

OTKUPMAN LAW FIRM, A LAW CORPORATION

5743 Corsa Ave, Suite 123
Westlake Village, CA 91362
Tel.: 818-293-5623
Fax: 888-850-1310

February 21, 2025

VIA ELECTRONIC FILING

Labor & Workforce Development Agency

VIA CERTIFIED MAIL

SelectQuote Insurance Services
6800 W. 115th St., Suite 2511
Overland Park, KS 66211
Certified mail # 9589 0710 5270 2373 3684 94

VIA CERTIFIED MAIL

Agent for Service of Process
1505 Corporation
Cogency Global Inc.
Erin Haggerty
1325 J St., Suite 1550
Sacramento, CA 95814
Certified mail # 9589 0710 5270 2373 3685 00

VIA CERTIFIED MAIL

SelectQuote, Inc.
1140 Broadway, 10 Floor
Oakland, CA 94612
Certified mail # 9589 0710 5270 2373 3685 17

Re: ***Benjamin Shapiro v. SelectQuote Insurance Services, SelectQuote, Inc. – Compliance
Letter of California Labor Code § 2698 – Private Attorneys General Act***

Dear Sir or Madam:

This office represents Benjamin Shapiro (“Plaintiff”), a former California employee of SelectQuote Insurance Services, SelectQuote, Inc. (“Defendants”). The purpose of this letter is to comply with the Private Attorneys General Act of 2004, pursuant to California Labor Code § 2698 *et seq.*

Our client worked for Defendant in Northern California. Herein we set forth the facts and theories of California Labor Code violations which we allege Defendant engaged in with respect to our client and other of its California non-exempt employees.

Plaintiff began working for Defendants in or around October of 2016. While working for Defendant as a Life Agent, Plaintiff was earning (\$16.00) dollars per hour plus commissions.

Plaintiff and Defendant's California employees were routinely unable, and not authorized to take their 10-minute rest periods and were also unable to take an uninterrupted 30-minute meal break for every shift they worked. Specifically, Plaintiff and Defendant's California employees were forced to continue working through their meal and rest breaks in order to assist Defendant's needs. Because of this, Plaintiff and Defendant's California employees were unable to take their required meal and rest breaks. Moreover, Defendants failed to pay premium wages of one hour's pay for each missed meal and rest break to Plaintiff and Defendant's California employees who were denied timely meal and rest breaks, in violation of Labor Code §§ 226.7, 512, and 558, and IWC Order No. 5-2001, Section 12.

Plaintiff and Defendant's California employees were required to work off the clock for Defendant. Plaintiff and Defendant's California employees were instructed to work approximately 10-15 minutes after they had clocked out to finish their assignments. Defendants did not compensate Plaintiff and Defendant's California employees if these tasks were completed outside of his regular work hours. These excess hours were not recorded on our client's and Defendant's California employees wage statements. Plaintiff and Defendant's California employees should have been compensated for that time, but he was not in violation of Labor Code Sections 510, 1194, and 1194.2. As a result, Plaintiff and Defendant's California employees were not paid for all hours worked including all straight time wages, and overtime wages. These failures to pay wages constitute violations of Labor Code § 510 and 1194.

Plaintiff also claims that Defendant has failed to pay all overtime wages due to non-exempt employees. As a result, employees are not properly compensated for work performance in excess of eight (8) hours in a workday and work performed in excess of forty (40) hours in a workweek at a rate of no less than one and one-half times the regular rate of pay. Employees of Defendant regularly work in excess of eight (8) hours in a day or more than forty (40) hours per week and do not receive overtime compensation at a rate of one and one half of their regular rate. Plaintiff and Defendant's California employees were forced to work overtime and were not paid for all hours worked including all straight time wages, and overtime wages. These failures to pay all overtime wages constitute violations of Labor Code §§ 510, 1194, 1194.2.

Plaintiff, on behalf of himself and all other California employees of Defendant claims that Defendant has failed to pay all overtime wages due to non-exempt employees. Defendant pays their employees bonuses and commissions which are not included in the employees regular rate of pay for the purposes of computing the proper overtime rate. As a result, employees are not properly compensated for work performed in excess of eight (8) hours in a workday and work performed in excess of forty (40) hours in a workweek at a rate of no less than one and one-half times the regular rate of pay. These failures to pay all overtime wages constitute violations of Labor Code §§ 510, 1194, and 1194.2.

Defendants failed to issue Plaintiff and Defendant's California employees accurately itemized wage statements. As Defendants failed to compensate Plaintiff and Defendants' California employees with all wages due, as detailed above, their wage statements failed to accurately state all gross wages earned, in violation of Labor Code § 226(a)(1), total hours worked, in violation of Labor Code § 226(a)(2), and net wages earned, in violation of Labor Code § 226(a)(5), and all applicable hourly rates during the pay period and the corresponding number of hours worked, in violation of Labor Code § 226(a)(9), as a result of Defendants' failure to pay all overtime wages due. These violations also violate Labor Code §§ 226(e) and 226.3 with respect to Plaintiff and Defendants' California employees.

Defendants knowingly and intentionally failed to provide Plaintiff and Defendant's California employees timely, accurate, itemized wage statements in accordance with Labor Code § 226 and keep accurate records as required by §1174(d). The statements provided to Plaintiff and Defendant's California employees, and the records maintained by Defendants, have not accurately reflected actual gross wages earned, including pay for all hours worked, overtime, and meal/rest premiums, and total hour worked.

Our client further alleges that Defendants paid her and Defendant's California employees their final wages beyond the time frames set forth in Labor Code §§ 201 and 202. As they were not paid all wages due and owing throughout the course of their employment as a result of Defendants' failure to pay all premium wages as detailed above, at the time of their separation, they were not paid all final wages due and owing for the entirety of their employment. This violates Labor Code §§ 201-203.

Defendant pays Plaintiff and it's California employees on a bi-weekly basis and has failed to comply with Labor Code § 204(a) which holds that wages earned on a bi-weekly basis must be paid no later than seven calendar days following the close of the payroll period. Due to the violations described above, Plaintiff and Defendant's California employees did not receive all of their wages earned in a timely manner as required by Labor Code § 204(a)(b).

Defendant failed to reimburse Plaintiff and Defendant's California employees for the equipment they purchased to perform work for Defendant such as face masks. Defendant further failed to reimburse its California employees for using their personal cell phones and uniform maintenance for the benefit of Defendant. Labor Code section 2802 provides that "[a]n employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." As such, Plaintiff and Defendant's California employees have incurred reasonable and necessary expenses in the course of their job duties, which were not reimbursed by Defendant, in violation of Labor Code § 2802.

Defendant violated Labor Code § 223 by secretly paying a lower wage than the wage required by statute or contract, while purporting to pay the required wage. Defendant's did not pay all hours at the statutory minimum wage or the agreed upon hourly rate. California Labor Code § 223 provides that "where any statute or contract requires an employer to maintain the designated wage scale, it shall be unlawful to secretly pay a lower wage while purporting to pay the wage designated by statute or by contract."

Labor Code § 432.5 provides that no employer shall require any employee to agree, in writing, to any term or condition which is known by the employer to be prohibited by law. Here, Defendant requires, as a condition of employment, that Plaintiff and other aggrieved employees sign an agreement which includes numerous supplemental terms that are prohibited by law, including but not limited to the following:

- a. employees agree to indemnify and hold harmless UMA from any and all liability, loss, damages, attorneys' fees, or expenses which may be caused by an employee's negligence, willful actions, omissions or failure to perform the Assignment and/or an employee's obligations under this Agreement.
- b. to the extent permitted by law, employees, on their own behalf and on behalf of anyone claiming by or through them, waive any and all rights they have, or may have, to claim or assert a claim, suit, action or demand of any kind, nature or description, including without limitation, claims, suits, actions or demands for personal injury or death whether arising in tort, contract or otherwise, against Client or Client's customers, agents, officers, directors, or employees, resulting from or arising directly or indirectly out of an employee's employment with UMA, except as to any claims the employee assign to UMA under this Agreement. An employee recognizes and agrees that UMA provides workers' compensation coverage for such things as on the-job injuries or occupational diseases incurred while on Assignment for UMA, and to the extent permitted by law, an employee agrees to look solely to UMA and/or its insurer for damages and/or expenses for any such claims, suits, actions, or demands relating to bodily injury, illness, or death incurred while on Assignment. In furtherance of the foregoing and in recognition that any work related injuries which might be sustained by an employee are covered by state Workers' Compensation statutes, and to avoid the circumvention of such state statutes which may result from suits against the Client based on the same injury or injuries, and to the extent permitted by law, employees hereby waive and forever release any rights they might have to make claims or bring suit against the Client for damages based upon injuries which are covered under such Workers' Compensation statutes. Employees agree to notify UMA if they believe that there are any unsafe Conditions at the Client worksite or facility.

c. to the extent permitted by law, you agree that in the event of any dispute or claims: (a) arising out of or relating in any way to your employment or relationship with UMA; or (b) seeking to enforce the obligations contained in this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and all costs relating to the dispute or claims and any process through which such a dispute or claims may be resolved.

Provisions of Defendant's agreement, as described above, that Plaintiff and all aggrieved employees were required to sign as a condition of employment, explicitly violate several provisions of California law and public policy. As such, Plaintiff is an aggrieved employee and Defendant has violated Labor Code § 432.5 with respect to Plaintiff and all aggrieved employees.

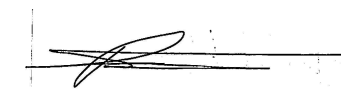
Defendants failed to pay all wages earned to Plaintiff and Defendant's California employees as a result of the unlawful employment policies and practices herein. As a result of these practices, Plaintiff and Defendant's California employees were underpaid for hours worked, including overtime and penalty wages, and this underpayment resulted in a failure to pay all wages owed twice per month. Due to this failure, Defendants are liable under Labor Code § 210 for failure to pay wages as required by law.

We invite Defendants or its attorney(s) to contact our office to discuss this matter, including whether an early resolution of the claims can be reached.

Our office awaits your response.

Very truly yours,

OTKUPMAN LAW FIRM

A handwritten signature in black ink, appearing to read 'Roman Otkupman', is written over a horizontal line.

ROMAN OTKUPMAN