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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO

KARRINA SANCHEZ, an individual, and in her
representative capacity on behalf of herself, the
State of California, other Aggrieved Employees,

Plaintiff,

vs.

LOAN GOAT, INC., a California corporation,
MILAD SHAMOUN, an individual, and DOES
1-25

Defendants.

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego
04/09/2024 at 08:50:17 PM
Clerk of the Superior Court
By Ines Quirarte, Deputy Clerk

Case No. 37-2024-00018878-CU-OE-CTL

COMPLAINT FOR DAMAGES

DEMAND FOR JURY TRIAL

Plaintiff KARRINA SANCHEZ ("PLAINTIFF"), an individual, brings this action on behalf of herself and in her representative capacity on behalf of the State of California, and fellow current and former AGGRIEVED EMPLOYEES, defined below, against Defendant LOAN GOAT, INC., Defendant MILAD SHAMOUN, and Defendant DOES 1-25 ("Defendant DOES") ("DEFENDANTS"), alleges on information and belief, except for her own acts and knowledge which are based on personal knowledge, the following:

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I. INTRODUCTION

1. PLAINTIFF brings this action as an individual and in her representative capacity pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”) on behalf of other current and former AGGRIEVED EMPLOYEES of DEFENDANTS for engaging in a pattern and practice of wage and hour violations under the California Labor Code.

2. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANTS decreased their employment-related costs by systematically violating California wage and hour laws.

3. DEFENDANTS’ systematic pattern of wage and hour and IWC Wage Order violations toward PLAINTIFF and other AGGRIEVED EMPLOYEES in California include, *inter alia*:

- a. Misclassification of independent contractors;
- b. Misclassification as exempt employees
- c. Failure to provide rest periods;
- d. Failure to provide meal periods;
- e. Failure to pay all minimum wages;
- f. Failure to pay all overtime wages;
- g. Failure to correctly calculate employees’ regular rate of pay;
- h. Failure to reimburse for required business expenses;
- i. Failure to pay wages when due;
- j. Failure to timely pay wages upon termination of employment;
- k. Failure to maintain true and accurate records;
- l. Failure to provide accurate itemized wage statements.

4. PLAINTIFF brings the representative action against DEFENDANTS on behalf of herself and all other AGGRIEVED EMPLOYEES of DEFENDANTS in California, seeking all civil penalties permitted pursuant to California Labor Code § 2699, *et seq.*

5. PLAINTIFF reserves the right to name additional representatives throughout the State of California.

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II. PARTIES

6. PLAINTIFF KARRINA SANCHEZ (“PLAINTIFF”), an individual, has resided, and at all times mentioned in this Complaint, continues to reside in San Diego County.

7. Defendant LOAN GOAT, INC., (“DEFENDANT LOAN GOAT”) is a California corporation registered with the California Secretary of State as file No. 4829814, that at all relevant times mentioned herein conducted and continues to conduct substantial and regular business throughout California.

8. Defendant MILAD SHAMOUN, (“DEFENDANT SHAMOUN”) an individual, is on information and belief, a California resident and does business in California. He is the Chief Executive Officer and Chief Financial Officer of LOAN GOAT, INC. On information and belief, at all relevant times, MILAD SHAMOUN has been an owner, director, secretary, officer, or managing agent of LOAN GOAT, INC.

9. Defendant DOES 1-25 (“Defendant DOES”) are persons and/or entities that at all relevant times mentioned herein conducted and continue to conduct substantial and regular business throughout California.

10. Each of the fictitiously named DEFENDANTS participated in the acts alleged in this Complaint. The true names and capacities, whether individual, corporate, subsidiary, partnership, associate or otherwise of DEFENDANTS DOES 1 through 25, inclusive, are presently unknown to PLAINTIFF who therefore sues these DEFENDANTS by such fictitious names pursuant to Cal. Civ. Proc. Code. § 474. PLAINTIFF will seek leave to amend this Complaint to allege the true names and capacities of DOES 1 through 25, inclusive, when they are ascertained. PLAINTIFF is informed and believes, and based upon that information and belief alleges, that the DEFENDANTS named in this Complaint, including DOES 1 through 25, inclusive (hereinafter “DEFENDANT”), are responsible in some manner for one or more of the events and happenings that proximately caused the injuries and damages hereinafter alleged.

11. DEFENDANTS own, operate, and/or manage mortgage brokering and lending services in the county of San Diego.

1 12. DEFENDANTS employed PLAINTIFF between January 4, 2022, and
2 approximately April 2023 as a Sales Manager who reported to Defendant Loan Goat, Inc.’s office
3 in San Diego County.

4 13. At all times, DEFENDANTS paid PLAINTIFF on a salary basis.

5 **III. JOINT EMPLOYER AND PAGA**

6 14. PLAINTIFF brings the representative action in her representative capacity on behalf
7 of the State of California and on behalf of all individuals, including those improperly classified as
8 non-exempt or independent contractors, who are or previously were employed by DEFENDANTS
9 in California who suffered one or more Labor Code violations enumerated in Labor Code §§ 2698
10 et seq. (hereinafter “AGGRIEVED EMPLOYEES”) and who worked for DEFENDANTS between
11 January 31, 2023, and the present (“PAGA PERIOD”).

12 15. PLAINTIFF is an “AGGRIEVED EMPLOYEE” within the meaning of Labor Code
13 § 2699(c) because she was employed by DEFENDANTS and suffered one or more of the alleged
14 Labor Code violations committed by DEFENDANTS.

15 16. PLAINTIFF and all other AGGRIEVED EMPLOYEES are, and at all relevant times
16 was, an employee of DEFENDANTS, within the meanings set forth in the California Labor Code
17 and the applicable Industrial Welfare Commission Wage Order.

18 17. The Private Attorney General Act (“PAGA”) permits an aggrieved employee to
19 enforce any provision of the California Labor Code that provides for a civil penalty. (Lab. Code §
20 2699(a).)

21 18. Section 558 of the California Labor Code provides that “any employer or other
22 person acting on behalf of an employer who violates, or causes to be violated, a section of this
23 chapter or any provision regulating hours and days of work in any order of the Industrial Welfare
24 Commissions shall be subject to a civil penalty...” (Lab. Code § 558(a).)

25 19. Section 1197.1 of the Labor Code provides that “[a]ny employer or other person
26 acting either individually or as an officer, agent, or employee of another person, who pays or causes
27 to be paid to any employee a wage less than the minimum fixed by an applicable state or local law,
28 or by an order of the commission shall be subject to a civil penalty...” (Lab. Code § 1197.1(a).)

1 20. Interpreting Sections 558 and 1197.1 of the Labor Code, California courts have held
2 that a corporate employer's owners, officers and directors, are subject to civil penalties for the
3 employer's failure to pay appropriate wages to its employees, and, since liability under either 558
4 or 1197.1 does not depend on a finding of an alter ego, no alter ego allegations or findings are
5 necessary. *Atempa v. Pedrazzani*, (2018) 27 Cal.App.5th 809; see generally *Ochoa-Hernandez v.*
6 *Cjaders Food, Inc.* (2009 WL 1404694); *Thurman v. Bayshore Management, Inc.* (2017) 203
7 Cal.App.4th 1112, 1145-1146.

8 21. PLAINTIFF is informed and believes, and thereon alleges, that DEFENDANTS, and
9 each of them, are subject to civil penalties for their failure to pay PLAINTIFF and other
10 AGGRIEVED EMPLOYEES the appropriate wages as complained of herein and proximately
11 caused the complaints, injuries, and damages alleged herein.

12 22. At all relevant times, each DEFENDANT, whether named or fictitious, was the
13 agent, employee or other person acting on behalf of each other DEFENDANT, and, in participating
14 in the acts alleged in this Complaint, acted within the scope of such agency or employment and
15 ratified the acts of the other.

16 23. Each DEFENDANT, whether named or fictitious, exercised control over
17 PLAINTIFF'S wages, working hours, and/or working conditions.

18 24. Each DEFENDANT, whether named or fictitious, acted in all respects pertinent to
19 this action as the agent of the other DEFENDANT, carried out a joint scheme, business plan or
20 policy, and the acts of each DEFENDANTS are legally attributable to the other DEFENDANTS.

21 **IV. JURISDICTION AND VENUE**

22 25. This Court has jurisdiction over this Action pursuant to California Code of Civil
23 Procedure, Section 410.10.

24 26. Venue is proper in this Court pursuant to California Code of Civil Procedure,
25 Sections 395 and 395.5, because PLAINTIFF worked in this County for DEFENDANTS and
26 DEFENDANTS (i) currently maintain and at all relevant times-maintained offices and facilities in
27 this County, and (ii) committed the wrongful conduct herein alleged in this County against
28 PLAINTIFF.

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V. FACTUAL ALLEGATIONS

A. Misclassification as Independent Contractor

27. DEFENDANTS own, operate, and/or manages mortgage brokering and lending services in the State of California.

28. DEFENDANTS hired PLAINTIFF as a Sales Manager where she performed business management operations including managing the customer relationship management system, contacting clients to collect documents, setting meetings, and acting as a personal assistant to DEFENDANT SHAMOUN.

29. DEFENDANTS maintained, and may continue to maintain, a practice to misclassify PLAINTIFF and other AGGRIEVED EMPLOYEES as independent contractors to avoid employer obligations such as payroll taxes, paying minimum and overtime wages, and provide to rest and meal periods.

30. PLAINTIFF and other AGGRIEVED EMPLOYEES did not perform work outside the usual course of DEFENDANTS' business. DEFENDANTS exerted control and direction in PLAINTIFF and other AGGRIEVED EMPLOYEES' performance of work under both the terms of the contract and in actual performance. PLAINTIFF and other AGGRIEVED EMPLOYEES were not customarily engaged in an independently established trade, occupation, or business.

31. DEFENDANTS nonetheless willfully misclassified PLAINTIFF and other AGGRIEVED EMPLOYEES as independent contractors to unlawfully avoid their obligations as an employer.

32. Further, PLAINTIFF and other AGGRIEVED EMPLOYEES did not customarily and regularly exercise discretion and independent judgment in the performance of their duties and did not earn more than two (2) times the state minimum wage for full-time employment.

33. PLAINTIFF and other AGGRIEVED EMPLOYEES were non-exempt employees entitled to minimum wages, overtime wages, and meal and rest periods.

34. As a result of DEFENDANTS' misclassification practices, DEFENDANTS consistently and routinely violated numerous provisions of California Labor Code and applicable IWC Wage Order resulting in damage to PLAINTIFF and other AGGRIEVED EMPLOYEES.

1 B. Rest Period Violations

2 35. DEFENDANT required PLAINTIFF and other AGGRIEVED EMPLOYEES to
3 work in excess of four (4) hours without being provided ten (10) minute rest periods as a result of
4 the nature and constraints of their job duties and DEFENDANTS' policies and practices.

5 36. PLAINTIFF and other AGGRIEVED EMPLOYEES, from time-to-time were
6 required to work in excess of six (6) hours or more, without being provided a second ten (10) minute
7 rest period for the same reasons.

8 37. Specifically, as to Plaintiff, DEFENDANT SHAMOUN directed PLAINTIFF to
9 forfeit or postpone rest periods because there was "too much work to do". When PLAINTIFF
10 attempted to take rest periods, DEFENDANT SHAMOUN told PLAINTIFF she couldn't because
11 they were busy, or he would create work for PLAINTIFF to complete and direct PLAINTIFF to
12 finish her work before break.

13 38. PLAINTIFF and other AGGRIEVED EMPLOYEES were also not provided with
14 one-hour wages *in lieu* thereof, and as a result, PLAINTIFF and other AGGRIEVED EMPLOYEES
15 were denied their proper rest periods by DEFENDANTS and DEFENDANTS' managers.

16 39. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANTS was
17 required to provide rest periods to PLAINTIFF and other AGGRIEVED EMPLOYEES per every
18 four (4) hours worked or major fraction thereof or provide the employee one (1) hour of pay at the
19 employee's regular rate of compensation for each workday the rest period is not provided. During
20 the entirety of PLAINTIFF'S employment and the PAGA Period, DEFENDANTS required
21 PLAINTIFF and other AGGRIEVED EMPLOYEES to work through rest periods without paying
22 them in accordance with Industrial Wage Orders. As a result, PLAINTIFF and other AGGRIEVED
23 EMPLOYEES forfeited their regular wages by working without compensation at the applicable
24 wage and rates. DEFENDANTS had, and may continue to practice, a uniform policy to not pay
25 PLAINTIFF and other AGGRIEVED EMPLOYEES all rest premiums owed.

26 C. Meal Period Violations

27 40. DEFENDANTS required PLAINTIFF and other AGGRIEVED EMPLOYEES to
28 work during the meal break during what was supposed to be PLAINTIFF and other AGGRIEVED

1 EMPLOYEES' off-duty meal break due to commentary from DEFENDANT and DEFENDANTS'
2 managers.

3 41. Specifically, to PLAINTIFF and similarly to rest periods, when PLAINTIFF
4 attempted to take meal periods, DEFENDANT SHAMOUN would not permit it. Again,
5 DEFENDANT SHAMOUN told PLAINTIFF there is too much work to do or that DEFENDANTS
6 were busy for her to take a meal period. DEFENDANT SHAMOUN required PLAINTIFF to eat at
7 her desk and perform work during PLAINTIFF'S meal period.

8 42. Pursuant to the Industrial Welfare Commission Wage Orders, DEFENDANTS were
9 required to provide meal periods of not less than thirty (30) minutes to PLAINTIFF and other
10 AGGRIEVED EMPLOYEES for each work period of more than five (5) hours, except when that
11 work period is not more than six (6) and validly waived or provide one (1) hour of pay at the
12 employee's regular rate of compensation. DEFENDANTS required PLAINTIFF and other
13 AGGRIEVED EMPLOYEES to work during the meal break during what was scheduled to be off-
14 duty meal break. As a result, PLAINTIFF and other AGGRIEVED EMPLOYEES forfeited their
15 meal premiums without compensation at the applicable wage and rates. DEFENDANTS had, and
16 may continue to practice, a uniform policy to not pay PLAINTIFF and other AGGRIEVED
17 EMPLOYEES meal periods.

18 43. As a result of work requirements and comments from DEFENDANTS, PLAINTIFF
19 and other AGGRIEVED EMPLOYEES were unable to take thirty (30) minute off-duty meal breaks
20 and were not fully relieved of duty for their meal period. PLAINTIFF and other AGGRIEVED
21 EMPLOYEES were required to perform work as ordered by DEFENDANTS. The nature of the
22 work performed by PLAINTIFF and other AGGRIEVED EMPLOYEES does not qualify for
23 limited and narrowly construed "on-duty" meal period exception. PLAINTIFF and other
24 AGGRIEVED EMPLOYEES therefore forfeited meal breaks without additional compensation and
25 in accordance with DEFENDANTS' policies and practices.

26 D. Failure to Pay all Minimum and Overtime Wages

27 44. During PLAINTIFF'S employment and the PAGA Period, DEFENDANTS failed to
28 accurately pay PLAINTIFF and other AGGRIEVED EMPLOYEES for all hours worked as a result

1 of their misclassification practices.

2 45. DEFENDANTS classified PLAINTIFF and other AGGRIEVED EMPLOYEES as
3 independent contractors paid on a salary basis. However, PLAINTIFF and other AGGRIEVED
4 EMPLOYEES do not satisfy California requirements for independent contractor status, nor do they
5 meet the requirements as salaried non-exempt employees. As a result, DEFENDANTS improperly
6 paid PLAINTIFF and other AGGRIEVED EMPLOYEES for their time worked.

7 46. DEFENDANTS required PLAINTIFF and AGGRIEVED EMPLOYEES to perform
8 work in excess of eight (8) hours per day and forty (40) hours per week. DEFENDANTS failed to
9 pay PLAINTIFF and other AGGRIEVED EMPLOYEES necessary wages for attending and
10 performing work at DEFENDANTS' direction, request and benefit, while off-the clock. Throughout
11 PLAINTIFF'S and other AGGRIEVED EMPLOYEES' employment, these hours were not
12 accurately recorded during the relevant pay period.

13 47. Further, DEFENDANTS required PLAINTIFF and other AGGRIEVED
14 EMPLOYEES to work during weekends. Specifically, as to PLAINTIFF, DEFENDANTS
15 required her to work weekends to finish paperwork, perform consultations, or get loan documents
16 together. Again, DEFENDANTS failed to track this time and failed to pay PLAINTIFF and other
17 AGGRIEVED EMPLOYEES for such time.

18 48. DEFENDANTS further demanded all employees keep their designated work phones
19 on 24 hours a day. DEFENDANTS told PLAINTIFF and other AGGRIEVED EMPLOYEES they
20 must always be available. This resulted in work-related calls regularly occurring after PLAINTIFF
21 and other AGGRIEVED EMPLOYEES left the office and/or on the weekends. DEFENDANTS
22 failed to track any of this time and did not compensate PLAINTIFF and other AGGRIEVED
23 EMPLOYEES for this time.

24 49. DEFENDANTS directed and directly benefited from the uncompensated off-the-
25 clock work performed by PLAINTIFF and other AGGRIEVED EMPLOYEES.

26 50. DEFENDANTS controlled the work schedules, duties, protocols, applications,
27 assignments, and employment conditions of PLAINTIFF and other AGGRIEVED EMPLOYEES.

28 51. DEFENDANTS were able to track the amount of time PLAINTIFF and other

1 AGGRIEVED EMPLOYEES spent working; however, DEFENDANTS failed to document, track,
2 or pay PLAINTIFF and other AGGRIEVED EMPLOYEES all wages earned and owed for all the
3 work they performed.

4 52. PLAINTIFF and other AGGRIEVED EMPLOYEES were non-exempt employees,
5 subject to the requirements of the California Labor Code.

6 53. DEFENDANTS' policies and practices deprived PLAINTIFF and other
7 AGGRIEVED EMPLOYEES of all regular wages and from time to time, overtime wages owed for
8 the off-the-clock work activities.

9 54. DEFENDANTS knew or should have known that PLAINTIFF and other
10 AGGRIEVED EMPLOYEES' work was compensable under the law.

11 55. As a result, PLAINTIFF and other AGGRIEVED EMPLOYEES forfeited wages due
12 them for all hours worked at DEFENDANTS' direction, control and benefit for the time spent while
13 off-the-clock. DEFENDANTS have a uniform policy and practice to not pay PLAINTIFF and other
14 AGGRIEVED EMPLOYEES wages for all hours worked in accordance with applicable law.

15 56. Moreover, as a result, DEFENDANTS provided PLAINTIFF and other
16 AGGRIEVED EMPLOYEES with a paystub that failed to comply with Cal. Lab. Code § 226 and
17 did not maintain accurate payroll and timekeeping records.

18 E. Regular Rate Violation

19 57. DEFENDANTS failed, and may continue to fail, to accurately calculate and pay
20 PLAINTIFF and the other AGGRIEVED EMPLOYEES for their overtime and double time hours
21 worked, meal and rest period premiums, and sick pay. As a result, PLAINTIFF and the other
22 AGGRIEVED EMPLOYEES forfeited wages due them for working overtime without
23 compensation at the correct overtime and double time rates, meal and rest period premiums, and
24 sick pay rates.

25 58. DEFENDANTS' uniform policy and practice to not pay the AGGRIEVED
26 EMPLOYEES the correct rate for all overtime and double time worked, meal and rest period
27 premiums, and sick pay in accordance with applicable law is evidenced by DEFENDANTS'
28 business records.

1 59. State law provides that employees must be paid overtime at one-and-one-half times
2 their “regular rate of pay.” PLAINTIFF and other AGGRIEVED EMPLOYEES were compensated
3 at an hourly rate plus bonuses for based on an employee’s performance.

4 60. The second component of PLAINTIFF’s and other AGGRIEVED EMPLOYEES’
5 compensation was DEFENDANTS’ non-discretionary bonus program that paid PLAINTIFF and
6 other AGGRIEVED EMPLOYEES additional wages based on their performance for
7 DEFENDANTS. The non-discretionary bonus program provided employees with bonus
8 compensation when the employees met the various performance goals set by DEFENDANTS.

9 61. However, when DEFENDANTS paid PLAINTIFF and other AGGRIEVED
10 EMPLOYEES, they failed to accurately include the non-discretionary bonus compensation as part
11 of the employees’ “regular rate of pay”. As a matter of law, the incentive compensation received
12 by PLAINTIFF and other AGGRIEVED EMPLOYEES must be included in the “regular rate of
13 pay.” The failure to do so has resulting in a systematic underpayment of overtime and double time
14 compensation, meal and rest period premiums, and redeemed sick pay to PLAINTIFF and other
15 AGGRIEVED EMPLOYEES by DEFENDANTS.

16 62. Specifically, California Labor Code Section 246 mandates that paid sick time for
17 non-employees shall be calculated in the same manner as the regular rate of pay for the workweek
18 in which the non-exempt employee uses paid sick time, whether or not the employee actually works
19 overtime in that workweek. DEFENDANTS’ conduct, as articulated herein, by failing to include
20 the incentive compensation as part of the “regular rate of pay” for purposes of sick pay
21 compensation was in violation of Cal. Lab. Code § 246 the underpayment of which is recoverable
22 under Cal. Lab. Code Sections 201, 202, 203, and/or 204.

23 63. In violation of the applicable sections of the California Labor Code and the
24 requirements of the Industrial Welfare Commission ("IWC") Wage Order, DEFENDANTS as a
25 matter of company policy, practice, and procedure, intentionally and knowingly failed to
26 compensate PLAINTIFF and the other AGGRIEVED EMPLOYEES at the correct rate of pay for
27 all overtime and double time worked, meal and rest period premiums, and sick pay. This uniform
28 policy and practice of DEFENDANTS is intended to purposefully avoid the payment of the correct

1 overtime and double time compensation, meal and rest period premiums, and sick pay as required
2 by California law which allowed DEFENDANTS to illegally profit and gain an unfair advantage
3 over competitors who complied with the law.

4 F. Violations for Untimely Payment of Wages

5 64. Pursuant to California Labor Code section 204, PLAINTIFF and other
6 AGGRIEVED EMPLOYEES are entitled to timely payment of wages during their employment.
7 PLAINTIFF and other AGGRIEVED EMPLOYEES, from time to time, did not receive payment of
8 all wages, including, but not limited to, overtime wages, minimum wages, meal period premium
9 wages, and rest period premium wages within permissible time period and on days designated in
10 advance by the employer as regular paydays.

11 65. DEFENDANTS failed to pay PLAINTIFF and other AGGRIEVED EMPLOYEES
12 all earned wages on scheduled paydays on multiple occasions. To the extent wages are deemed to
13 be owed to PLAINTIFF and other AGGRIEVED EMPLOYEES, whose employment has
14 terminated, DEFENDANTS conduct violations Labor Code sections 201 and/or 202, and therefore
15 PLAINTIFF and other AGGRIEVED EMPLOYEES are entitled to waiting time penalties under
16 Labor Code section 203, which penalties are sought herein on behalf of the PLAINTIFF and other
17 AGGRIEVED EMPLOYEES. DEFENDANTS' conduct as alleged herein was willful, intentional,
18 and not in good faith. Further, PLAINTIFF is entitled to seek and recover statutory costs.

19 G. Unreimbursed Business Expenses

20 66. DEFENDANTS required PLAINTIFF and other AGGRIEVED EMPLOYEES to
21 use their personal cell phones for work-related communications like calling clients, relators, or other
22 work-related communications. Despite DEFENDANTS providing a designated work phone to
23 PLAINTIFF and other AGGRIEVED EMPLOYEES, in the event employees failed to answer their
24 work phone, DEFENDANTS called PLAINTIFF'S and other AGGRIEVED EMPLOYEES'
25 personal cell phones to speak to these individuals.

26 67. DEFENDANTS additionally required PLAINTIFF and other AGGRIEVED
27 EMPLOYEES to perform work after work hours at home. DEFENDANTS failed to provide any
28 internet reimbursement to PLAINTIFF and other AGGRIEVED EMPLOYEES.

1 68. DEFENDANTS calls to PLAINTIFF's, and under information and belief other
2 AGGRIEVED EMPLOYEES's personal cell phones, occurred during and after business hours and
3 included weekends. DEFENDANTS not only failed to compensate employees for the use of their
4 personal cell phone, but also the time spent performing work at DEFENDANTS request on the
5 occasions.

6 69. PLAINTIFF and other AGGRIEVED EMPLOYEES were neither compensated for
7 the cost of the cellular phone nor the cost of the internet plan. DEFENDANTS failed to reimburse
8 PLAINTIFF and other AGGRIEVED EMPLOYEES with costs incurred in discharging their work
9 duties.

10 H. Failure to Maintain Accurate Records and Inaccurate Itemized Wage Statements

11 70. California Labor Code Section 226 requires an employer to furnish its employees an
12 accurate itemized statement in writing showing (1) gross wages earned, (2) total hours worked, (3)
13 the number of piece-rate units earned and any applicable piece-rate, (4) all deductions, (5) net wages
14 earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the
15 employee and only the last four digits of the employee's social security number or an employee
16 identification number other than a social security number, (8) the name and address of the legal
17 entity that is the employer and, (9) all applicable hourly rates in effect during the pay period and the
18 corresponding number of hours worked at each hourly rate by the employee

19 71. During PLAINTIFF'S employment and during the PAGA period, DEFENDANTS
20 failed to issue PLAINTIFF and other AGGRIEVED EMPLOYEES with itemized wage statements
21 identifying any requirements in Cal. Lab. Code § 226. In fact, DEFENDANTS regularly used Zelle
22 to pay PLAINTIFF and other AGGRIEVED EMPLOYEES their paychecks which does not provide
23 any option to send individuals wage statements with the corresponding payment.

24 72. DEFENDANTS routinely failed to keep, maintain, and store accurate payroll records
25 and provide wage statements that comply with Cal. Lab. Code § 226.

26 73. PLAINTIFF and other AGGRIEVED EMPLOYEES suffered damages as a result of
27 DEFENDANTS' aforementioned violation because they could not promptly and easily determine
28 from the wage statement alone the applicable hourly rate and the corresponding number of hours

1 worked at the applicable hourly rate for this remuneration.

2 74. As a result, DEFENDANTS violated Cal. Lab. Code § 226. Further,
3 DEFENDANTS' violations are knowing and intentional, and were not isolated or due to an
4 unintentional payroll error due to clerical or inadvertent mistake.

5 I. DEFENDANTS Sexual Harassment, Retaliation, and Wrongful Termination

6 75. Prior to PLAINTIFF'S employment, PLAINTIFF and DEFENDANT SHAMOUN
7 had a romantic relationship. In February 2023, while employed by DEFENDANTS, PLAINTIFF
8 ended the relationship with DEFENDANT SHAMOUN.

9 76. After PLAINTIFF ended her romantic relationship with DEFENDANT
10 SHAMOUN, DEFENDANT SHAMOUN used PLAINTIFF'S employment to harass PLAINTIFF,
11 forced PLAINTIFF to talk to him at work, and subjected her to a hostile work environment during
12 and after work and on and off work property.

13 77. After PLAINTIFF ended the romantic relationship, DEFENDANT SHAMOUN
14 regularly entered PLAINTIFF'S office and started conversations by asking work-related questions
15 but quickly turned it into an interrogation about their past relationship. DEFENDANT SHAMOUN
16 used work as a pretext to harass PLAINTIFF and force her to discuss their past romantic
17 relationship, pressuring PLAINTIFF to rekindle her relationship with DEFENDANT SHAMOUN.

18 78. DEFENDANT SHAMOUN additionally made sexual advances while at work,
19 including forcibly kissing PLAINTIFF in her office on at least ten occasions. All of DEFENDANT
20 SHAMOUN'S advances were turned down by PLAINTIFF.

21 79. DEFENDANT SHAMOUN additionally used PLAINTIFF'S work-issued cell
22 phone to repeatedly contact her. DEFENDANT SHAMOUN regularly texted PLAINTIFF that he
23 was contacting her about work-related issues and then when PLAINTIFF responded he would again,
24 bring up their past relationship.

25 80. DEFENDANT SHAMOUN repeatedly called PLAINTIFF'S designated work phone
26 on the weekends or after work hours and when PLAINTIFF would not pick up, DEFENDANT
27 SHAMOUN would start texting PLAINTIFF saying he needed to discuss work. If PLAINTIFF did
28 not respond, DEFENDANT SHAMOUN would start calling PLAINTIFF'S personal cell phone and

1 when PLAINTIFF would say they can discuss the issue at work the following day, DEFENDANT
2 SHAMOUN demanded that she call or facetime him back and start asking PLAINTIFF who she is
3 with that she cannot answer his call. DEFENDANT SHAMOUN regularly used work as a pretext
4 to excessively call and text PLAINTIFF.

5 81. Additionally, on several occasions, DEFENDANT SHAMOUN misrepresented and
6 mislead PLAINTIFF into believing she had to attend an off-site work event such as Realtor Lunches,
7 events where PLAINTIFF believed she would have an opportunity to achieve commission wages.
8 However, no such events were taking place and once off-site, DEFENDANT SHAMOUN isolated
9 PLAINTIFF and pressured her into discussing their past relationship in attempts to reconcile.

10 82. DEFENDANT SHAMOUN regularly called PLAINTIFF into his office, again under
11 the guise of discussing work, and would physically block his office door with his body to prevent
12 PLAINTIFF from leaving. DEFENDANT SHAMOUN would demand PLAINTIFF discuss their
13 past relationship and when PLAINTIFF asked DEFENDANT SHAMOUN to move away from the
14 door so she could leave, DEFENDANT SHAMOUN refused and told PLAINTIFF she could not
15 leave until she took him back.

16 83. DEFENDANT SHAMOUN additionally started to show up to PLAINTIFF'S
17 residence after work and demanded PLAINTIFF to take him back or she needed to find a new job.
18 PLAINTIFF asked DEFENDANT SHAMOUN for time to find a new job, but DEFENDANT
19 SHAMOUN demanded PLAINTIFF leave the company immediately.

20 84. Shortly after DEFENDANT SHAMOUN demanded PLAINTIFF either take him
21 back or find a new job, in April of 2023, DEFENDANTS fired PLAINTIFF because her position
22 was "no longer needed".

23 85. PLAINTIFF obtained a Right to Sue letter from the California Department of Civil
24 Rights on February 1, 2024. A true and correct copy is attached hereto as Exhibit A.

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1 **VI. CAUSES OF ACTION**

2 **FIRST CAUSE OF ACTION**

3 For Failure to Provide Rest Periods
4 (Cal. Lab. Code §§ 226.7 & 512)
(Plaintiff Against DEFENDANT LOAN GOAT)

5 86. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and
6 every allegation set forth above.

7 87. Labor Code Sections 226.7 and 512 and the Industrial Wage Orders requires
8 DEFENDANTS to provide employees all rest periods specified in the applicable Wage Order. These
9 laws and regulations further entitle employees to be paid one additional hour of pay at their regular
10 rate of compensation for each day of denied rest period.

11 88. PLAINTIFF was required to work in excess of four (4) hours without being provided
12 ten (10) minute rest periods. Further and for the same reasons PLAINTIFF was denied her first rest
13 periods of at least ten (10) minutes for some shifts worked of at least three and one half (3.5) to five
14 (5) hours, PLAINTIFF was denied a first and second rest period of at least ten (10) minutes for shifts
15 worked of between six (6) and ten (10) hours. PLAINTIFF was also not provided with one-hour
16 wages in lieu thereof.

17 89. As a result of the DEFENDANTS practices and policies, PLAINTIFF was denied
18 her proper rest periods by DEFENDANTS.

19 90. DEFENDANTS violated California Labor Code §§ 226.7 and the applicable IWC
20 Wage Order by failing to compensate PLAINTIFF, who was not provided a rest period, in
21 accordance with the applicable Wage Order, one additional hour of compensation at each
22 employee's regular rate of pay for each workday that rest period was not provided.

23 91. As a proximate result of the aforementioned violations, PLAINTIFF has been
24 damaged in an amount according to proof at trial, and seek all wages earned and due, interest,
25 penalties, expenses and costs of suit.

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For Failure to Provide Required Meal Periods
(Cal. Lab. Code §§ 226.7 & 512)
(Plaintiff Against DEFENDANT LOAN GOAT)

92. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and every allegation set forth above.

93. DEFENDANTS failed to provide all the legally required off-duty meal breaks to PLAINTIFF as required by the applicable Wage Order and Labor Code. The nature of the work performed by PLAINTIFF does not prevent this employee from being relieved of all of their duties for the legally required off-duty meal periods. As a result of DEFENDANTS' policies and practices by DEFENDANTS, PLAINTIFF was regularly not fully relieved of duty by DEFENDANTS for her meal periods or required to postpone and/or forfeit meal periods.

94. DEFENDANTS further violated California Labor Code §§ 226.7, 512 and the applicable IWC Wage Order by failing to compensate who was not provided a meal period, in accordance with the applicable Wage Order, one additional hour of compensation at each employee's regular rate of pay for each workday that a meal period was not provided.

95. As a proximate result of the aforementioned violations, PLAINTIFF has been damaged in an amount according to proof at trial, and seek all wages earned and due, interest, penalties, expenses and costs of suit.

19

19 For Failure to Pay Minimum Wages
20 (Cal. Lab. Code § 1194, 1194.2, 1197& 1197.1)
(Plaintiff Against DEFENDANTS)

96. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and every allegation set forth above.

97. PLAINTIFF brings a claim for DEFENDANTS' willful and intentional violations of California Labor Code and the Industrial Welfare Commission requirements for DEFENDANTS' failure to accurately calculate and pay minimum wages to PLAINTIFF as a result of improper employee classification.

98. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages, including minimum wage compensation and interest thereon, together with the costs of suit. Cal.

1 Lab. § 1194.2 further establishes an employee's right to liquidated damages in an amount equal to
2 the unpaid minimum wages according to proof at trial.

3 99. DEFENDANTS maintained a uniform wage practice of paying PLAINTIFF without
4 regard to the amount of time worked. As set forth herein, DEFENDANTS' uniform policy and
5 practice of improper classification was to unlawfully and intentionally deny payment of wages due
6 to PLAINTIFF for all hours worked and therefore did not receive minimum wage for all hours
7 worked as required by Cal. Lab. Code § 1197.

8 100. DEFENDANTS' uniform pattern of unlawful wage and hour practices manifested,
9 without limitation, as a result of implementing a uniform policy and practice that denied accurate
10 compensation to PLAINTIFF in regard to minimum wages including by failing to compensate
11 PLAINTIFF for time spent working both on and off-the-clock for DEFENDANTS.

12 101. In committing these violations of the California Labor Code, DEFENDANTS failed
13 to calculate the amount of time worked and consequently underpaid the actual time worked by
14 PLAINTIFF. DEFENDANTS acted in an illegal attempt to avoid the payment of all earned wages,
15 and other benefits in violation of the California Labor Code, the Industrial Welfare Commission
16 requirements and other applicable laws and regulations.

17 102. PLAINTIFF was paid less for time worked than she was entitled to, constituting a
18 failure to pay minimum wages.

19 103. As a direct result of DEFENDANTS' unlawful wage practices as alleged herein,
20 PLAINTIFF has suffered and will continue to suffer an economic injury including the use and
21 enjoyment of wages and lost interest on such wages all to her damage in amounts in amounts which
22 are presently unknown to her, and which will be ascertained according to proof at trial.

23 104. DEFENDANTS knew or should have known that PLAINTIFF was under-
24 compensated for her time worked. DEFENDANTS systematically elected, either through intentional
25 malfeasance or gross nonfeasance, to not pay employees for their labor as a matter of uniform
26 corporate policy, practice and procedure.

27 105. In performing the acts and practices herein alleged in violation of California labor
28 laws, and refusing to compensate PLAINTIFF for all time worked and provide her with the requisite

1 compensation, DEFENDANTS acted and continue to act intentionally, oppressively, and
2 maliciously toward PLAINTIFF with a conscious disregard for her legal rights, or the consequences
3 to her, and with the intent of depriving her of their property and legal rights, and otherwise causing
4 her injury in order to increase company profits at the expense of this employee.

5 106. PLAINTIFF therefore request recovery of all unpaid wages, according to proof,
6 interest, statutory costs, as well as the assessment of any statutory penalties against DEFENDANTS,
7 in a sum as provided by the California Labor Code and/or other applicable statutes.

8 107. To the extent minimum wage compensation is determined to be owed to PLAINTIFF
9 whose employment has terminated, DEFENDANTS' conduct also violates Labor Code §§ 201
10 and/or 202, and therefore PLAINTIFF is also entitled to waiting time penalties under Cal. Lab. Code
11 § 203, which penalties are sought herein on behalf of the PLAINTIFF. DEFENDANTS' conduct as
12 alleged herein was willful, intentional, and not in good faith. Further, PLAINTIFF is entitled to seek
13 and recover statutory costs.

14 **FOURTH CAUSE OF ACTION**

15 For Failure to Pay Overtime Wages
16 (Cal. Lab. Code §§ 510, 1194, & 1198)
(Plaintiff Against All DEFENDANTS)

17 108. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and
18 every allegation set forth above.

19 109. PLAINTIFF brings a claim for DEFENDANTS' willful and intentional violations of
20 the California Labor Code and the Industrial Welfare Commission requirements for
21 DEFENDANTS' failure to pay these employees for all overtime worked, including, work performed
22 in excess of eight (8) hours in a workday, and/or twelve (12) hours in a workday, and/or forty (40)
23 hours in any workweek.

24 110. Pursuant to Cal. Lab. Code § 204, other applicable laws and regulations, and public
25 policy, an employer must timely pay its employees for all hours worked.

26 111. Cal. Lab. Code § 510 provides that employees in California shall not be employed
27 more than eight (8) hours per workday and/or more than forty (40) hours per workweek unless they
28 receive additional compensation beyond their regular wages in amounts specified by law.

1 112. Cal. Lab. Code § 1194 establishes an employee's right to recover unpaid wages,
2 including minimum and overtime compensation and interest thereon, together with the costs of suit.
3 Cal. Lab. Code § 1198 further states that the employment of an employee for longer hours than those
4 fixed by the Industrial Welfare Commission is unlawful.

5 113. During PLAINTIFF'S employment, PLAINTIFF was required by DEFENDANTS
6 to work for DEFENDANTS and was not paid for all the time she worked, including overtime work
7 as a result of DEFENDANTS payroll practices.

8 114. DEFENDANTS' uniform pattern of unlawful wage and hour practices manifested,
9 without limitation, applicable to employees as a whole, as a result of implementing a uniform policy
10 and practice that failed to properly classify employees and accurately record regular and overtime
11 worked by PLAINTIFF and denied accurate compensation to PLAINTIFF for overtime worked,
12 including, the overtime work performed in excess of eight (8) hours in a workday, and/or twelve
13 (12) hours in a workday, and/or forty (40) hours in any workweek.

14 115. In committing these violations of the California Labor Code, DEFENDANTS failed
15 to record overtime worked and consequently underpaid the overtime worked by PLAINTIFF.
16 DEFENDANT acted in an illegal attempt to avoid the payment of all earned wages, and other
17 benefits in violation of the California Labor Code, the Industrial Welfare Commission requirements
18 and other applicable laws and regulations.

19 116. As a direct result of DEFENDANTS' unlawful wage practices as alleged herein,
20 PLAINTIFF did not receive the correct overtime compensation for her time worked for
21 DEFENDANTS.

22 117. Cal. Lab. Code § 515 sets out various categories of employees who are exempt from
23 the overtime requirements of the law. None of these exemptions are applicable to PLAINTIFF.
24 Further, PLAINTIFF was not and is not subject to a valid collective bargaining agreement that
25 would preclude the causes of action contained herein this Complaint. Rather, PLAINTIFF bring this
26 Action based on DEFENDANTS' violations of non-negotiable, non-waivable rights provided by
27 the State of California.

28 118. DEFENDANTS failed to accurately pay PLAINTIFF overtime wages for the time

1 she worked which was in excess of the maximum hours permissible by law as required by Cal. Lab.
2 Code §§ 510, 1194, & 1198, even though PLAINTIFF was regularly required to work, and did in
3 fact work overtime, as to which DEFENDANTS failed to accurately record and pay as evidenced
4 by DEFENDANTS' business records and witnessed by employees.

5 119. PLAINTIFF has suffered and will continue to suffer an economic injury in amounts
6 which are presently unknown to her, and which will be ascertained according to proof at trial.

7 120. DEFENDANTS knew or should have known that was undercompensated for her
8 time worked. DEFENDANTS systematically elected, either through intentional malfeasance or
9 gross nonfeasance, to not pay her for their labor as a matter of uniform company policy, practice
10 and procedure. DEFENDANTS acted and continues to act intentionally, oppressively, and
11 maliciously toward PLAINTIFF with a conscious of and utter disregard for their legal rights, or the
12 consequences to her, and with the despicable intent of depriving her of their property and legal
13 rights, and otherwise causing her injury in order to increase company profits at the expense of their
14 employees.

15 121. Therefore, PLAINTIFF request recovery of overtime wages, according to proof,
16 interest, statutory costs, as well as the assessment of any statutory penalties against DEFENDANTS,
17 in a sum as provided by the California Labor Code and/or other applicable statutes. To the extent
18 overtime compensation is determined to be owed to PLAINTIFF, whose employment has
19 terminated, DEFENDANTS' conduct also violates Labor Code §§ 201 and/or 202, and therefore
20 PPLAINTIFF is also entitled to waiting time penalties under Cal. Lab. Code § 203, which penalties
21 are sought herein. DEFENDANTS' conduct as alleged herein was willful, intentional, and not in
22 good faith. Further, PLAINTIFF is entitled to seek and recover statutory costs.

23 **FIFTH CAUSE OF ACTION**

24 For Failure to Reimburse Business Expenses

25 (Cal. Lab. Code §§ 2802)

26 (Plaintiff Against DEFENDANT LOAN GOAT)

27 122. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and
28 every allegation set forth above.

123. Pursuant to California Labor Code section 2802, DEFENDANTS are required to

1 indemnify PLAINTIFF for the expenses and losses incurred during the performance of her job
2 duties. The purpose of this statute is to prevent employers from passing their operating expenses on
3 to their employees.

4 124. DEFENDANTS required PLAINTIFF to use her personal cell phones and computer
5 for work-related communications and in discharge of her work duties. DEFENDANTS required
6 PLAINTIFF to use her personal computer for all aspects of performing her job including when she
7 performed work at home.

8 125. DEFENDANTS did not provide PLAINTIFF with a designated computer and did
9 not compensate employees for cost of the internet plan.

10 126. In violation of Labor Code section 2802, DEFENDANTS failed to reimburse
11 PLAINTIFF for necessary business expenditures for use of her personal cell phone and use of a
12 personal computer.

13 127. DEFENDANTS sought to pad their own pockets at the expense of their employees,
14 and instead of compensating their employees for the necessary business costs, the employer passed
15 on its costs to its employees.

16 128. DEFENDANTS intentionally failed to reimburse PLAINTIFF for the actual
17 expenses incurred and thereby increased its own profits to the detriment of its employees.

18 129. PLAINTIFF seeks to recover these business expenditures, plus interest thereon,
19 reasonable attorneys' fees, and costs, and statutory penalties as provided by the Labor Code in an
20 amount to be proven.

21 130. Interest accrues from the date the employee incurred the necessary expenditure or
22 loss.

23 **SIXTH CAUSE OF ACTION**

24 For Failure to Pay Wages

(Cal. Lab. Code § 204, 210)

25 (Plaintiff Against All DEFENDANTS)

26 131. PLAINTIFF incorporates by reference and reallege as if fully stated herein each and
27 every allegation set forth above.

28 132. Labor Code Section 204 provides in part provides in part that "all wages, ..., earned

1 by any person in any employment are due and payable twice during each calendar month, on days
2 designated in advance by the employer as the regular paydays.”

3 133. DEFENDANTS did not pay PLAINTIFF all earned wages, including regular and/or
4 overtime and meal and rest premiums, on regularly established paydays.

5 134. In violation of Labor Code section 204, DEFENDANTS knowingly and willfully
6 refused to perform their obligations to compensate their employees for all wages earned.

7 135. Pursuant to Labor Code section 210, PLAINTIFF is entitled to recover a penalty of
8 \$100.00 for the initial failure to timely pay each employee all of the wages earned, and \$200.00 for
9 each subsequent failure to pay each employee all of the wages earned; in addition, pursuant to
10 section 210, for each subsequent failure to pay in compliance with Labor Code section 204,
11 PLAINTIFF is entitled to recover an additional amount equal to 25% of the unlawfully withheld
12 wages.

13 136. As a direct and proximate result of DEFENDANTS’ conduct in violation of Labor
14 Code section 204 as alleged above, DEFENDANTS’ employees have suffered, and continue to
15 suffer, losses related to the use and enjoyment of wages and lost interest on such wages all to their
16 damage in amounts according to proof at trial.

17 **SEVENTH CAUSE OF ACTION**

18 For Failure to Pay Wages Upon Termination

19 (Cal. Lab. Code § 201, 202, and 203)

20 (Plaintiff Against DEFENDANT LOAN GOAT)

21 137. PLAINTIFF incorporates by reference and reallege as if fully stated herein each and
22 every allegation set forth above.

23 138. If an employer willfully fails to pay, without abatement or reduction, in accordance
24 with Sections 201, . . . 202, any wages of an employee who is discharged or who quits, the wages
25 of the employee shall continue as a penalty from the due date thereof at the same rate until paid or
26 until an action therefor is commenced; but the wages shall not continue for more than 30 days. (Cal.
27 Lab. Code § 203).

28 139. To date, DEFENDANTS have yet to pay PLAINTIFF all of the wages and all
premiums due, off-the-clock work, missed meal breaks and missed rest breaks and DEFENDANTS

1 have failed to pay any penalty wages owed under California Labor Code section 203.

2 140. DEFENDANTS terminated PLAINTIFF'S employment and have not tendered
3 payment of wages to this employee who was underpaid for minimum and overtime wages, and
4 missed meal and rest breaks, as required by law.

5 141. DEFENDANTS knowingly and willfully violated the laws, regulations and orders
6 governing the wages of PLAINTIFF as described in the causes of action above.

7 142. Therefore, as provided by Cal Lab. Code § 203, PLAINTIFF demands up to thirty
8 (30) days of pay as penalty for not paying all wages due at time of termination and demand an
9 accounting and payment of all wages due, plus interest and statutory costs as allowed by law.

10 **EIGHTH CAUSE OF ACTION**

11 For Failure to Provide Accurate, Itemized Wage Statements
12 (Cal. Lab. Code §§ 226; 226.3)
(Plaintiff Against DEFENDANT LOAN GOAT)

13 143. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and
14 every allegation set forth above.

15 144. Labor Code section 226 requires defendants to provide employees an accurate
16 itemized statement showing (1) gross wages earned, (2) total hours worked by the employee, (3) the
17 number of piece units and rates if applicable, (4) all deductions, (5) net wages earned, (6) the
18 inclusive date of the period for which the employee is paid, (7) the name of the employee and her
19 or her social security number, (8) the name and address of the legal entity that is the employer, and
20 (9) all applicable hourly rates in effect and the corresponding number of hours worked

21 145. DEFENDANTS failed to provide any wage statement(s) to PLAINTIFF or any other
22 employees.

23 146. DEFENDANT knowingly and intentionally failed to comply with Labor Code
24 section 226(a) on each and every wage statement they failed to provide to PLAINTIFF and other
25 employees.

26 147. By failing to keep adequate records, as required by Labor Code section 226
27 DEFENDANTS injured PLAINTIFF making it difficult for this employee to calculate the wages
28 owed. Those injuries include unpaid wages, interest, and penalties thereon.

1 148. PLAINTIFF seeks to recover the statutory penalties provided by Labor Code section
2 226(e), 226.3, and for the wage statement violations and violation to maintain payroll records
3 committed by DEFENDANTS.

4 **NINTH CAUSE OF ACTION**

5 Hostile Work Environment - Sexual Harassment
6 (Gov. Code, §§ 12923, 12940(j))
(Plaintiff Against DEFENDANT LOAN GOAT)

7 149. PLAINTIFF incorporates by reference and reallege as if fully stated herein each and
8 every allegation set forth above.

9 150. FEHA makes it unlawful “[f]or an employer, . . . or any other person, because of sex,
10 gender, gender identity, gender expression, . . . to harass an employee.” FEHA also states that
11 “[h]arassment of an employee . . . shall be unlawful if the entity, or its agents or super visors, knows
12 or should have known of this conduct and fails to take immediate and appropriate e corrective
13 action.” And FEHA requires an entity to “take all reasonable steps to prevent harassment from
14 occurring.” Finally, FEHA notes: “Loss of tangible job benefits shall not be necessary in order to
15 establish harassment.” Cal. Gov. Code section 12940(j).

16 151. PLAINTIFF was an employee of DEFENDANT LOAN GOAT and was subject to
17 repeated severe and pervasive harassing conduct because she was a woman such that a reasonable
18 woman in Plaintiff’s circumstances would have considered the work environment to be hostile,
19 intimidating, offensive, oppressive, and abusive.

20 152. DEFENDANT’S agent engaged in the conduct and knew about the conduct and
21 failed to take immediate and appropriate corrective action.

22 153. As a direct and proximate result of DEFENDANTS’ conduct as alleged above,
23 PLAINTIFF has suffered, and continue to suffer, losses in amounts according to proof at trial.

24 154. DEFENDANTS’ malicious and despicable conduct subjected PLAINTIFF to a cruel
25 and unjust hardship, in conscious disregard of her rights, justifying an award of exemplary and/or
26 punitive damages in an amount to be determined at trial.

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TENTH CAUSE OF ACTION
Hostile Work Environment - For Sexual Harassment
(Cal. Gov. Code § 12923, 12940(j))
(Plaintiff Against Defendant SHAMOUN)

155. PLAINTIFF incorporates by reference and reallege as if fully stated herein each and every allegation set forth above.

156. Plaintiff was an employee of DEFENDANT LOAN GOAT working under the supervision of DEFENDANT SHAMOUN.

157. As alleged herein, Defendant SHAMOUN made unwanted sexual advances towards Plaintiff and engaged in unwanted verbal and physical conduct of a sexual nature. As a result, PLAINTIFF was subjected to severe and pervasive harassing conduct that she considered to be hostile, intimidating, offensive, oppressive, and abusive because she was a woman.

158. A reasonable woman in Plaintiff's circumstances would have considered the work environment to be hostile, intimidating, offensive, oppressive, and abusive.

159. DEFENDANT SHAMOUN engaged in the harassment of Plaintiff during her employment.

160. As a direct and proximate result of Defendants' unlawful conduct as alleged hereinabove, Plaintiff has suffered all in an amount according to proof at trial.

ELEVENTH CAUSE OF ACTION
For Sexual Harassment – Quid Pro Quo
(Cal. Gov. Code § 129400 et seq.)
(Plaintiff Against Defendant LOAN GOAT)

161. PLAINTIFF incorporates by reference and reallege as if fully stated herein each and every allegation set forth above.

162. Plaintiff was an employee of DEFENDANT LOAN GOAT.

163. As alleged herein, Defendant SHAMOUN made unwanted sexual advances towards Plaintiff and engaged in unwanted verbal and physical conduct of a sexual nature.

164. That terms of PLAINTIFF'S favorable working conditions were made contingent, by words or conduct, on PLAINTIFFS' acceptance of Defendant SHAMOUN's sexual advances and conduct.

1 165. At all times during PLAINTIFF’S sexual harassment, Defendant Shamoun was a
2 direct supervisor of PLAINTIFF and agent of DEFENDANT LOAN GOAT.

3 166. As a direct and proximate result of Defendants’ unlawful conduct as alleged
4 hereinabove, Plaintiff has suffered in an amount according to proof at trial.

5 **TWELVETH CAUSE OF ACTION**

6 For Sexual Favoritism
7 (Cal. Gov. Code § 12923, 12940(j) et seq.)
8 (Plaintiff Against Defendant LOAN GOAT)

9 167. PLAINTIFF incorporates by reference and reallege as if fully stated herein each
10 and every allegation set forth above.

11 168. Plaintiff was an employee of DEFENDANT LOAN GOAT and experienced severe
12 and pervasive sexual favoritism in DEFENDANT’S work environment as a result of her protected
13 status as a woman.

14 169. A reasonable woman in Plaintiff’s circumstances would have considered the
15 conduct to be hostile, intimidating, offensive, oppressive, and abusive because of such sexual
16 favoritism.

17 170. Plaintiff did consider the conduct to be hostile, intimidating, offensive, oppressive,
18 and abusive because of such sexual favoritism.

19 171. Plaintiff’s supervisor and agent of Defendant Loan Goat, DEFENDANT
20 SHAMOUN engaged in and knew of such sexual favoritism and failed to take immediate and
21 appropriate action.

22 172. As a direct and proximate result of Defendants’ unlawful conduct as alleged
23 hereinabove, Plaintiff has suffered all in an amount according to proof at trial.

24 **THIRTEENTH CAUSE OF ACTION**

25 Wrongful Discharge in Violation of Public Policy
26 (Plaintiff Against All DEFENDANT LOAN GOAT)

27 173. PLAINTIFF incorporates by reference and realleges as if fully stated herein each and
28 every allegation set forth above.

 174. PLAINTIFF was employed by DEFENDANT until DEFENDANT discharged her in
April 2023.

1 175. PLAINTIFF'S refusal to engage in, and permit, DEFENDANTS' agent's sexual
2 harassment was the substantial motivating factor in DEFENDANTS' decision to terminate
3 PLAINTIFF.

4 176. As a direct and proximate result of Defendants' unlawful conduct as alleged
5 hereinabove, Plaintiff has suffered all in an amount according to proof at trial.

6 **FOURTEENTH CAUSE OF ACTION**

7 For Recovery of Civil Penalties Under the Labor Code Private Attorney General Act
8 (Cal. Lab. Code §§ 2698 et seq.)
(Plaintiff and Aggrieved Employees Against All DEFENDANTS)

9 177. PLAINTIFF and other AGGRIEVED EMPLOYEES incorporate by reference and
10 reallege as if fully stated herein each and every allegation set forth above.

11 178. As a result of the acts alleged herein, PLAINTIFF, as an AGGRIEVED EMPLOYEE
12 within the meaning of Labor Code section 2699, subdivision (c), on behalf of herself and all other
13 AGGRIEVED EMPLOYEES of DEFENDANTS, seeks recovery of civil penalties against
14 DEFENDANTS pursuant to California Labor Code sections 2698 et seq., for the following knowing
15 and intentional violations of the California Labor Code:

- 16 a. For misclassification of exempt status and as independent contractors in violation of
17 C.C.R § 11040, Labor Code sections 226.8, 2753, and 2275, and applicable IWC
18 Wage Orders;
- 19 b. For failing to compensate employees who were not provided a rest period in violation
20 of Labor Code Section 226.7 and 512; and
- 21 c. For failing to compensate employees who were not provided a meal period in
22 violation of Labor Code Section 226.7 and 512; and
- 23 d. For failing to pay all minimum wages, in violation of Labor Code sections 1194,
24 1194.2, 1197, 1197.1;
- 25 e. For failing to provide employees who worked more than eight (8) hours per workday
26 and more than forty (40) hours per workweek additional compensation beyond their
27 regular wages in violation of Labor Code Section 510, 1194 and 1198;
- 28 f. For Failing to reimburse employees for business expenses in violation of Labor Code

Section 2802;

g. For failing to pay wages, in violation of Labor Code sections 204 and 210;

h. For failing to pay wages upon termination, in violation of Labor Code sections 201, 202, and 203;

i. For failing to maintain accurate payroll records in violation of Labor Code Section 1174 and 1174.5;

j. For failing to maintain for and provide accurate, itemized wage statements required by Labor Code Sections 226 and 226.3;

k. For failing to provide Plaintiff's personnel file "upon request" in violation of Labor Code Section 1198.5.

179. The above-referenced civil penalties shall include the recovery of amounts specified in the applicable sections of the Labor Code, and if not specifically provided, those under section 2699(f), and shall include those amounts sufficient to recover underpaid wages pursuant to California Code of Regulations § 11040 and Labor Code sections §§ 201, 202, 203, 204, 210, 215, 218.5, 218.6, 226, 226.3, 226.8, 226.7, 227.3, 246, 510, 512, 515(d), 558, 1174, 1174.5, 1194, 1194(a), 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2753, 2275, 2802, and 2699, subdivisions (a) and (f).

180. PLAINTIFF filed this complaint after the LWDA was afforded the opportunity to consider PLAINTIFF's notice of DEFENDANTS' Labor Code violations and of PLAINTIFF's intent to prosecute a private enforcement action for civil penalties under PAGA. After the LWDA declined to investigate, PLAINTIFF brought this PAGA cause of action against DEFENDANTS, pursuant to California Labor Code section 2699.3, subdivision (a)(2)(A).

DEMAND FOR RELIEF

WHEREFORE, PLAINTIFF prays for a judgment against each DEFENDANT, jointly and severally, as follows:

1. On behalf of the PLAINTIFF:

A. Compensatory damages, according to proof at trial, including unpaid wages, due to PLAINTIFF plus interest thereon at the statutory rate;

1 B. Meal and rest period compensation pursuant to Cal. Lab. Code §§ 226.7, 512 and
2 the applicable IWC Wage Order;

3 C. The wages of PLAINTIFF as a penalty from the due date thereof at the same rate
4 for a maximum of thirty (30) days, in accordance with Cal. Lab. Code § 203;

5 D. The greater of all actual damages or fifty dollars (\$50) for the initial pay period in
6 which a violation occurs and one hundred dollars (\$100) per employee for each violation in a
7 subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000), and
8 an award of costs for violation of Cal. Lab. Code § 226.

9 E. Punitive damages in an amount to punish DEFENDANTS to be proven at trial.

10 F. Liquidates damages pursuant to Cal. Lab. Code § 1194.2 in an amount equal to the
11 unpaid minimum wages according to proof at trial;

12 2. On Behalf of the State of California and with respect to all AGGRIEVED EMPLOYEES

13 i. Recovery of civil penalties as prescribed by the Labor Code Private Attorneys
14 General Act of 2004;

15 3. On all claims:

16 A. An award of interest, including prejudgment interest at the legal rate;

17 B. Such other and further relief as the Court deems just and equitable; and

18 C. An award of penalties, attorneys' fees and cost of suit, as allowable under the law.

19 Respectfully submitted,

20 DATED: April 9, 2024

21 **EMRAN LAW FIRM**

22
23 By: Harris Emran
24 Harris Emran
25 Attorney for PLAINTIFF and OTHER
26 AGGRIEVED EMPLOYEES
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DEMAND FOR A JURY TRIAL

PLAINTIFF demand a jury trial on issues triable to a jury.

DATED: April 9, 2024

EMRAN LAW FIRM

By: Harris Emran
Harris Emran, Esq.
Attorney for PLAINTIFF and OTHER
AGGRIEVED EMPLOYEES

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EXHIBIT A



Civil Rights Department

2218 Kausen Drive, Suite 100 | Elk Grove | CA | 95758
800-884-1684 (voice) | 800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

February 1, 2024

Harris Emran

,

RE: **Notice to Complainant's Attorney**
CRD Matter Number: 202402-23482701
Right to Sue: Sanchez / Loan Goat, Inc. et al.

Dear Harris Emran:

Attached is a copy of your complaint of discrimination filed with the Civil Rights Department (CRD) pursuant to the California Fair Employment and Housing Act, Government Code section 12900 et seq. Also attached is a copy of your Notice of Case Closure and Right to Sue.

Pursuant to Government Code section 12962, CRD will not serve these documents on the employer. You must serve the complaint separately, to all named respondents. Please refer to the attached Notice of Case Closure and Right to Sue for information regarding filing a private lawsuit in the State of California. A courtesy "Notice of Filing of Discrimination Complaint" is attached for your convenience.

Be advised that the CRD does not review or edit the complaint form to ensure that it meets procedural or statutory requirements.

Sincerely,

Civil Rights Department



Civil Rights Department

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800-884-1684 (voice) | 800-700-2320 (TTY) | California's Relay Service at 711
calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

February 1, 2024

RE: Notice of Filing of Discrimination Complaint

CRD Matter Number: 202402-23482701

Right to Sue: Sanchez / Loan Goat, Inc. et al.

To All Respondent(s):

Enclosed is a copy of a complaint of discrimination that has been filed with the Civil Rights Department (CRD) in accordance with Government Code section 12960. This constitutes service of the complaint pursuant to Government Code section 12962. The complainant has requested an authorization to file a lawsuit. A copy of the Notice of Case Closure and Right to Sue is enclosed for your records.

Please refer to the attached complaint for a list of all respondent(s) and their contact information.

No response to CRD is requested or required.

Sincerely,

Civil Rights Department



Civil Rights Department

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calcivilrights.ca.gov | contact.center@calcivilrights.ca.gov

February 1, 2024

Karrina Sanchez

,

RE: **Notice of Case Closure and Right to Sue**
CRD Matter Number: 202402-23482701
Right to Sue: Sanchez / Loan Goat, Inc. et al.

Dear Karrina Sanchez:

This letter informs you that the above-referenced complaint filed with the Civil Rights Department (CRD) has been closed effective February 1, 2024 because an immediate Right to Sue notice was requested.

This letter is also your Right to Sue notice. According to Government Code section 12965, subdivision (b), a civil action may be brought under the provisions of the Fair Employment and Housing Act against the person, employer, labor organization or employment agency named in the above-referenced complaint. The civil action must be filed within one year from the date of this letter.

To obtain a federal Right to Sue notice, you must contact the U.S. Equal Employment Opportunity Commission (EEOC) to file a complaint within 30 days of receipt of this CRD Notice of Case Closure or within 300 days of the alleged discriminatory act, whichever is earlier.

Sincerely,

Civil Rights Department

**COMPLAINT OF EMPLOYMENT DISCRIMINATION
BEFORE THE STATE OF CALIFORNIA
Civil Rights Department
Under the California Fair Employment and Housing Act
(Gov. Code, § 12900 et seq.)**

In the Matter of the Complaint of

Karrina Sanchez

CRD No. 202402-23482701

Complainant,

vs.

Loan Goat, Inc.

,

Milad Shamoun

,

Respondents

1. Respondent **Loan Goat, Inc.** is an **employer** subject to suit under the California Fair Employment and Housing Act (FEHA) (Gov. Code, § 12900 et seq.).

2. Complainant is naming **Milad Shamoun** individual as Co-Respondent(s).

3. Complainant **Karrina Sanchez**, resides in the City of , State of .

4. Complainant alleges that on or about **April 30, 2023**, respondent took the following adverse actions:

Complainant was harassed because of complainant's sex/gender, sexual harassment-hostile environment, sexual harassment- quid pro quo.

Additional Complaint Details:

1 VERIFICATION

2 I, **Kaitlin Martinez**, am the **Attorney** in the above-entitled complaint. I have read the
3 foregoing complaint and know the contents thereof. The matters alleged are based
4 on information and belief, which I believe to be true.

5 On February 1, 2024, I declare under penalty of perjury under the laws of the State of
6 California that the foregoing is true and correct.

7 **San Francisco, CA**
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