventy-two (72)
12 hours of resignation (Labor Code section 202).

13 65. As a derivative of Plaintiff's allegations above, because Defendants failed to pay
14 Plaintiff and other current and former aggrieved California-based hourly non-exempt employees all
15 their earned wages (including minimum wages, overtime wages, meal period premium wages,
16 and/or rest period premium wages), Defendants failed to pay those employees timely after each
17 employee's termination and/or resignation, in violation of Labor Code sections 201, 202, and 203.

18 66. Plaintiff believes these failures were willful and intentional.

19 67. Plaintiff also believes these failures were malicious, fraudulent, or oppressive.
20 Employer would further be liable for civil penalties pursuant to Labor Code section
21 2699(f)(2)(B)(ii).

22 68. Labor Code sections 2699, subdivisions (a) and (g) authorize an aggrieved employee,
23 on behalf of himself or herself and other current or former employees, to bring a civil action to
24 recover civil penalties against all Defendants pursuant to the procedures specified in Labor Code
25 section 2699.3.

26 69. Plaintiff has complied with the procedures for bringing suit specified in Labor Code
27 section 2699.3. On June 8, 2026, Plaintiff filed a PAGA Claim Notice with the LWDA and provided
28 notice to Defendants by certified mail which provided notice of the specific provisions of the Labor

Code alleged to have been violated, including the facts and theories to support the violations alleged.

70. Pursuant to Labor Code section 2699.3, the LWDA must give written notice by certified mail to the parties that it intends to investigate the alleged violations of the Labor Code within 60 days of the date of the complainant's written notice. The LWDA failed to provide the parties notice within 60 days of the date of Plaintiff's PAGA Claim Notice that the LWDA intends to investigate Plaintiff's claims.

71. Pursuant to Labor Code sections 2699(a) and (f), Plaintiff is entitled to recover civil penalties for Defendants' violations of Labor Code sections 201, 202, 203, 204, 223, 226(a), 226.7, 246, 510, 512, and 1194: During Plaintiff's employment and continuing through the present, preceding Plaintiff sending the initial PAGA Claim Notice to the LWDA to the present, in the following amounts:

a. For violations of Labor Code sections 201, 202, 203, 226(a), 226.7, 1198, and 2802; one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation [penalty amounts established by Labor Code section 2699(f)(2)].

b. For violations of Labor Code section 226(a), alternatively, two hundred fifty dollars (\$250) for each employee for each pay period for the initial violation, and for each subsequent violation, one thousand dollars (\$1000) for each underpaid employee for each pay period [penalty amounts established by Labor Code section 226.3].

c. For violations of Labor Code section 510 and 512, fifty dollars (\$50) for each employee for each pay period for the initial violation, and for each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period [penalty amounts established by Labor Code section 558].

d. For violations of Labor Code section 204, one hundred dollars (\$100) for each failure to pay each employee in any initial violation, and for each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code section 210].

e. For violations of Labor Code section 223, one hundred dollars (\$100) for each failure to pay each employee in any initial violation, and for each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld [penalty amounts established by Labor Code section 225.5].

72. Pursuant to Labor Code section 2699(g), Plaintiff is entitled to an award of reasonable attorneys' fees and costs in connection with his claims for civil penalties.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF, ON BEHALF OF HIMSELF AND ON OTHER AGGRIEVED EMPLOYEES, PRAYS AS FOLLOWS:

ON THE FIRST CAUSE OF ACTION:

1. That Defendants be found to have violated the provisions of the Labor Code and the IWC Wages Orders as to the Plaintiff and aggrieved employees;

2. For any and all legally applicable penalties during the relevant statute of limitations subject to any permissible tolling, including but not limited to those recoverable under the California Labor Code, including but not limited to sections 210, 225.5, 226.3, 558, 2699(f);

3. For attorneys' fees and costs of suit, including but not limited to those recoverable under California Labor Code section 2699(g); and

4. For such and other further relief, in law and/or equity, as the Court deems just or appropriate.

Dated: August 14, 2026

Respectfully submitted,
LAVI & EBRAHIMIAN, LLP

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