

FILED  
Clerk  
District Court  
APR 06 2026

IN THE UNITED STATES DISTRICT COURT for the Northern Mariana Islands  
FOR THE NORTHERN MARIANA ISLANDS By JP  
(Deputy Clerk)

RIZALINA BERMUDES REYES,

Case No. 1:26-cv-00003

Plaintiff,

v.

**SCREENING ORDER**

DYNAMIC CORE GROUP, INC.,

Defendant.

Before the Court are Plaintiff Rizalina Bermudes Reyes’s Application to Proceed in District Court Without Prepaying Fees or Costs (the “Application,” ECF No. 1) and Complaint (ECF No. 2), both filed on March 9, 2026. For the reasons set forth below, the Court GRANTS Plaintiff’s Application and finds that Plaintiff’s Complaint passes screening under 28 U.S.C. § 1915(e). As such, the Court authorizes the issuance of summons in this case and service to be made by the United States Marshal Service.

**I. APPLICATION TO PROCEED *IN FORMA PAUPERIS***

Plaintiff’s Application is supported by Plaintiff’s affidavit and financial information. (*See generally* Appl., ECF No. 1.) Based on her representations of her household income and expenses, the Court finds Plaintiff’s Application well taken and therefore grants Plaintiff’s Application.

**II. LEGAL STANDARD**

As Plaintiff is proceeding without prepayment of costs or fees, the Court is “require[d]” to screen Plaintiff’s Complaint, *Lopez v. Smith*, 203 F.3d 1122, 1127 (9th Cir. 2000), and ascertain

1 whether it is “frivolous or malicious,” “fails to state a claim on which relief may be granted,” or  
2 “seeks monetary relief against a defendant who is immune from such relief,” 28 U.S.C.  
3 § 1915(e)(2)(B)(i)-(iii). As to failure to state a claim, a complaint survives dismissal “only if,  
4 taking all well-pleaded factual allegations as true, it contains enough facts to ‘state a claim to relief  
5 that is plausible on its face.’” *Hebbe v. Pliler*, 627 F.3d 338, 341-42 (9th Cir. 2010) (quoting  
6 *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009)); *see also Barren v. Harrington*, 152 F.3d 1193, 1194  
7 (9th Cir. 1998) (noting 28 U.S.C. § 1915(e)(2)(B)(ii)’s “failure to state a claim” language “parallels  
8 the language of Federal Rule of Civil Procedure 12(b)(6)” and applying standard of review for  
9 Fed. R. Civ. P. 12(b)(6) dismissals to dismissal under 28 U.S.C. § 1915(e)(2)(B)(ii)). A claim is  
10 “plausible on its face” where there is sufficient “factual content that allows the court to draw the  
11 reasonable inference that the defendant is liable for the misconduct alleged.” *Iqbal*, 556 U.S. at  
12 678. “[D]etailed factual allegations” are not required; however, a plaintiff must plead “more than  
13 an unadorned, the defendant-unlawfully-harmed me accusation.” *Id.* (rejecting “formulaic  
14 recitation of the elements of a cause of action” or “naked assertions devoid of further factual  
15 enhancement” (internal quotation marks and brackets omitted)).

### 16 III. BACKGROUND

17 In her five-page Complaint, Plaintiff names Dynamic Core Group, Inc., as the sole  
18 defendant and alleges the following.

19 (1) Defendant operates the restaurant business “Shirley’s Coffee Shop” on Saipan, with one  
20 location in Garapan and the other in Susupe. (Compl. ¶ 5, ECF No. 2.)

21 (2) Plaintiff, a U.S. citizen, worked at Defendant’s Garapan location as a dishwasher from  
22 July 23, 2022, to December 31, 2024, with a regular wage rate of \$8.03 per hour. (*Id.* ¶¶ 3,  
23 6, 7.)

1 (3) Plaintiff initially had a work schedule of forty hours per week (eight hours a day for five  
2 days a week), which schedule was reduced to thirty-two hours per week around June 2023.

3 (*Id.* ¶ 8.)

4 (4) Notwithstanding her regular work schedule, Plaintiff consistently worked past the end of  
5 her scheduled hours by fifteen to thirty minutes each day because she was required to stay  
6 after closing time to clean dishes due to some customers' coming to the restaurant near  
7 closing time to order food and dine. (*Id.* ¶¶ 9, 10.)

8 (5) Defendant, however, never paid Plaintiff for the time that she worked beyond her regularly  
9 scheduled hours, instead only paying Plaintiff "strictly according to her regular work  
10 schedule[.]" (*Id.* ¶¶ 11, 12.)

11 (6) Defendant's failure to pay Plaintiff for such extra time was willful and part of an  
12 intentional, deliberate policy to not pay employees who worked beyond their regular work  
13 schedule. (*Id.* ¶¶ 23-31.)

14 Plaintiff sets forth two causes of action against Defendant: (1) a federal claim alleging a violation  
15 of the Fair Labor Standards Act ("FLSA," 29 U.S.C. §§ 201 *et seq.*); and (2) a state-law claim  
16 alleging breach of the valid employment contract between Plaintiff and Defendant. (Compl. ¶¶ 13-  
17 31, 32-37.) Plaintiff requests compensatory damages, liquidated damages under the FLSA, costs  
18 and fees, and any other relief that is just and proper. (*Id.* at 5 (prayer for relief).)

#### 19 **IV. DISCUSSION**

20 Plaintiff's Complaint does not appear to be brought for "frivolous or malicious" purposes,  
21 28 U.S.C. § 1915(e)(2)(B)(i), or otherwise "seek[] monetary relief against a defendant who is  
22 immune from such relief," *id.* § 1915(e)(2)(B)(iii). Therefore, for screening purposes, the Court  
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24

1 need only assess whether Plaintiff’s Complaint “fails to state a claim on which relief may be  
2 granted.” *Id.* § 1915(e)(2)(B)(ii).

3 As to Plaintiff’s first cause of action, to state a claim for a minimum-wage or overtime-  
4 wage violation of the FLSA, Plaintiff must allege sufficient factual material to establish three  
5 elements: (1) she was an employee of Defendant; (2) she is an employee covered by the FLSA’s  
6 protections; and (3) Defendant failed to pay her the required wages. 29 U.S.C. § 206(a) (minimum  
7 wage); *id.* § 207(a) (overtime wages); *see also Smith v. November Bar N Grill LLC*, 441 F. Supp.  
8 3d 830, 834 n.3 (D. Ariz. 2020) (“Section 206(a) requires that employers pay their employees a  
9 minimum wage; § 207(a) requires that employers pay their employees an overtime wage. . . .  
10 [T]his is the only distinction between the elements created by each statute[.]”). There are two  
11 types of coverage under the FLSA: “individual” and “enterprise.” *Smith*, 441 F. Supp. 3d at 834-  
12 35. An employee has enterprise coverage if she works for an “enterprise engaged in commerce,”  
13 29 U.S.C. § 206(a), such as where the enterprise has annual gross revenue of at least \$500,000, *id.*  
14 § 203(s)(1)(A)(ii).

15 Here, Plaintiff’s allegations plainly state a claim under the FLSA. Plaintiff alleges that she  
16 was employed by Defendant at its Shirley’s Coffee Shop location in Garapan, thus satisfying the  
17 first element. (Compl. ¶¶ 5, 6.) Plaintiff also alleges that Defendant “had an annual volume of  
18 sales or business done of at least \$500,000” (*id.* ¶ 15), in addition to having

19 at least two employees who, as part of their employment, used  
20 equipment or devices that had moved in interstate commerce before  
21 coming to the CNMI, or handled goods that moved in interstate  
22 commerce (including without limitations, imported phones,  
23 imported electronic devices for processing credit card payments at  
24 both restaurant locations, imported electronic devices for taking  
customer orders at both restaurant locations, imported electronic  
devices for billing and recording payments at both restaurant  
locations, and other imported electronic devices, as well as food  
supplies imported from outside the CNMI).

1 (*Id.* ¶ 16.) Such allegations are sufficient to establish the second element—that Plaintiff is an  
2 employee covered by the FLSA—because Defendant, her former employer, was an “enterprise  
3 engaged in commerce.” 29 U.S.C. § 206(a); *id.* § 207(a); *see also id.* § 203(s)(1)(A)(i)-(ii)  
4 (defining “enterprise engaged in commerce” as including an enterprise who “has employees  
5 handling, selling, or otherwise working on goods or materials that have been moved in or produced  
6 for commerce” and has an “annual gross volume of sales made or business done [that] is not less  
7 than \$500,000”). As to the third element, Plaintiff alleges that Defendant did not pay her for the  
8 time she worked beyond her forty- and thirty-two-hour regular work schedules. (*See* Compl. ¶¶ 8-  
9 12, 18-21.) Therefore, Plaintiff’s Complaint states a plausible claim to relief under the FLSA.

10 As to Plaintiff’s second cause of action, to state a claim for breach of contract, Plaintiff  
11 must allege sufficient factual material to show (1) the existence of a valid contract between Plaintiff  
12 and Defendant; (2) Defendant’s breach of an obligation imposed by the contract; and (3) damages  
13 to Plaintiff resulting from the breach.<sup>1</sup> *See Del Rosario v. Camacho*, 2001 MP 3, ¶ 95 (N. Mar. I.  
14 2001) (“Breach of a contract occurs upon the non-performance of a contractual duty of immediate  
15 performance.”); *PRC, LLC v. Globuil Resort Saipan Corp.*, 2021 MP 5, ¶ 16 (N. Mar. I. 2021)

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17 <sup>1</sup> Plaintiff’s breach of contract claim appears to arise under the law of the Commonwealth of the Northern  
18 Mariana Islands—*i.e.*, it does not “aris[e] under the Constitution, laws, or treaties of the United States.”  
19 28 U.S.C. § 1331 (federal question jurisdiction). Furthermore, the facts alleged do not show that the breach  
of contract claim is between diverse Parties and involves more than \$75,000 in controversy. *See id.*  
§ 1332(a) (diversity jurisdiction). Therefore, the claim falls outside of the Court’s original jurisdiction.

20 The only basis for the breach of contract claim to be properly before the Court is if the claim falls  
21 within the Court’s supplemental jurisdiction. Here, as Plaintiff plausibly alleges an FLSA claim—in other  
22 words, the Court has original (federal question) jurisdiction over Plaintiff’s first count—and Plaintiff’s  
23 breach of contract claim arises from the same “common nucleus of operative fact,” *United Mine Workers  
of Am. v. Gibbs*, 383 U.S. 715, 725 (1966), the Court may properly exercise supplemental jurisdiction over  
24 Plaintiff’s breach of contract claim. *See* 28 U.S.C. § 1367(a) (“[I]n any civil action of which the district  
courts have original jurisdiction, the district courts shall have supplemental jurisdiction over all other claims  
that are so related to claims in the action within such original jurisdiction that they form part of the same  
case or controversy under Article III of the United States Constitution.”).

1 (holding complaint sufficiently pleaded breach of contract claim where plaintiff attached lease to  
 2 complaint, identified provision setting forth lessee’s duty to pay rent, and attached affidavit  
 3 “detailing outstanding financial obligations and the condition of the property”).<sup>2</sup>  
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5 \_\_\_\_\_  
 6 <sup>2</sup> The Commonwealth Supreme Court has not explicitly enumerated the elements for a breach of contract  
 7 claim such that damages is a separate element under Commonwealth law. Rather, the three-element  
 8 formulation set forth above is found in Commonwealth Superior Court decisions that cite RESTATEMENT  
 9 (SECOND) OF CONTRACTS §§ 235, 237, and 240 (AM. L. INST. 1981) without further elaboration. *See, e.g.,*  
 10 *Constr. & Material Supply, Inc. v. Camacho*, Civil Action No. 23-0197, slip order at 10, 2024 N. Mar. I.  
 11 LEXIS 2, at \*14 (N. Mar. I. Super. Ct. May 29, 2024); *Pac. Rim Land Dev., LLC v. Imperial Pac. Int’l*  
 12 *(CNMI), LLC*, No. 19-cv-00016, 2020 WL 1942454, at \*5 (D. N. Mar. I. Apr. 23, 2020) (quoting *Ada v.*  
 13 *Nakamoto*, Civil Action No. 08-0029 D, slip order at 5 (N. Mar. I. Super. Ct. Sept. 2, 2011)). A review,  
 14 however, of the cited sections of the RESTATEMENT reveals that the sections state, at best, that an injured  
 15 party has a claim for damages—and not that damages are a required element for a breach of contract claim.  
 16 Furthermore, the RESTATEMENT’s discussion about the availability of damages as a remedy appears to  
 17 suggest the contrary: that once breach is established, so long as the breach is not immaterial or otherwise  
 18 excused, *see* RESTATEMENT (SECOND) OF CONTRACTS §§ 235 cmt. a, 346(1) & cmt. a, the injured party  
 19 has “a right to damages against the party in breach,” *id.* § 346 cmt. a, or, where actual loss is nonexistent  
 20 or nonquantifiable, “the injured party will nevertheless get judgment for nominal damages,” *id.* § 346(2) &  
 21 cmt. b. As another authoritative secondary source notes:

22 There is disagreement whether injury must be shown as an element of an  
 23 action for damages for breach of contract. There is authority that the mere  
 24 breach of an agreement that causes no loss to the plaintiff will not sustain a  
 suit for damages, and that an element of the cause of action is that the  
 plaintiff was damaged by the alleged breach. On the other hand, it has also  
 been said that liability in a breach of contract case does not depend on proof  
 of injury, but is complete when a breach of contract is shown, and, as the  
 law presumes damage from a breach of contract, at least nominal damages  
 will be awarded. The Restatement supports the latter view, as it provides  
 that the injured party has a right to damages for any breach by a party  
 against whom the contract is enforceable, unless the claim for damages has  
 been suspended or discharged, and if the breach caused no loss or if the  
 amount of the loss is not proved, nominal damages will be awarded. Of  
 course, when it is certain that damages have been caused by a breach of  
 contract, and only the amount is uncertain, there is no reason for refusing  
 to find liability and awarding some damages.

17A AM. JUR. 2D *Contracts* § 702 (Feb. 2026 update) (footnotes omitted).

22 In view of the Commonwealth Supreme Court’s implicit approval of a showing of damages being  
 23 required to state a claim in *PRC, LLC v. Globuil Resort Saipan Corp.*, 2021 MP 5, ¶ 16 (N. Mar. I. 2021),  
 24 the Court uses the three-element formulation, with damages as a separate element for a breach of contract  
 claim under Commonwealth law. In any event, Plaintiff’s Complaint sufficiently alleges actual (albeit yet  
 to be quantified) damages, namely, the wages that Defendant should have paid Plaintiff under the FLSA  
 and failed to do so. (*See* Compl. ¶¶ 36, 37.)

1 Here, Plaintiff's allegations state a claim for breach of contract under Commonwealth law.  
2 First, Plaintiff alleges the existence of a contract governing her employment as a dishwasher for  
3 Defendant, as confirmed by her allegations of Defendant's (partial) performance pursuant to the  
4 terms of an employment contract. (*See* Compl. ¶¶ 6, 8, 12, 28, 29, 30, 33.) *See* RESTATEMENT  
5 (SECOND) OF CONTRACTS § 4 ("A promise may be stated in words either oral or written, or may be  
6 inferred wholly or partly from conduct."; *id.* § 5 cmt. *a* ("The terms of a promise or agreement are  
7 those expressed in the language of the parties or implied in fact from other conduct."); *cf.* *Reyes v.*  
8 *Reyes*, 2004 MP 1, ¶¶ 54-55 (N. Mar. I. 2004) (holding that totality of evidence, including  
9 testimony and documentary evidence concerning material terms of purported oral agreement, was  
10 sufficient to establish existence of contract and overcome statute of frauds defense). Second,  
11 Plaintiff identifies Defendant's unexcused failure to pay Plaintiff for the extra time she worked  
12 beyond her regular work schedule, in derogation of Defendant's contractual obligation to pay  
13 Plaintiff \$8.03 per hour actually worked. (*See* Compl. ¶¶ 34-36.) And third, Plaintiff identifies  
14 the unpaid wages as damages directly resulting from Defendant's breach of the contract. (*See id.*  
15 ¶¶ 36, 37.) As such, Plaintiff's allegations set forth sufficient factual material, accepted as true, to  
16 establish a claim for breach of contract under Commonwealth law.

## 17 V. CONCLUSION

18 Plaintiff's Complaint does not meet any of the conditions for dismissal as set forth under  
19 28 U.S.C. § 1915(e)(2)(B): the Complaint is not "frivolous or malicious," 28 U.S.C.  
20 § 1915(e)(2)(B)(i), nor does it "fail[] to state a claim on which relief may be granted," *id.*  
21 § 1915(e)(2)(B)(ii), and nor does it "seek[] monetary relief against a defendant who is immune  
22 from such relief," *id.* § 1915(e)(2)(B)(iii). Therefore, Plaintiff's Complaint passes screening and  
23 further proceedings thereon is appropriate. The Clerk is directed to issue summons forthwith, with  
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1 service to be made by the United States Marshal Service. *See* Fed. R. Civ. P. 4(c)(3) (“[T]he court  
2 may order that service by made by a United States marshal or deputy marshal . . . . The court *must*  
3 so order if the plaintiff is authorized to proceed in forma pauperis under 28 U.S.C. § 1915 . . . .”  
4 (emphasis added)); 28 U.S.C. § 1915(d) (“The officers of the court shall issue and serve all process,  
5 and perform all duties in such cases . . . .”).

6 IT IS SO ORDERED this 6<sup>th</sup> day of April, 2026.

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RAMONA V. MANGIONE  
Chief Judge