

NORTHERN CALIFORNIA

118 WEST OAK STREET
LODI, CALIFORNIA 95240
[BY APPT. ONLY – NO SERVICE ACCEPTED]

2453 GRAND CANAL BLVD.
STOCKTON, CALIFORNIA 95207

SOUTHERN CALIFORNIA

360 EAST 2ND STREET, SUITE 800
LOS ANGELES, CALIFORNIA 90012
[BY APPT. ONLY – NO SERVICE ACCEPTED]



MAYALL HURLEY
EMPLOYMENT LAWYERS

112 SOUTH CHURCH STREET
LODI, CALIFORNIA 95240

TELEPHONE: (209) 477-3833
WWW.MAYALLLAW.COM

VLADIMIR F. KOZINA
STEVEN A. MALCOUN
MARK E. BERRY
WILLIAM J. GORHAM, III
NICHOLAS F. SCARDIGLI
ROBERT J. WASSERMANN
JENNY D. BAYSINGER
JOHN P. BRISCOE
VLADIMIR J. KOZINA

October 31, 2024

SUBMITTED VIA ONLINE CLAIM NOTICE

<https://dir.tfaforms.net/295>

SENT VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

LPL Financial Holdings, Inc.
4707 Executive Drive
San Diego, CA 92121

LPL Financial, LLC
4707 Executive Drive
San Diego, CA 92121

LPL Financial Holdings, Inc.
ATTN: CT Corporation System, Amanda Garcia, Agent for Service
330 N. Brand Blvd.
Glendale, CA 91203

LPL Financial, LLC
ATTN: CT Corporation System, Amanda Garcia, Agent for Service
330 N. Brand Blvd.
Glendale, CA 91203

Re: Audra Knappe – [REDACTED]

To whom it may concern:

As you should already be aware, this office has been retained by Audra Knappe in connection with claims arising out of her employment with LPL Financial Holdings, Inc., LPL Financial, LLC, and/or their affiliates (“LPL” or “Employers”). Knappe has been employed by LPL in California since 2014, primarily as an exempt employee. In accordance with California Labor Code section 2699.3, this letter shall serve as Ms. Knappe’s written notice to the Labor and Workforce Development Agency (“LWDA”) and Employer regarding the following alleged violations of the California Labor Code and the facts and theories supporting the same.

Employers, within the last year and beyond, as to Ms. Knappe and its other current and former California employees, failed to:

1. Properly Calculate and Pay Redeemed Sick Leave: California Labor Code section 245, et seq. requires that redeemed sick leave be paid at an employee’s

“regular rate of pay.” Cal. Labor Code § 246(l). The “regular rate of pay” includes all remuneration for employment paid to the employee and includes, but is not limited to, hourly earnings, salary, piece work earnings, commissions, non-discretionary bonuses, and the value of meals and lodging. See 29 U.S.C. § 207(e); DLSE Enforcement Policies and Interpretations Manual Section 49. Throughout Knappe’s employment, Employers failed to include those additional wages when determining the rate to pay Ms. Knappe for redeemed sick leave. Instead, when Ms. Knappe called off sick to work, LPL only compensated her regular “salary” and did not consider non-discretionary and incentive bonuses in determining the rate at which to compensate for sick pay. Ms. Knappe is informed and believes that Employers similarly underpaid all of its other current and former California employees for redeemed sick leave.

2. Furnish Accurate Itemized Wage Statements: Because of the violation set forth above, specifically the failure to properly calculate and pay redeemed sick leave, the wage statements furnished by Employers violated Labor Code section 226(a) insofar as they failed to accurately show:

- a. The gross wages earned in violation of section 226(a)(1);
- b. The net wages earned in violation of section 226(a)(5); and
- c. All applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate in violation of section 226(a)(9).
 - i. Because Employers did not identify/document when Ms. Knappe and other employees redeemed available paid sick leave (and did not pay it at the regular rate of pay), the wage statements issued during pay periods when sick leave was used failed to accurately reflect each hourly rate in effect and the number of hours at each hourly rate that were paid.

Additionally, and separately, the wage statements issued by Employers violated, and continue to violate, Labor Code section 226(a)(8) and 246(i). Specifically, the wage statements LPL furnished to Ms. Knappe throughout her employment fail to identify the name **or** address of any employer. In addition, at no point during her employment has Ms. Knappe been provided written notice that sets forth the amount of sick leave Ms. Knappe has available (or paid time off leave to the extent LPL provides such in lieu of specifically designated sick leave), nor has Ms. Knappe ever been provided written documentation at the time of payment of wages (or any other time) that she has “unlimited” sick leave available. Because of the failure to provide such written notice on each designated pay date—or ever—LPL violated, and continues to violate Labor Code section 246(i) as to Ms. Knappe. Ms. Knappe is informed and believes LPL also fails to provide the requisite written notice of available paid sick leave to all of its other California employees.

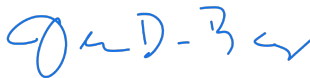
If the LWDA believes that it needs additional information to determine whether to investigate these claims, please contact me immediately to request such, which I will provide to the extent it is available to me or my client.

If the LWDA does not intend to investigate these violations, Ms. Knappe intends to file a civil complaint against Employers, pursuant to the Labor Code Private Attorney General Act of 2004 (Labor Code §§ 2698 – 2699.5), on behalf of herself and, as a proxy for the LWDA, on behalf of LPL's other current and former California employees.

Thank you for your attention in this matter.

Regards,

MAYALL HURLEY P.C.

By  _____
JENNY D. BAYSINGER