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California

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES, CENTRAL DISTRICT

THE PEOPLE OF THE STATE OF
CALIFORNIA, by and through the County
Counsel of the County of Los Angeles,

Plaintiff,

v.

YAAKOV FEINGOLD, an individual;
CORBIN CONGREGATE HOME, INC., a
California corporation; FAMILY CIRCLE
CLHF, INC., a California corporation;
FENTON VILLA, INC., a California
corporation; HEALTHY LIFE
CONGREGATE CARE, a California
corporation; HOME OF COMPASSION
NO. 2, INC., a California corporation;
POTTER CARE, LLC, a California limited
liability company; PURE HEART
CONGREGATE LIVING FACILITY, INC., a
California corporation; ROYAL HAVEN
LLC, a California limited liability company;
VALLEY LIVING INC., a California
corporation; GFW GROUP, LLC, a Delaware
limited liability company; TIPUL HEALTH,
LLC, a California limited liability company;
ROBERT GUTTMANN, an individual;
YOEL FRIEDMAN AKA JOEL FRIEDMAN,
an individual; MORDECHAI WILHELM
AKA BEREL WILHELM, an individual;
AHRON STOCK AKA ARI STOCK, an
individual; ESABEL HEREDIA, an
individual; and DOES 1 THROUGH 50,
inclusive,

Defendants.

CASE NO.

**COMPLAINT FOR INJUNCTIVE
RELIEF, RESTITUTION, AND
PENALTIES**

(1) Failure to pay minimum and overtime
wages [Labor Code §§ 510, 1182.12, 1194,
1197; LAMC § 187.00];
(2) Failure to provide paid sick leave
[Labor Code § 246; LAMC § 187.04];
(3) Failure to provide accurate wage
statements [Labor Code § 226];
(4) Issuance of Insufficient Fund Checks
[Labor Code § 203.1];
(5) Failure to pay accrued but unused vacation
wages [Labor Code § 227.3];
(6) Failure to pay all wages due upon
separation [Labor Code §§ 201, 202, 203];
(7) Unlawful or unfair business practices
[Bus. & Prof. Code § 17200].

Verified Answer Required Pursuant to Code
Civ. Pro. § 446

INTRODUCTION

1. The People of the State of California, by and through Dawyn R. Harrison, the County Counsel for the County of Los Angeles ("People" or "Plaintiff") bring this civil law enforcement action against Defendants Yaakov Feingold ("Feingold"), an individual, Corbin Congregate Home, Inc. ("Corbin Congregate"), a California corporation, Family Circle CLHF, Inc. ("Family Circle"), a California corporation, Fenton Villa, Inc. ("Fenton Villa"), a California corporation, Healthy Life Congregate Care ("Healthy Life"), a California corporation, Home of Compassion No. 2, Inc. ("Home of Compassion"), a California corporation, Potter Care, LLC ("Potter Care"), a California limited liability company, Pure Heart Congregate Living Facility, Inc. ("Pure Heart"), a California corporation, Royal Haven LLC ("Royal Haven"), a California limited liability corporation, Valley Living Inc. ("Valley Living"), a California corporation (collectively referred to as "Feingold Facilities" or "Facilities"), GFW Group, LLC ("GFW Group"), a Delaware limited liability company, Tipul Health, LLC ("Tipul Health"), a California limited liability company, Robert Guttman ("Guttman"), an individual, Yoel Friedman, also known as Joel Friedman ("Friedman"), an individual, Mordechai Wilhelm, also known as Berel Wilhelm ("Wilhelm"), an individual, Ahron Stock, also known as Ari Stock ("Stock"), an individual, and Esabel Heredia ("Heredia"), an individual (collectively referred to as "Defendants").

2. Congregate Living Health Facilities ("CLHFs") provide inpatient care for those with physical disabilities, who have a diagnosis of terminal or life-threatening illness, or who are severely disabled. CLHFs provide care more intense than that provided in skilled nursing facilities but less intense than care provided in full-service hospitals. CLHFs' services include continuous medical supervision, 24-hour skilled nursing and supportive care, pharmacy, dietary, and social and recreational opportunities. CLHFs receive funding from the California Department of Health and Human Services by charging the approved per diem rate per patient depending on the level of care each patient needs as well as the respective healthcare plans by which the patients are covered. In compliance with relevant regulations, each CLHF has to provide appropriate qualified staff in sufficient numbers to meet patient care needs.

1 3. Defendant Feingold is a resident of New Jersey. Feingold owned and operated at
2 least nine CLHFs ("Feingold Facilities" or "Facilities"), each of which had the capacity to provide
3 care for six patients, from 2014 to 2023. Seven facilities were located in the County of
4 Los Angeles ("County"). Around 2019, Feingold Facilities was one of the largest privately held
5 CLHFs in Southern California, employing over 100 employees across all locations.

6 4. In or around April 2022, Feingold terminated the previous administrator who
7 managed all of his facilities, Elisha Kamornick ("Kamornick"), and hired Defendant GFW Group
8 as the new Administrator. Then, sometime in early 2023, Feingold replaced GFW Group with
9 Defendant Tipul Health, which Feingold founded. Despite the transition, Defendant Heredia,
10 Facilities' administrator and Chief Operating Officer for GFW Group, continued to serve in the
11 same role under Tipul Health. During the periods GFW Group and Tipul Health managed the
12 Feingold Facilities, Facilities' employees suffered systematic wage theft, including not receiving
13 overtime pay despite working 12-hour shifts, being required to work off the clock without pay,
14 having their time records altered to reduce their total hours worked, not receiving paychecks in a
15 timely manner, and having paychecks repeatedly bounce.

16 5. Starting in July 2023, multiple healthcare employees quit the Feingold Facilities
17 due to Defendants' continued wage theft, leaving a growing gap in staffing. Despite knowing that
18 the law requires CLHFs to maintain adequate staffing to provide inpatient care and that
19 then-current staffing levels did not meet required needs, Defendants took no corrective action.
20 When healthcare professionals including Registered Nurses ("RNs"), Licensed Vocational Nurses
21 ("LVNs"), or Certified Nursing Assistants ("CNAs") leave their assigned patients and fail to
22 ensure continuous care by their shift replacements, such failure is deemed by law as patient
23 abandonment, and is reportable to the Board of Nursing as a violation of professional and ethical
24 duties. Consequently, when their replacements did not show up, remaining LVNs and CNAs
25 stoutly chose not to leave after scheduled 12-hour shifts were over. They stayed on duty. In some
26 cases, they worked for 18, 24, or even 36 hours of back-to-back shifts.

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6. Defendants' abject inaction, which included failing to ensure adequate food and medication in addition to maintaining insufficient staffing at Feingold Facilities, ultimately led to the shutdown of all Facilities on or around September 12, 2023. Exhausted and with no replacements coming, at Defendants' instruction several employees on duty called 911 for help. Police and the Fire Department responded and ended up transporting remaining patients to safety. This emergency was self-created by Defendants' mismanagement. It could have been readily avoided if Defendants had properly administered their Facilities. In the end, Defendants' reckless conduct cost the public dearly, as multiple police and emergency vehicles, police officers, firefighters, paramedics, and other emergency personnel responded to the 911 calls, traveled to at least six Feingold Facilities, and coordinated the transfer of all patients, mostly to local emergency rooms. Defendants provided no notice to employees about the Feingold Facilities' shutdown, no final wages, and no employee received any tax document from Defendants for the tax year 2023.

7. As employers and healthcare service providers, Defendants owed a duty of care to their employees as well as to their elderly and vulnerable patients who needed around-the-clock care. In addition to labor exploitation, Defendants' mismanagement of the Feingold Facilities endangered the health and safety of their patients, their patients' families, and the public.

PARTIES

8. Plaintiff, the People of the State of California, brings this civil law enforcement action by and through Dawyn R. Harrison, County Counsel for the County of Los Angeles, pursuant to statutory authority provided under California's Unfair Competition Law ("UCL"), California's Business and Professions Code ("Bus. & Prof. Code") § 17200 et seq., and the California Labor Code ("Labor Code") §§ 180-181. Pursuant to Labor Code § 181(d)(1), Plaintiff provided 14-day notice to the Division of Labor Standards Enforcement prior to filing this Complaint.

9. Defendant Feingold is an individual residing in the County of Ocean in New Jersey. Feingold was the owner of the following nine CLHF entities: Corbin Congregate, Family Circle, Fenton Villa, Healthy Life, Home of Compassion, Potter Care, Pure Heart, Royal Haven, and Valley Living – from 2015 until September 2023. On information and belief,

1 the People allege Feingold is liable for Feingold Facilities' acts as alleged in this Complaint
2 because he had ultimate control over the Feingold Facilities during all relevant times. He hired
3 GFW Group and then Tipul Health as the Facilities' administrator, both of which committed
4 systematic wage theft against the Facilities' employees. Feingold was also one of two owners of
5 Tipul Health, the last administrator of the Facilities, who knew or should have known of its
6 systematic wage theft.

7 10. Defendant Corbin Congregate Home, Inc. is a suspended California corporation
8 with its principal place of business located at 9909 Bothwell Road, Northridge, California.
9 Corbin Congregate was one of the Feingold Facilities that shut down in or around
10 September 2023.

11 11. Defendant Family Circle is a suspended California corporation with its principal
12 place of business located at 8061 Saint Clair Avenue, North Hollywood, California. Family Circle
13 was one of the Feingold Facilities that shut down in or around September 2023.

14 12. Defendant Fenton Villa is a California corporation with its principal place of
15 business located at 13863 Fenton Avenue, Sylmar, California. Fenton Villa was one of the
16 Feingold Facilities that shut down in or around September 2023.

17 13. Defendant Healthy Life is a California corporation with its principal place of
18 business located at 3011 North Peoria Avenue, Simi Valley, California. Healthy Life was one of
19 the Feingold Facilities that shut down in or around September 2023.

20 14. Defendant Home of Compassion is a California corporation with its principal place
21 of business located at 13500 Borden Avenue, Sylmar, California. Home of Compassion was one
22 of the Feingold Facilities that shut down in or around September 2023.

23 15. Defendant Potter Care is a California limited liability company with its principal
24 place of business located at 2041 Potter Avenue, Simi Valley, California. Potter Care was one of
25 the Feingold Facilities that shut down in or around September 2023.

26 16. Defendant Pure Heart is a California corporation with its principal place of
27 business located at 15918 Napa Street, North Hills, California. Pure Heart was not operational
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1 since late 2021, but its location was used as Defendant GFW Group's administrative office as well
2 as Defendant Tipul Health's official business address.

3 17. Defendant Royal Haven is a suspended California limited liability company with its
4 principal place of business located at 9806 Gerald Avenue, Northridge, California. Royal Haven
5 was one of the Feingold Facilities that shut down in or around September 2023.

6 18. Defendant Valley Living is a suspended California corporation with its principal
7 place of business located at 7054 Vanscoy Avenue, North Hollywood, California. Valley Living
8 was one of the Feingold Facilities that shut down in or around September 2023.

9 19. Defendant GFW Group is a Delaware limited liability company with its principal
10 place of business located at 15918 Napa Street, North Hills, California. GFW Group operated the
11 Feingold Facilities from April 2022 until early 2023.

12 20. Defendant Guttman is an individual residing in the County of Nassau in
13 New York. On information and belief, the People allege Guttman is one of three owners of
14 GFW Group who had oversight and influence over its operation of the Feingold Facilities, and
15 who knew or should have known about its systematic wage theft.

16 21. Defendant Friedman is an individual residing in the County of Kings in New York.
17 On information and belief, the People allege Friedman is one of three owners of GFW Group who
18 had oversight and influence over its operation of the Feingold Facilities, and who knew or should
19 have known about its systematic wage theft.

20 22. Defendant Wilhelm is an individual residing in the County of Los Angeles. On
21 information and belief, the People allege Wilhelm was one of three owners of GFW Group and
22 served as GFW Group's President during all relevant times, who was responsible for the entire
23 operation of the Feingold Facilities, and who knew or should have known about its systematic
24 wage theft.

25 23. Defendant Tipul Health is a California limited liability company with its principal
26 place of business located at 15918 Napa Street, North Hills, California. Tipul Health took over the
27 operation of the Feingold Facilities from GFW Group sometime in 2023 and operated the business
28 until the Facilities' closure in September 2023.

1 24. Defendant Stock is an individual residing in the County of Los Angeles. On
2 information and belief, the People allege Stock was one of two owners of Tipul Health, who had
3 oversight and influence over its operation of the Feingold Facilities from early 2023 until
4 September 2023, and thus he knew or should have known about its systematic wage theft.

5 25. Defendant Heredia is an individual residing in the County of Los Angeles. On
6 information and belief, the People allege Heredia served as the Administrator and Chief Operating
7 Officer of both GFW Group and Tipul Health, oversaw daily operation of the Feingold Facilities,
8 and supervised the Facilities' employees during all relevant times. She knew or should have known
9 of systematic wage theft committed by both GFW Group and Tipul Health.

10 26. Defendants Feingold, Guttman, Friedman, Wilhelm, Stock and Heredia are each
11 named as an individual defendant under Labor Code § 558.1, as the owner, director, officer,
12 managing agent and/or person acting on behalf of Defendants Feingold Facilities, GFW Group, or
13 Tipul Health, and who violated or caused to be violated the provisions under the Labor Code as
14 well as Industrial Welfare Commission Wage Order No. 5 ("Wage Order No. 5"), which regulates
15 the public housekeeping industry, including CLHFs.

16 27. The People are ignorant of the true names and capacities of Defendants sued here
17 pursuant to Code of Civil Procedure § 474 as Doe Defendants 1 through 50, inclusive
18 ("Doe Defendants" or "DOES 1-50"). On information and belief, the People allege that each of the
19 Doe Defendants, their agents, employees, officers, and others acting on their behalf, as well as
20 subsidiaries, affiliates, and other entities controlled by Doe Defendants, are legally responsible for
21 the conduct alleged herein. Plaintiff will pray for leave to and will amend this complaint to show
22 the true names and capacities of said defendants fictitiously named if and when each has been
23 ascertained.

24 28. All the acts and omissions alleged in this Complaint by Feingold Facilities,
25 GFW Group, Tipul Health, Feingold, Guttman, Friedman, Wilhelm, Stock, Heredia and
26 DOES 1- 50, were duly performed by, and attributable to all of them, each acting as agent,
27 employee, alter ego, joint enterprise, and/or under the direction and control of the others, and such
28 acts and omissions were within the scope of such agency, employment, alter ego, joint enterprise,

1 direction, and/or control. Any reference in this Complaint to any acts of Feingold Facilities,
2 GFW Group, Tipul Health, Feingold, Guttman, Friedman, Wilhelm, Stock, Heredia and
3 DOES 1- 50, shall be deemed to be the acts of each of them individually, jointly, or severally. At
4 all relevant times, each of these Defendants had knowledge of and took the acts alleged in this
5 Complaint, leading to the unlawful and unfair practices and the resulting harm to Facilities'
6 employees as alleged in this Complaint.

7 29. On information and belief, the People allege that there is such a unity of interest
8 between Defendant Feingold on the one hand, and Defendants Feingold Facilities and
9 Tipul Health, that the individuality, or separateness between Feingold and these entities ceased to
10 exist, thus Feingold Facilities and Tipul Health are Feingold's alter egos. The People further allege
11 that there exists, or during all relevant times, existed a unity of interest and ownership between
12 Feingold and Feingold Facilities/Tipul Health such that any separateness between them has ceased
13 to exist. In particular, the People are informed and believe that Feingold has commingled funds
14 and other assets of the Feingold Facilities/Tipul Health as his own; Feingold has diverted funds
15 and other assets of the Feingold Facilities/Tipul Health to other than corporate uses; Feingold has
16 held out that he is personally liable for the debts of the corporations; Feingold and the Feingold
17 Facilities/Tipul Health have failed to maintain adequate corporate records; Feingold had dominion
18 and control over the Feingold Facilities/Tipul Health; Feingold has used the Feingold
19 Facilities/Tipul Health as mere shells, instrumentalities or conduits for his own personal business;
20 Feingold and the Feingold Facilities/Tipul Health have disregarded legal formalities and failed to
21 maintain an arm's length relationship; and, lastly, Feingold has used the business entities as a
22 shield against personal liability as an employer. Considering the Feingold Facilities – all eight
23 CLHFs owned by Feingold – and Tipul Health – also owned by Feingold – are now all defunct,
24 adherence to the corporate forms would result in sanctioning a fraud or promoting injustice.

25 30. Defendants have engaged in a conspiracy, common enterprise, and common course
26 of conduct to violate the Labor Code by the commission of systematic wage theft, including but
27 not limited to, the failure to pay regular and overtime wages, forfeiture of accrued vacation hours,
28 denial of paid sick leave, unlawful adjustment of time records, and payment via bounced checks.

1 The conspiracy, common enterprise, and common course of conduct continued until all the
2 Facilities closed on or around September 12, 2023.

3 **JURISDICTION AND VENUE**

4 31. The Superior Court has original jurisdiction over this action pursuant to the
5 California Constitution, Article VI § 10, which grants the Superior Court original jurisdiction in
6 all causes other than those specifically enumerated therein.

7 32. The Superior Court has jurisdiction over each Defendant named above because
8 each Defendant resides in, is headquartered in the State of California, or conducts or has
9 conducted business in this State.

10 33. Venue is proper under Code of Civil Procedure § 393 and 395 because each
11 Defendant named above resides in, is headquartered in, or has transacted business in the County of
12 Los Angeles, and Defendants' illegal acts described below occurred therein.

13 34. The Superior Court has subject matter jurisdiction over the People's claims for
14 restitution, civil penalties, injunctive relief, and other equitable relief under the UCL.

15 **GENERAL ALLEGATIONS**

16 **I. INCEPTION OF THE FEINGOLD FACILITIES**

17 35. Congregate Living Health Facilities ("CLHFs") are residential healthcare facilities
18 with no more than 18 beds that provide inpatient care for those with physical disabilities, who
19 have a diagnosis of terminal or life-threatening illness, or who are severely disabled. CLHFs
20 provide care more intense than that provided in skilled nursing facilities but less intense than that
21 provided in general hospitals. CLHFs' services include continuous medical supervision, 24-hour
22 skilled nursing and supportive care, pharmacy, dietary, and social and recreational opportunities.
23 CLHFs receive funding from the California Department of Health and Human Services by
24 charging the approved per diem rate per patient depending on the level of care each patient needs
25 as well as the healthcare plan by which the patient is covered. In compliance with relevant
26 regulations, each CLHF with six or fewer beds has to employ at least one RN who visits each
27 patient twice a week for two hours a week and at least one CNA for each 12-hour shift to
28 provide 24/7 care, cooking staff, cleaning staff, and a dietician, in addition to a Director of

1 Nursing and an administrator who oversees the entire operation. Additionally, CLHFs are required
2 to provide appropriately qualified staff in sufficient numbers to meet patient care needs, which
3 generally necessitates at least one LVN who is on duty for each 12-hour shift to provide 24/7 care.

4 36. From 2015 to 2023, Feingold owned and operated at least nine CLHFs in
5 Southern California – Corbin Congregate, Family Circle, Fenton Villa, Healthy Life, Home of
6 Compassion, Potter Care, Pure Heart, Royal Haven, and Valley Living of which seven were
7 located in the County. All but Pure Heart were operational during all relevant times.

8 37. Feingold initially operated the Facilities with Elisha Kamornick as his managing
9 partner. From 2015 to March 2022, Kamornick served as the administrator of the Feingold
10 Facilities via CLHF Homes, LLC, a separate business entity that Kamornick established.

11 38. During Kamornick's tenure, Feingold Facilities hired almost 100 employees across
12 all locations. The majority of Feingold Facilities' employees were licensed healthcare
13 professionals including RNs, LVNs, CNAs, and other support staff, all of whom were classified as
14 non-exempt employees and thus compensated hourly. These employees generally worked one
15 12-hour shift a day, receiving 8 hours of regular wages and four hours of overtime wages at 1.5
16 times regular pay. Any time worked beyond a scheduled 12-hour shift was compensated at double
17 the regular pay. There were no reported wage and hour violations during the time Kamornick
18 administered Feingold's Facilities.

19 39. In or around April 2022, Feingold terminated his partnership with Kamornick and
20 hired GFW Group as the new administrator to manage his Facilities.

21 **II. NEW ADMINISTRATORS: GFW GROUP & TIPUL HEALTH**

22 40. In or around April 2022, GFW Group took over as the new administrator of
23 Feingold Facilities. Defendants Guttman, Friedman, and Wilhelm were three owners of
24 GFW Group, with Wilhelm serving as its President. Defendant Heredia was the employee of
25 GFW Group who served as the Facilities' administrator and Chief Operating Officer.

26 41. GFW Group used Pure Heart, one of the Feingold Facilities located at 15918 Napa
27 Street, North Hills, California, but not operational at the time, as its administrative office.

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1 42. Sometime after GFW Group took over, Facilities' hourly employees were informed
2 that going forward they would be paid at their regular rate of pay for all their shifts, denying them
3 overtime pay at 1.5 times of the regular pay for the last four hours of 12 hour shifts. Furthermore,
4 they were notified that they would be compensated exactly for 12 hours of their scheduled shifts.
5 Considering healthcare employees on duty cannot leave immediately after their shifts are over, but
6 must wait until their replacements arrive to hand over patients' current care information to ensure
7 uninterrupted care in compliance with their ethical duty and licensing requirements, this policy
8 effectively mandated Facilities' healthcare employees to work routinely off-the-clock without pay.

9 43. Prior to GFW Group's operation of Feingold Facilities, eligible employees were
10 provided five days of vacation pay a year. They could track their accrued vacation hours via a
11 third-party payroll website and use their accrued vacation time. After GFW Group took over,
12 Defendants zeroed out all accrued vacation time of multiple employees, without notice.
13 Defendants did not issue due payments to employees for forfeited vacation hours either.

14 44. Sometime between late 2022 and early 2023, Feingold replaced GFW Group with
15 Tipul Health as the new administrator. Tipul Health still used 15918 Napa Street, North Hills,
16 California, the business address of GFW Group, as its official business address. Feingold was the
17 agent for service of process for Tipul Health. Feingold and Stock were and continue to be sole
18 members of Tipul Health.

19 45. Facilities' employees received no notice of the change of the Facilities'
20 administrator from GFW Group to Tipul Health. Because Heredia continued to serve as the
21 Facilities' administrator, few employees were aware of the transition. There was little change
22 between the way GFW Group administered and oversaw the Facilities' operation and that of
23 Tipul Health.

24 46. Under GFW Group and Tipul Health's management, Facilities' employees also
25 experienced multiple issues in tracking and using paid sick leave hours they accrued.

26 47. In late 2022, either GFW Group or Tipul Health convened an all-staff meeting with
27 Facilities' employees, announcing a series of additional changes. Defendant Heredia, a
28 Human Resources ("HR") staffer, and a lawyer led the meeting. Among other things, they

1 proposed reducing the hourly rate of pay for LVNs from \$30 to \$35 beginning January 2023, and
2 changing the duration of scheduled shifts from 12-hours to 8-hours. They then asked each
3 employee in attendance to sign a document acknowledging individual agreement with these
4 changes. Some employees immediately resigned. Some LVNs ended up receiving reduced hourly
5 pay. The proposed 8-hour shift did not materialize.

6 48. Starting from July 2023, employees started receiving their pay late, or not at all, as
7 many of the paychecks issued by Feingold Facilities were rejected by employees' banks due to
8 insufficient funds. Despite repeated inquiries to Heredia and multiple Human Resources staffers,
9 employees received little information, to speak nothing of replacement checks. In some instances,
10 replacement checks also bounced. As a result, multiple employees resigned in late July 2023,
11 leaving a growing gap to meet the daily healthcare staffing requirements at the Facilities.

12 49. Defendants did nothing to remedy the staffing shortage caused by staff
13 resignations. When healthcare professionals leave their assigned patients and fail to ensure
14 continuous care by their shift replacements, such failure is deemed by law as patient abandonment,
15 which is reportable to the Board of Nursing as professional and ethical violations. Consequently,
16 remaining LVNs and CNAs stayed on duty even after their scheduled 12-hour shifts when their
17 replacements did not show up. They worked for 18, 24, or even 36 hours of back-to-back shifts,
18 aware they would likely not get compensated. As the situation persisted without remedy, even
19 more employees, knowing they would not be paid, refused to show up and did not work their
20 scheduled shifts.

21 **III. FEINGOLD FACILITIES' CLOSURE**

22 50. In the early morning of September 12, 2023, LVN Diana Lopez ("Lopez") had just
23 finished her 12-hour shift at Corbin Congregate, one of the Feingold Facilities, when Defendants'
24 HR staff asked her to cover a shift at Family Circle, another Feingold Facility, because of short
25 staffing. When Lopez arrived at Family Circle, she realized that not only was Family Circle
26 short-staffed, it had also run out of medications and food for its patients. Lopez quickly reported
27 the situation to the HR staff, who advised her to call 911 to transport patients elsewhere because
28 they had no way to remedy the dire circumstance. Lopez then called 911.

1 51. On that day, multiple 911 calls were made from all remaining Feingold Facilities.
2 Defendants' malfeasance cost the public greatly in terms of multiple police officers, paramedics,
3 and other emergency personnel who responded to these 911 calls, traveled to multiple Feingold
4 Facilities, and coordinated the safe transfer of the remaining patients. Accordingly, Defendants'
5 systematic wage theft not only incurred enormous unpaid wages, severe stress and anguish to their
6 over 50 employees, but it also endangered the health and safety of the Facilities' patients and
7 wasted limited public resources.

8 52. Defendants failed to provide any advance or contemporaneous notice to the
9 Facilities' employees about the closure, to speak nothing of paying them back pay and final wages.
10 Defendants also failed to provide them with IRS Wage and Tax Statements (Form W-2) for the tax
11 year 2023. From July 2023 to early 2024, over 50 employees of Feingold Facilities filed their
12 individual wage claims seeking unpaid wages and penalties with the State Labor Commissioner's
13 Office.

14 **IV. DEFENDANTS' WAGE THEFT PRACTICES**

15 53. From April 2022 to the closure of the Feingold Facilities in September 2023,
16 Defendants engaged in the following wage theft practices against employees of the Feingold
17 Facilities, nearly all of whom were hourly non-exempt employees.

18 **Failure to Pay Minimum and Overtime Wages**

19 54. First, California law requires employers to pay their employees all applicable
20 minimum and overtime wages regardless of the compensation method. (See Labor Code §§ 510,
21 1194, 1197 [minimum wage and overtime] and Wage Order 5 §§ 3-4 [minimum wage and
22 overtime].) The law requires non-exempt hourly employees to be paid the applicable overtime rate
23 of pay, either 1.5 times their regular rate of pay for all hours worked in excess of 8 hours a day
24 or 40 hours a week, or twice their regular rate of pay for all hours worked in excess of 12 hours a
25 day.

26 55. During all relevant time periods, Defendants compensated employees at the regular
27 rate of pay for 12 hours, improperly denying them 4 hours of overtime at 1.5 times the regular
28 rate.

1 56. Defendants also failed to record all the hours employees worked in excess of their
2 scheduled 12-hour shifts and refused to compensate them for any extra time they worked
3 beyond 12 hours a day. As previously noted and in keeping with their ethical duty and licensing
4 requirements, Facilities employees on duty worked off-the-clock hours after their shifts were over
5 without pay to hand over patients' care information to their replacements.

6 57. Moreover, Defendants unlawfully and falsely adjusted time records of multiple
7 employees to under 12 hours, thereby shorting their regular and overtime wages.

8 58. Accordingly, Defendants' failure to pay overtime wages for the last 4 hours of a
9 12-hour shift, Defendants' failure to compensate at least minimum wages for off-the-clock hours,
10 and unlawful adjustment of time records, constitute violations of multiple Labor Code sections,
11 and entitle employees to unpaid regular and overtime wages, plus interest, as well as liquidated
12 damages.

13 **Failure to Provide Accurate Itemized Wage Statements**

14 59. Second, an employer, at the time of each wage payment, must provide the
15 employee with an accurate itemized wage statement. (Labor Code § 226.) As relevant, the wage
16 statement must accurately show the total hours worked and all hourly rates during the pay period
17 and the corresponding number of hours worked at each hourly rate.

18 60. As described above, not only did Defendants systematically fail to pay overtime
19 wages at 1.5 times, and fail to compensate at double time for the extra time employees routinely
20 worked in excess of their 12-hour shifts, Defendants also failed to keep accurate records of hours
21 and payments. Therefore, Defendants also failed to maintain and provide accurate itemized wage
22 statements in accordance with Labor Code § 226.

23 **Failure to Track and Provide Paid Sick Leave**

24 61. Third, California law mandates paid sick leave for every employee who has worked
25 at least 30 days for an employer. (Labor Code § 246.) At all relevant times, Defendants were
26 required to provide each employee with 24 hours or 3 days of paid sick leave per year. Defendants
27 had a policy, pattern, or practice of not tracking and thereby not providing the required paid sick
28 leave to which the Facilities' employees were entitled.

1 **Failure to Pay Accrued Vacation Hours**

2 62. Fourth, whenever a contract of employment or employer policy provides for
3 vacations, and an employee is terminated without having used their vested vacation time, all
4 earned vacation time shall be paid to the employee as wages. (Labor Code § 227.3). Vacation pay
5 accrues as it is earned, and cannot be forfeited, even upon termination of employment. (*Suastez v.*
6 *Plastic Dress-Up* (1982) 31 Cal.3d 774, 781.) The sale or substantial change of a business
7 constitutes a discharge or termination of the employment at issue. (*Chopin v. Fairchild Camera*
8 *and Instrument Corp.* (1973) 31 Cal.App.3d 192, 198.) Thus, upon transfer of ownership of a
9 business, a new employer shall pay earned vacation time to eligible employees, and must notify
10 them of any change in vacation policy going forward.

11 63. Before Feingold changed the Facilities' administrator from Kamornick to GFW
12 Group, eligible employees were provided five days of vacation pay a year, could track their
13 accrued vacation hours via a third-party payroll website, and use their accrued vacation time.
14 Sometime after GFW Group took over, Defendants zeroed out all accrued vacation time of
15 multiple employees, without notice. Defendant did not issue payments for vacation pay to those
16 employees for the accrued but forfeited vacation hours, either. Thus, Defendants' failure to notify
17 employees of a change in their vacation policy and to pay eligible employees accrued vacation
18 hours constitutes a violation of § 227.3.

19 **Bounced Checks**

20 64. Fifth, an employer who pays an employee with a check from an account with
21 insufficient funds is liable for a penalty of up to 30 days' wages and fringe benefits. (Labor
22 Code § 203.1.)

23 65. Starting from July 2023, Defendants issued multiple paychecks to employees that
24 were rejected by employees' banks for having insufficient funds. Despite receiving reports of
25 bounced checks from employees, Defendants failed to issue replacement checks or to pay by other
26 means. Therefore, those employees who received insufficiently funded checks are entitled to
27 additional penalties for each bounced check.

28 ///

1 **Failure to Pay Final Wages**

2 66. Sixth, when an employer discharges an employee, California law requires that all
3 wages earned and unpaid at the time of discharge are due and payable immediately. (Labor
4 Code § 201.) When an employee quits or otherwise separates voluntarily, all wages earned and
5 unpaid are due no later than 72 hours after separation. (Labor Code § 202.) If an employer
6 willfully violates § 201 or 202, then the employer owes the employee his or her daily rate of pay,
7 at the regular rate, for each day the full amount of unpaid wages is not paid, for up to 30 days'
8 wages - *i.e.*, a waiting time penalty. (Labor Code § 203.)

9 67. Defendants constructively discharged all the Facilities' employees on or around
10 September 12, 2023 when they shut down the Feingold Facilities. Defendants have failed to pay
11 final wages to over 50 employees to date. Therefore, Defendants are liable for waiting time
12 penalties for all employees of the Feingold Facilities to whom they owed final wages when they
13 shut down the Feingold Facilities.

14 **V. LIABILITY AGAINST INDIVIDUAL DEFENDANTS**

15 68. In addition to entity Defendants, including Feingold Facilities, GFW Group and
16 Tipul Health, Defendants Feingold, Guttman, Friedman, Wilhelm, Stock, and Heredia are
17 individually liable for unpaid wages and penalties for eligible violations under Labor
18 Code § 558.1.

19 69. "Any employer or other person acting on behalf of an employer, who violates or
20 causes to be violated . . . Section 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the
21 employer for such violation." (Labor Code § 558.1.) "[T]o be held liable under § 558.1, an 'owner',
22 'director,' 'officer,' or 'managing agent' must either have been personally involved in the purported
23 violation of one or more of the enumerated provisions; or, absent such personal involvement, had
24 sufficient participation in the activities of the employer, including, for example, over those
25 responsible for the alleged wage and hour violations, such that the 'owner' may be deemed to have
26 contributed to, and thus for purposes of this statute, 'cause[d]' a violation." (*Usher v. White* (2021)
27 64 Cal.App.5th 883, 896-897.) An owner's or officer's approval of a corporate policy that violates
28 the Labor Code is sufficient to find that individual caused the Labor Code violation within the

1 meaning of section 58.1." (*Espinoza v. Hepta Run, Inc.* (2022) 74 Cal.App.5th 44, 58.) "[T]hat
2 does not necessarily mean the individual must have had involvement in the day-to-day operations
3 of the company, nor is it required the individual authored the challenged employment policies or
4 specifically approved their implementation." (*Id.* at 59.)

5 70. Defendant Feingold meets the definition of "other person acting on behalf of an
6 employer" under Labor Code § 558.1, because he was the owner of Feingold Facilities and the
7 owner of Tipul Health. On information and belief, the People allege Feingold also "caused the
8 Labor Code violation within the meaning of section 558.1," as he made the decision to hire
9 GFW Group and Tipul Health as the Facilities' administrator, and either influenced or approved
10 their corporate policies including the failure to pay overtime wages for the hours worked in excess
11 of eight hours a day, or to pay minimum and regular wages for the scheduled shifts, unlawful
12 adjustment of time records to reduce employees' hours worked, refusal to pay accrued vacation
13 hours, refusal to monitor and provide paid sick leave, issuance of multiple bounced checks, and
14 failure to pay final wages, among other things.

15 71. Defendant Wilhelm also meets the definition of "other person acting on behalf of
16 an employer" under the Labor Code § 558.1, as he was the owner of GFW Group with Guttman
17 and Friedman and served as its President. On information and belief, the People allege Wilhelm
18 "caused the Labor Code violation within the meaning of section 558.1," as he oversaw the entire
19 operations of Feingold Facilities, thus he either developed or approved GFW Group's corporate
20 policies including the failure to pay overtime wages for the hours worked in excess of eight hours
21 a day, or to pay minimum and regular wages for the scheduled shifts, unlawful adjustment of time
22 records to reduce employees' hours worked, refusal to pay accrued vacation pay, and refusal to
23 monitor and provide paid sick leave, among other things.

24 72. Defendant Guttman meets the definition of "other person acting on behalf of an
25 employer" under the Labor Code § 558.1, as he was the owner of GFW Group with Friedman and
26 Wilhelm. On information and belief, the People allege Guttman "caused the Labor Code
27 violation within the meaning of section 558.1," as he approved GFW Group's corporate policies
28 including the failure to pay overtime wages for the hours worked in excess of eight hours a day, or

1 to pay minimum and regular wages for the scheduled shifts, unlawful adjustment of time records
2 to reduce employees' hours worked, refusal to pay accrued vacation pay, and refusal to monitor
3 and provide paid sick leave, among other things.

4 73. Defendant Friedman meets the definition of "other person acting on behalf of an
5 employer" under the Labor Code § 558.1, as he was the owner of GFW Group with Guttman and
6 Wilhelm. On information and belief, the People allege Friedman "caused the Labor Code violation
7 within the meaning of section 558.1," as he approved GFW Group's corporate policies including
8 the failure to pay overtime wages for the hours worked in excess of eight hours a day, or to pay
9 minimum and regular wages for the scheduled shifts, unlawful adjustment of time records to
10 reduce employees' hours worked, refusal to pay accrued vacation pay, and refusal to monitor and
11 provide paid sick leave, among other things.

12 74. Defendant Stock meets the definition of "other person acting on behalf of an
13 employer" under the Labor Code § 558.1, as he was the owner of Tipul Health. On information
14 and belief, the People allege Stock "caused the Labor Code violation within the meaning of
15 section 558.1," as he oversaw entire operation of the Feingold Facilities in consultation with
16 Feingold, thus he approved Tipul Health's corporate policies including the failure to pay overtime
17 wages for the hours worked in excess of eight hours a day, or to pay minimum and regular wages
18 for the scheduled shifts, unlawful adjustment of time records to reduce employees' hours worked,
19 and refusal to monitor and provide paid sick leave, among other things.

20 75. Defendant Heredia meets the definition of "other person acting on behalf of an
21 employer" under the Labor Code § 558.1. Although she was neither the owner nor an officer of the
22 Feingold Facilities, GFW Group, or Tipul Health, she is deemed to be a managing agent because
23 she served as the Facilities' Administrator and Chief Operating Officer for both GFW Group and
24 Tipul Health during all relevant times. On information and belief, the People allege Heredia
25 "caused the Labor Code violation within the meaning of section 558.1," because she oversaw the
26 entire operation of the Feingold Facilities day to day including staffing and supervision over the
27 Facilities' employees as well as Human Resources staffers. Thus, she either developed or
28 recommended corporate policies of both GFW Group and Tipul Health, including the failure to

1 pay overtime wages for the hours worked in excess of eight hours a day, or to pay minimum and
2 regular wages for the scheduled shifts, unlawful adjustment of time records to reduce employees'
3 hours worked, refusal to pay accrued vacation pay, and refusal to monitor and provide paid sick
4 leave, issuance of multiple bounced checks, and failure to pay final wages, among other things.

5 76. Defendants Feingold, Guttman, Friedman, Wilhelm, Stock, and Heredia are
6 collectively responsible for the failure of Feingold Facilities, GFW Group, and Tipul Health to pay
7 minimum and overtime wages as well as final wages owed to employees under the Labor
8 Code § 558.1.

9 **FIRST CAUSE OF ACTION**

10 **VIOLATION FOR FAILURE TO PAY ALL MINIMUM AND OVERTIME WAGES**

11 **Labor Code §§ 510, 558.1, 1182.12, 1193.6, 1194, 1194.2, 1197, 1197.1; Wage Order No. 5**
12 **§ 4; Minimum Wage Order 2023; LAMC, §§ 187.00 et seq.**

13 **(Against All Defendants)**

14 77. The People reallege and incorporate by reference each allegation contained in the
15 above paragraphs as if fully set forth herein.

16 78. At all relevant times, Facilities' employees performed work in the City and the
17 County of Los Angeles and elsewhere in California. Thus, Defendants are subject to the
18 Labor Code, Wage Order No. 5, Los Angeles Municipal Code ("LAMC"), and other applicable
19 statutes, rules, and regulations.

20 79. Labor Code § 1182.12 provides the applicable minimum wage rates in California.
21 LAMC § 187.02 provides the applicable minimum wage rates in the City of Los Angeles.

22 80. Labor Code § 510 states that any work in excess of 8-hours in any workday and
23 any work in excess of 40 hours in a workweek shall be compensated at a rate of no less than 1.5
24 times the employee's regular pay rate.

25 81. Labor Code § 558.1 provides that any employer or other person acting on behalf of
26 an employer who violates any provision of the Wage Order regarding minimum wages or
27 applicable sections of the Labor Code can be held liable as the employer.

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1 82. Labor Code § 1193.6 allows the People to prosecute a civil action against an
2 employer to recover unpaid minimum and overtime wages, interest, reasonable attorney's fees and
3 cost of suit. Labor Code § 1194 states that a civil action may be brought against an employer to
4 recover minimum and overtime wages.

5 83. Labor Code § 1197 states that the minimum wage fixed by the commission
6 or by any applicable state or local law is the minimum wage to be paid to employees, and the
7 payment of a lower wage than the minimum so fixed is unlawful.

8 84. Labor Code § 1197.1 states that an employer or other person acting as an officer,
9 agent, or employee of another person who pays less than the minimum wage is subject to civil
10 penalty, restitution of wages, and liquidated damages.

11 85. At all relevant times, Defendants had a policy, pattern, or practice of paying hourly
12 employees of the Feingold Facilities for no more than 12 hours in a day at their regular rate of pay,
13 despite requirements to pay hourly employees overtime wages at 1.5 times their regularly rate of
14 pay for all hours worked in excess of eight hours and to pay hourly employees overtime wages at
15 twice their regular rate of pay for all hours worked in excess of 12 hours.

16 86. At all relevant times, Defendants had a policy, pattern, or practice of not recording
17 the actual hours worked by employees of the Feingold Facilities. Despite knowing that employees
18 routinely worked in excess of 12 hours of scheduled shifts, Defendants failed to accurately track
19 the actual hours worked by Facilities' employees, thus paid no wages at all for any hour they
20 worked more than 12 hours a day, in violation of Labor Code § 510 and 1197.

21 87. For the payment of wages at less than the applicable minimum wage, under Labor
22 Code § 1194.2 and 1197.1, the People seek civil penalties, restitution of wages, liquidated
23 damages, and any other applicable penalties.

24 88. Under Labor Code § 1193.6 and 1194, the People seek the unpaid balance of actual
25 regular and overtime wages owed to employees, including interest thereon, as well as reasonable
26 attorney's fees and costs of suit.

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89. As to Defendants Feingold, Guttman, Friedman, Wilhelm, Stock, and Heredia, the People seek the unpaid balance of minimum and overtime wages that the Feingold Facilities, GFW Group, and Tipul Health owed to Facilities' employees, including interest thereon, and liquidated damages under Labor Code § 558.1.

SECOND CAUSE OF ACTION

VIOLATION FOR FAILURE TO PROVIDE PAID SICK LEAVE

Labor Code §§ 246, 248.5; LAMC, § 187.04

(Against Defendants Feingold Facilities, GFW Group & Tipul Health)

90. The People reallege and incorporate by reference each allegation contained in the above paragraphs as if fully set forth herein.

91. At all relevant times, the Facilities' employees performed work in the City of Los Angeles and elsewhere in California.

92. Labor Code § 246 mandates paid sick leave for every employee who has worked at least 30-days for an employer. During all relevant times, employers were required to provide at least 24-hours or 3-days of paid sick leave per year. LAMC § 187.04 requires employers to provide 48 hours of paid sick leave per year to all employees who have worked at least 30-days for an employer within the City.

93. At all relevant times, Defendants had a policy, pattern, or practice of not providing Facilities' employees the paid sick leave to which they were entitled. Defendants' paid sick leave violations caused the Facilities' employees damages in amounts that are presently unknown but will be ascertained according to proof at trial.

94. Under the Labor Code § 248.5, the People seek the payment of sick days unlawfully withheld, interest on all amounts due, reasonable attorney's fees, and costs of suit as well as administrative penalties.

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THIRD CAUSE OF ACTION
VIOLATION FOR FAILURE TO PROVIDE ACCURATE WAGE STATEMENTS AND
MAINTAIN WAGE RECORDS
Labor Code §§ 226, 226.3, 558.1
(Against All Defendants)

95. The People reallege and incorporate by reference each allegation contained in the above paragraphs as if fully set forth herein.

96. Labor Code § 226 mandates that at the time of each wage payment, an employer must provide the employee with an accurate itemized wage statement. As relevant, the wage statement must include the following information: (1) gross wages earned, (2) total hours worked, (3) all deductions, (4) net wages earned, (5) the pay period, (6) the employee's name and identification number, (7) the name and address of the legal entity that is the employer, and (8) all hourly rates during the pay period and the corresponding number of hours worked at each hourly rate.

97. An employee suffers injury for purposes of Labor Code § 226 if the employer fails to provide an accurate wage statement. An employer who injures an employee in this way is liable for actual damages or \$50 for an initial violation, and \$100 for a subsequent violation, not to exceed an aggregate penalty of \$4,000.

98. Labor Code § 226.3 states that an employer who violates the section shall be subject to a civil penalty of \$250 per employee per violation for an initial citation and \$1,000 per employee for a subsequent violation.

99. Labor Code § 558.1 provides that any employer or other person acting on behalf of an employer who violates any provision of the Wage Order or applicable sections of the Labor Code including § 226 can be held liable as the employer.

100. At all relevant times, Defendants issued non-compliant wage statements for employees of the Feingold Facilities, because these statements did not include all off-the-clock hours worked during the pay period and did not show the overtime rate of pay for the last 4 hours worked in a 12-hour shift.

101. Defendants' wage statement and record keeping violations have caused the Facilities' employees to suffer damages in amounts that are presently unknown but will be ascertained according to proof at trial.

102. Under Labor Code §§ 226, 226.3, and 558.1, the People seek actual damages or penalties, reasonable attorney's fees, and costs of suit against all Defendants.

FOURTH CAUSE OF ACTION

PAYMENT VIA INSUFFICIENT FUND CHECKS

Labor Code § 203.1

(Against Defendants Feingold Facilities & Tipul Health)

103. The People reallege and incorporate by reference each allegation contained in the above paragraphs as if fully set forth herein.

104. Under Labor Code § 203.1, an employer who pays an employee with a check from an account with insufficient funds is liable for a penalty of up to 30 days' wages and fringe benefits.

105. Starting from July 2023, Defendants Feingold Facilities and Tipul Health issued multiple paychecks to the Facilities' employees that were rejected by employees' banks for having insufficient funds. Despite receiving reports of bounced checks from Facilities' employees, Feingold Facilities and Tipul Health failed to issue replacement checks or to pay by other means to date.

106. The People seek penalties of up to 30 days' wages for each employee of Feingold Facilities who were paid by checks with insufficient funds.

FIFTH CAUSE OF ACTION

**VIOLATION FOR FAILURE TO PAY ACCRUED VACATION UPON SEPARATION OF
EMPLOYMENT**

Labor Code § 227.3

(Against Defendants Feingold Facilities, GFW Group & Tipul Health)

107. The People reallege and incorporate by reference each allegation contained in the above paragraphs as if fully set forth herein.

108. Labor Code § 227.3 provides that if an employer policy provides for vacation, all earned and unused vacation time shall be paid to employees as wages upon termination. A sale or substantial change to a business constitutes a discharge or termination of the employment at issue. Thus, upon transfer of ownership of a business, a new employer shall pay earned vacation time to eligible employees and must notify them of any change in vacation policy going forward.

109. Defendants Feingold Facilities, GFW Group, and Tipul Health failed to provide accrued and unused vacation pay to eligible employees both when GFW Group took over as the new administrator of Feingold Facilities, and when Tipul Health took over as the subsequent administrator after GFW Group.

110. The People seek accrued but unused vacation pay for eligible employees.

SIXTH CAUSE OF ACTION

VIOLATION FOR FAILURE TO TIMELY PAY WAGES DUE UPON SEPARATION OF EMPLOYMENT

Labor Code §§ 201, 202, 203, 558.1

(Against All Defendants)

111. The People reallege and incorporate by reference each allegation contained in the above paragraphs as if fully set forth herein.

112. Labor Code § 201 states that when an employer discharges an employee, all wages earned and unpaid at the time of discharge are due and payable immediately.

113. Labor Code § 202 states that when an employee quits or otherwise separates voluntarily, all wages earned and unpaid are due no later than 72 hours after separation.

114. Under Labor Code § 203, if an employer willfully fails to make timely payment in violation of § 201 or 202, then the employer owes the employee his or her daily rate of pay, at the regular rate, for each day the full amount of unpaid wages is not paid, for up to 30 days.

115. Under Labor Code § 558.1, any employer or other person acting on behalf of an employer who violates any provision of the Wage Order or applicable sections of the Labor Code, including § 203, can be held liable as the employer.

1 116. At all relevant times, Defendants had a policy, pattern, or practice of failing to
2 timely pay all wages due to employees of the Feingold Facilities upon separation of employment.
3 Due to the violations alleged in the Second, Third, and Fifth causes of action, Defendants did not
4 pay employees all minimum and overtime wages, premium wages, sick pay, and vacation pay
5 owed immediately upon discharge or within 72 hours of resignation.

6 117. Under Labor Code §§ 203 and 558.1, the People seek waiting time penalties against
7 all Defendants.

8 **SEVENTH CAUSE OF ACTION**
9 **INJUNCTIVE RELIEF, RESTITUTION, AND PENALTIES FOR VIOLATIONS OF**
10 **BUS. & PROF. CODE § 17200 ET SEQ.**

11 **(Against all Defendants)**

12 118. The People reallege and incorporate by reference each allegation contained in the
13 above paragraphs as if fully set forth herein.

14 119. Defendants have engaged in acts or practices that are unlawful, unfair, or fraudulent
15 and which constitute unfair competition within the meaning of section 17200 of the Bus. and Prof.
16 Code. These acts or practices include, but are not limited to, the following:

- 17 a) Failing to pay employees all applicable minimum regular and overtime
18 wages for all hours worked as required by Labor Code. §§ 1182.12, 1194,
19 and 1197, Wage Order No. 5-2001, section 4, and the Minimum Wage
20 Order (2023), LAMC §§ 187.00 et seq. [City of Los Angeles Minimum
21 Wage Ordinance];
- 22 b) Failing to pay employees the appropriate premium for overtime hours
23 worked as required by Labor Code § 510 and Wage Order No. 5-2001,
24 section 3;
- 25 c) Failing to provide accurate itemized wage statements to employees as
26 required by Labor Code § 226;
- 27 d) Failing to provide paid sick leave to employees as required by Labor
28 Code § 246 and LAMC § 187.04;

- 1 e) Failing to pay accrued but unused vacation hours to eligible employees as
2 required by Labor Code § 227.3;
- 3 f) Failing to timely pay employees all wages earned and unpaid upon their
4 separation, and to pay waiting time penalties, as required by Labor
5 Code §§ 201, 202, and 203; and
- 6 g) Paying employees with checks from bank accounts with insufficient funds
7 in violation of Labor Code § 203.1;

8 120. Each time a defendant failed to pay an employee all minimum and overtime wages
9 for all hours worked, failed to pay an employee accrued sick leave, failed to provide an employee
10 with a statutorily sufficient wage statement, failed to maintain accurate wage and hour records;
11 and failed to timely pay all wages earned and unpaid upon an employee's separation constitutes an
12 unlawful and/or unfair business practice and, therefore, violates the UCL.

13 **PRAYER FOR RELIEF**

14 WHEREFORE, the People pray for the following relief:

15 **As to the First Cause of Action**

- 16 1. Under Labor Code § 1194, that all Defendants pay all minimum and overtime
17 wages owed, in an amount to be proved at trial, but estimated not to exceed \$500,000 and interest
18 thereon;
- 19 2. Under Labor Code § 1194.2, that all Defendants pay liquidated damages in an
20 amount equal to the wages unlawfully unpaid, estimated not to exceed \$300,000;
- 21 3. Under Labor Code § 1197.1, that all Defendants pay civil penalties in an amount to
22 be proved at trial but estimated not to exceed \$300,000;
- 23 4. Under Labor Code § 181, that all Defendants be permanently enjoined from
24 committing the Labor Code violations alleged in the first cause of action; and
- 25 5. Under Labor Code §§ 181 and 1194, for reasonable attorney's fees and costs,
26 including expert witness fees and costs.

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As to the Second Cause of Action

6. Under Labor Code § 248.5, that all Defendants pay all backpay, sick days unlawfully withheld, and administrative penalties, including interest thereon;
7. Under Labor Code § 181, that all Defendants be permanently enjoined from committing the Labor Code violations alleged in the second cause of action;
8. Under Labor Code §§ 181 and 248.5, for reasonable attorney's fees and costs, including expert witness fees and costs.

As to the Third Cause of Action

9. Under Labor Code § 226, that all Defendants pay statutory penalties in an amount to be proved at trial but estimated not to exceed \$300,000;
10. Under Labor Code § 226.3, that all Defendants pay a civil penalty in amount to be proved at trial but estimated not to exceed \$1,500,000;
11. Under Labor Code §§ 181 and 226, that all Defendants be permanently enjoined from committing the Labor Code violations alleged in the third cause of action; and
12. Under Labor Code §§ 181 and 226, for reasonable attorney's fees and costs, including expert witness fees and costs.

As to the Fourth Cause of Action

13. Under Labor Code § 203.1, that Defendants Feingold Facilities and Tipul Health pay penalties up to 30 days' wages to each employee who received payment via check with insufficient funds;
14. Under Labor Code § 181, that Defendants Feingold Facilities and Tipul Health be permanently enjoined from committing the Labor Code violations alleged in the fourth cause of action; and
15. Under Labor Code §§ 181, for reasonable attorney's fees and costs, including expert witness fees and costs.

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As to the Fifth Cause of Action

16. Under Labor Code § 227.3, that Defendants Feingold Facilities, GFW, and Tipul Health pay accrued and unused vacation pay to employees;
17. Under Labor Code § 181, that Defendants Feingold Facilities, GFW, and Tipul Health be permanently enjoined from committing the Labor Code violations alleged in the fifth cause of action; and
18. Under Labor Code § 181, for reasonable attorney's fees and costs, including expert witness fees and costs.

As to the Sixth Cause of Action

19. Under Labor Code § 203, that all Defendants pay all waiting time penalties owed in amount to be proved at trial but estimated not to exceed \$1,000,000;
20. Under Labor Code § 181, that all Defendants be permanently enjoined from committing the Labor Code violations alleged in the sixth cause of action; and
- Under Labor Code § 181, for reasonable attorney's fees and costs, including expert witness fees and costs.

As to the Seventh Cause of Action

21. Pursuant to Bus. and Prof. Code § 17203, that the Court enter all orders necessary to prevent Defendants, as well as Defendants' successors, agents, representatives, employees, and all persons who act in concert with Defendants from engaging in any act or practice that constitutes unfair competition in violation of Bus. and Prof. Code § 17200, including, but not limited to, the acts and practices alleged in this Complaint;
22. Pursuant to Bus. and Prof. Code § 17203, that the Court enter all orders or judgments as may be necessary to restore to any person in interest any money or property that Defendants may have acquired by violations of Bus. and Prof. Code § 17200, as may be proved at trial but estimated not to exceed \$1,500,000;

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23. Pursuant to Bus. and Prof. Code § 17206, that each Defendant be assessed a civil penalty in an amount up to \$2,500 for each violation of Bus. and Prof. Code § 17200 et seq., as may be proven at trial but estimated not to exceed \$2,500,000; and

24. That the People recover their costs of suit.

As to All Causes of Action

25. Such other and further relief that the Court deems appropriate and just.

DATED: January 28, 2026

Respectfully submitted,

DAWYN R. HARRISON
County Counsel

By

KWI H. CHOI, Deputy County Counsel
JOSEPH MELLIS, Deputy County Counsel
SCOTT KUHN, Assistant County Counsel

Attorneys for PEOPLE OF STATE OF
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