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AMY REECE, ON BEHALF OF HERSELF,
AND ALL OTHERS SIMILARLY SITUATED

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN FRANCISCO

AMY REECE, an individual, on behalf of
herself, and all others similarly situated;

Plaintiff,

vs.

WALKME, INC., a Delaware corporation, and
DOES 1 through 50, inclusive;

Defendants.

Case No. CGC-22-602550

**CLASS, COLLECTIVE, AND
REPRESENTATIVE ACTION**

SECOND AMENDED COMPLAINT FOR:

- 1. FAILURE TO PAY OVERTIME
(WAGE ORDER 4-2001 AND LABOR
CODE §§510 AND 1198)**
- 2. FAILURE TO PROVIDE MEAL
BREAKS (WAGE ORDER 4-2001, §11
AND LABOR CODE §§512 AND
226.7)**
- 3. FAILURE TO PROVIDE REST
BREAKS (WAGE ORDER 4-2001, §12
AND LABOR CODE §226.7)**
- 4. FAILURE TO PAY MINIMUM
WAGES (WAGE ORDER 4-2001 AND
LABOR CODE §§1194, 1197 and
1182.12)**
- 5. PAY WAGES (LABOR CODE §§204
AND 210)**
- 6. FAILURE TO PROVIDE ACCURATE
ITEMIZED WAGE STATEMENTS
(LABOR CODE §226)**

7. **FAILURE TO PAY ALL WAGES EARNED UPON DISCHARGE (LABOR CODE §§201, 202 AND 203)**
8. **UNREIMBURSED BUSINESS EXPENSES (LABOR CODE §§2800 AND 2802)**
9. **FAILURE TO PROVIDE TIMELY ACCESS TO EMPLOYMENT RECORDS (LABOR CODE §1198.5)**
10. **UNLAWFUL BUSINESS PRACTICES (BUSINESS AND PROFESSIONS CODE §17200)**
11. **CIVIL PENALTIES PURSUANT TO LABOR CODE PRIVATE ATTORNEY GENERAL ACT (LABOR CODE §2699, *ET. SEQ.*)**
12. **VIOLATIONS OF THE FAIR LABOR STANDARDS ACT (29 U.S.C. § 206 AND 207)**

DEMAND FOR JURY TRIAL

Plaintiff Amy Reece (“**Reece**” or “**Plaintiff**”), on behalf of herself, and all others similarly situated, hereby alleges the following Second Amended Complaint against WalkMe, Inc. (“**WalkMe**”) and DOES 1 through 50 (collectively with WalkMe as “**Defendants**”) as follows:

THE PARTIES

1. Reece is and at all times relevant hereto was a resident of the State of California and either the County of San Francisco or the County of Contra Costa.

2. During her tenure with WalkMe, Reece was employed by and performed services for WalkMe in the County of San Francisco and the County of Contra Costa.

3. Plaintiff is informed and believes that Defendant WalkMe is presently a Delaware Corporation headquartered in San Francisco, California and that it does business in and employs individuals, including Reece, in the County of San Francisco as well as the County of Contra Costa.

4. Defendants were Plaintiff’s and the Class Members’ employer within the meaning of Government Code §§ 12926(d), 12940 (a), (h), (l), (h) (3) (A) and (i), and 12950, and the Labor Code,

1 and regularly employ five (5) or more persons and are therefore subject to the jurisdiction of this
2 Court.

3 5. The true names and capacities, whether individual, corporate, associate, or otherwise
4 of the Defendants named herein as DOES 1-50, inclusive, are unknown to Plaintiff at this time and
5 therefore said Defendants are sued by such fictitious names. Plaintiff will seek leave to amend this
6 Complaint to insert the true names and capacities of said Defendants when the same become known
7 to Plaintiff. Plaintiff is informed and believes and thereupon alleges that each of the fictitiously
8 named Defendants is responsible for the wrongful acts alleged herein and is therefore liable to
9 Plaintiff and the Class Members as alleged hereinafter.

10 6. Plaintiff is informed and believes, and based thereupon alleges, that at all times
11 relevant hereto, Defendants, and each of them, were the agents, employees, managing agents,
12 supervisors, conspirators, parent corporation, joint employers, alter ego, and/or joint ventures of the
13 other Defendants, and each of them, and in doing the things alleged herein, were acting at least in part
14 within the course and scope of said agency, employment, conspiracy, joint employment, alter ego
15 status, and/or joint venture and with the permission and consent of each of the other Defendants.

16 7. Plaintiff is informed and believes, and based thereupon alleges, that Defendants, and
17 each of them, including those Defendants named DOES 1-50, acted in concert with one another to
18 commit the wrongful acts alleged therein, and aided, abetted, incited, compelled, and/or coerced one
19 another in the wrongful acts alleged herein, and/or attempted to do so. Plaintiff is further informed
20 and believes, and based thereupon alleges, that the Defendants, and each of them, including those
21 Defendants named as DOES 1-50, formed and executed a conspiracy or common plan pursuant to
22 which they would commit the unlawful acts alleged herein, with all such acts alleged herein done as
23 part of and pursuant to said conspiracy, intended to and actually causing Plaintiff and the Class
24 Members' harm.

25 8. Whenever and wherever reference is made in this Complaint to any act or failure to
26 act by a Defendant or co-Defendant, such allegations and references shall also be deemed to mean
27 the acts and/or failures to act by each Defendant acting individually, jointly, and severally.

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1 **JURISDICTION AND VENUE**

2 9. The monetary value of Plaintiff's claim exceeds \$35,000.

3 10. The amount in controversy herein is within the jurisdiction of this Court.

4 11. The acts, omissions, damages, and injury that form the basis of this lawsuit were
5 sustained, at least in part, in the County of San Francisco.

6 12. Plaintiff was a resident and employed in the County of San Francisco for at least part
7 of her employment with Defendant.

8 13. Defendant is headquartered in the County of San Francisco as well as qualified to do
9 business in California and regularly conducts business in San Francisco County, California.

10 14. This Court is the proper Court, and this action is properly filed in the County of San
11 Francisco pursuant to Code of Civil Procedure §395 because Defendant is headquartered in the
12 County of San Francisco, at least some of Defendant's obligations and liability arise therein, and
13 because at least some of the work that is the subject of this action was performed by Reece and some
14 of the Class Members in the County of San Francisco.

15 **ALTER EGO, AGENCY, AND JOINT EMPLOYER**

16 15. Plaintiff is informed and believes, and based thereon alleges, that there exists such a
17 unity of interest and ownership between Defendants and DOES 1-50 that the individuality and
18 separateness of Defendants have ceased to exist.

19 16. Plaintiff is informed and believes, and based thereon alleges, that despite the formation
20 of purported corporate existence, DOES 1-50 are, in reality, one and the same as Defendants,
21 including, but not limited to because:

22 a. Defendants are completely dominated and controlled by DOES 1-50, who
23 personally violated the laws as set forth in this complaint, and who have hidden and currently hid
24 behind Defendants to circumvent statutes or accomplish some other wrongful or inequitable purpose.

25 b. DOES 1-50 derive actual and significant monetary benefits by and through
26 Defendants' unlawful conduct, and by using Defendants as the funding source for their own personal
27 expenditures.

28 c. Plaintiff is informed and believes that Defendants and DOES 1-50, while really

1 one and the same, were segregated to appear as though separate and distinct for purposes of
2 circumventing a statute or accomplishing some other wrongful or inequitable purpose.

3 d. Plaintiff is informed and believes that Defendants do not comply with all
4 requisite corporate formalities to maintain a legal and separate corporate existence.

5 e. Plaintiff is informed and believes, and based thereon alleges, that the business
6 affairs of Defendants and DOES 1-50 are, and at all times relevant were, so mixed and intermingled
7 that the same cannot reasonably be segregated, and the same are in inextricable confusion.
8 Defendants are, and at all times relevant hereto were, used by DOES 1-50 as a mere shell and conduit
9 for the conduct of certain of Defendants' affairs, and are, and were, the alter ego of DOES 1-50. The
10 recognition of the separate existence of Defendants would not promote justice, in that it would permit
11 Defendants to insulate themselves from liability to Plaintiff for violations of the Government Code,
12 Labor Code, and other statutory violations. The corporate existence of Defendants and DOES 1-50
13 should be disregarded in equity and for the ends of justice because such disregard is necessary to
14 avoid fraud and injustice to Plaintiff herein.

15 17. Accordingly, Defendants constitute the alter ego of DOES 1-50, and the fiction of their
16 separate corporate existence must be disregarded.

17 18. As a result of the aforementioned facts, Plaintiff is informed and believes, and based
18 thereon alleges that Defendants and DOES 1-50 are Plaintiff's joint employers by virtue of a joint
19 enterprise, and that Plaintiff was an employee of Defendants and DOES 1-50. Plaintiff performed
20 services for each and every one of Defendants, and to the mutual benefit of all Defendants, and all
21 Defendants shared control of Plaintiff as an employee, either directly or indirectly, in the manner in
22 which Defendants' business was and is conducted.

23 **FACTUAL ALLEGATIONS**

24 19. Defendant has consistently maintained and enforced against Reece and Class
25 Members unlawful employment practices and policies which violate the Labor Code and IWC Wage
26 Orders.

27 ***WalkMe Misclassifies Its Sales Employees as Exempt from Overtime***

28 20. Defendant's commissioned employees in the state of California ("California Sales

1 **Employees**”) are paid a set base salary plus commissions pursuant to Defendant’s Incentive
2 Compensation Plan (the “**Commission Plan**”).

3 21. Defendant classifies its California Sales Employees as “exempt” employees.
4 Moreover, Defendant includes in their California Sales Employees’ offer letters a statement that they
5 are “exempt” and not entitled to overtime. Defendant then requires their California Sales Employees
6 to agree to this “exempt” classification when they execute their offer letters as a condition of their
7 employment with Defendant.

8 22. However, Defendant’s California Sales Employees are not exempt from overtime, nor
9 do they qualify for any exemption listed in Wage Order 4, which governs the California Sales
10 Employees’ employment with Defendant.

11 23. California Sales Employees on target earnings (“**OTE**”) are set at fifty percent (50%)
12 base salary and fifty percent (50%) commissions.

13 24. California Sales Employees are assigned to work and do work from either their home
14 office or Defendant’s offices.

15 25. California Sales Employees do not customarily or regularly travel outside of or away
16 from their home office or Defendant’s offices to make sales much less spend more than fifty percent
17 (50%) of their time away from their home office or Defendant’s offices as all sales activity is
18 conducted via Zoom, telephone, or other remote platform by the California Sales Employees from
19 their home office or Defendant’s offices.

20 26. As a result of the foregoing, California Sales Employees do not qualify as exempt
21 outside sales employees under Wage Order 4.

22 27. Wage Order 4 requires that, in order for California Sales Employees, who do not
23 qualify under the outside salesperson exemption, to be exempt from overtime (i.e., inside sales
24 employees), more than half of their compensation must be commissions (i.e., greater than 50%).
25 Additionally, the commission compensation component of the exemption must be satisfied in each
26 workweek and paid in each pay period for the exemption to apply. *See Peabody v. Time Warner*
27 *Cable, Inc.*, 59 Cal.4th 662 (2014). This is commonly referred to as the “Inside Salesperson
28 Exemption.”

1 28. Defendant pays its California Sales Employees, including Reece, 50% commissions
2 and 50% salary with their OTE set at 50% and 50% with California Sales Employees often receiving
3 less than even 50% of their total compensation in commissions.

4 29. Furthermore, Commissions do not make up more than half of the California Sales
5 Employees' compensation during all of their pay periods.

6 30. As such, the California Sales Employees do not qualify for the Inside Salesperson
7 Exemption.

8 31. Reece, like other California Sales Employees, was misclassified as exempt and forced
9 to agree to such classification in her offer letter as a condition of her employment. Specifically,
10 Reece's OTE was set at 50% base salary and 50% commissions, and she did not receive more than
11 50% of her compensation as commission in a majority of her pay periods. In fact, Reece's
12 commissions did not even amount to 50% of her total compensation for entire years. For example,
13 in 2019, Reece's commissions only made up just over 2% of her total compensation for the entire
14 year and, in 2020, Reece's commissions made up just over 45% of her total compensation for the
15 entire year. As such, Reece, like other California Sales Employees, was misclassified as an exempt
16 employee.

17 ***WalkMe Fails to Provide Meal and Rest Breaks to Its Sales Employees***

18 32. Regardless of the classification of the California Sales Employees (either as exempt
19 or non-exempt), Defendant was still obligated to comply with California's meal and rest break laws
20 pursuant to Wage Order 4.

21 33. Defendant does not have a written, actively enforced policy of providing meal breaks
22 and/or rest periods to its California Sales Employees.

23 34. In fact, California Sales Employees' schedules regularly prevent them from being able
24 to take an uninterrupted thirty (30) minute lunch break as well as prevent them from being permitted
25 to take their ten (10) minute rest breaks. Moreover, California Sales Employees often work straight
26 through their shift without a single rest break.

27 35. Specifically, California Sales Employees are regularly prevented from taking an
28 uninterrupted thirty (30) minute off duty lunch period before the end of their fifth hour of work or a

1 second uninterrupted thirty (30) minute off duty lunch period before the end of their tenth hour of
2 work as they often have to (i) attend work obligations (including, but not limited to, sales meetings,
3 client issues, phone calls, emails, etc.) that interrupt their meal breaks, (ii) take less than thirty (30)
4 minutes for their lunch breaks, (iii) take them after their fifth hour or tenth hour of work as appropriate,
5 (iv) miss their meal breaks in their entirety, or are (v) prevented from leaving the premises for their
6 meal breaks.

7 36. Furthermore, the nature of the work performed by California Sales Employees prevent
8 them from taking their ten (10) minute rest breaks and Defendant also intentionally does not schedule
9 any breaks into California Sales Employees' workday.

10 37. Additionally, California Sales Employees do not sign or execute any written
11 agreement to take "on-duty" meal periods within the meaning of Wage Order 4-2001, §11, nor do
12 they sign any agreements waiving their statutory meal periods.

13 38. As a California Sales Employee, Reece was subject to the aforementioned practices
14 and regularly denied and prevented the ability to take her uninterrupted thirty (30) minute off duty
15 lunch periods as required by law. When Reece did take their lunch breaks, she was often and routinely
16 (i) interrupted for work matters, (ii) forced to work through her lunch breaks and miss her meal break
17 in its entirety or take less than thirty (30) minutes, (iii) take her lunch periods after their fifth hour or
18 tenth hour of work as appropriate, or (iv) prevented from leaving the premises for her meal breaks by
19 her work obligations.

20 39. Furthermore, Reece was also required to work though her rest periods and regularly
21 prevented from taking at least one ten (10) minute rest break for every four (4) hours or major fraction
22 thereof worked.

23 40. Additionally, Reece never signed nor executed any written agreement with Defendant
24 to take "on-duty" meal periods nor did she waive her statutory meal periods.

25 ***WalkMe Fails to Pay Overtime to Its Misclassified Sales Employees***

26 41. As stated herein above, Defendant misclassified its California Sales Employees and
27 has an express policy and practice of not paying California Sales Employees for their overtime as all
28 hours worked by the California Sales Employees.

1 42. California Sales Employees regularly worked in excess of forty (40) hours in a week
2 and eight (8) hours in a day as well as seven (7) consecutive days in a week; however, they are not
3 paid overtime for these hours in accordance with California law.

4 43. As a California Sales Employee, Reece was misclassified and regularly worked in
5 excess of forty (40) hours in a week and eight (8) hours in a day as well as seven (7) consecutive days
6 in a week; however, she was not paid overtime for these hours.

7 ***WalkMe Fails to Properly Reimburse Its Employees for Their Business Expenses***

8 44. Defendant has a policy and practice of providing no reimbursement to any of its
9 California employees for their business use of their home internet, or any other “work from home”
10 expenses that they incur in the course and scope of their employment other than a small
11 reimbursement for the California Sales Employees’ business use of their personal cell phone

12 45. Reece, like other California employees, worked from home and regularly used her
13 home internet for business purposes but was never provided any compensation by Defendant for her
14 home internet expense nor was she properly compensated for her other home office expenses, which
15 includes, but is not limited to, the need for pens, paper, desk, chair, etc., to complete Defendant’s
16 necessary work.

17 46. While Defendant did provide a one-time small stipend in March 2020 to some of its
18 California employees, such stipend was not sufficient to reimburse, nor did it cover the cost for all of
19 its California employees’ expenses that they have incurred to complete Defendant’s necessary work
20 during their employment.

21 47. As stated above, the only reimbursement Defendant does provide its California
22 employees (other than the aforementioned one-time stipend in March 2020) is a small thirty (\$30)
23 monthly reimbursement for their business use of their personal cell phone. However, California Sales
24 Employees are in constant use of their personal cell phone for work related tasks such that the business
25 use of their personal cell phone is the predominate use (i.e., 50% of more). As such, the small
26 reimbursement that WalkMe does provide its California Sales Employees is not sufficient or
27 reasonable to reimburse its California Sales Employee for the actual business use of their personal
28 cell phone plans.

1 ***WalkMe Fails to Properly Pay Its Non-Exempt Employees Sick Time***

2 48. Defendant has a pattern and practice of paying its non-exempt California employees
3 at their base rate of pay for any sick time hours that they record in order to deny them their regular
4 rate of pay for such hours in violation of Labor Code §246(l).

5 49. In fact, Defendant fails to take into account all of their non-exempt employee's
6 compensation and earnings, including, but not limited to, earned commissions and bonuses, when
7 calculating their sick time pay.

8 50. Moreover, when California Sales Employees report their sick time to Defendant, it
9 does not record the sick time hours on their paystub, but rather just pays the California Sales
10 Employees for their base salary for the period of time.

11 51. As such, Defendant denied its non-exempt employees, including its California Sales
12 Employees, the full amount of their wages and compensation that they were entitled to receive for
13 such sick time hours under one of the required sick pay for such hours pursuant to Labor Code §246(l).

14 52. Reece, as a non-exempt California Sales Employee, was subject to the aforementioned
15 practice. Specifically, when Reece reported and recorded her sick time off, Defendant simply paid
16 Reece her normal salary and regular rate of pay for the sick hours instead of one of the required sick
17 pay calculations for such hours pursuant to Labor Code §246(l), which denied Reece the full amount
18 of her wages that she was entitled to and should have received for the sick hours that she took .

19 ***WalkMe Fails to Properly Provide Accurate Notice to***
20 ***Its Non-Exempt Employees of their Sick Time Balance***

21 53. Labor Code §246(i) states that "An employer shall provide an employee with written
22 notice that sets forth the amount of paid sick leave available, or paid time off leave an employer
23 provides in lieu of sick leave, for use on either the employee's itemized wage statement described in
24 Section 226 or in a separate writing provided on the designated pay date with the employee's payment
25 of wages."

26 54. Here, because of Defendant's failure to properly record its non-exempt California
27 Sales Employees' sick time hours on their paystub as alleged above, it also failed to provide accurate
28 notice of its non-exempt California Sales Employees' sick time balance to them as required by

1 California law.

2 ***WalkMe Illegally Claws Back Commissions, Refuses to Pay All Commissions Owed and Fails to***
3 ***Comply with California's Commission Laws***

4 55. Defendant has a pattern and practice of illegally clawing back California Sales
5 Employee's earned commissions.

6 56. By way of example, Defendant claw's back earned wages from California Sales
7 Employees for deals that Defendant "thinks" may churn even though such deals have not actually
8 churned. Additionally, Defendant will claw back from one California Sales Employee's earned
9 wages for deals that churn in another employee's name (i.e., where the claw back and deal belongs to
10 a different account executive and not the individual from whom they have deducted the claw back).

11 57. As a California Sales Employee, Reece was subject to the aforementioned practices.
12 In fact, prior to Reece's separation from Defendant, Defendant clawed back from Reece's earned
13 wages for a deal that was closed almost nine (9) months prior simply because Defendant thought that
14 there was a possibility that the account may "churn" in the future even though the account had not
15 actually churned nor did the account allow for termination for convenience that would have allowed
16 it to churn. Defendant also clawed back from Reece's earned wages for an account that was not in
17 her name, but rather belonged to another employee and that should have been clawed by from that
18 employee.

19 58. Defendant also has a pattern and practice of not paying their California Sales
20 Employees for all of their commissions that they earn. By way of example, Defendant refuses to pay
21 its California Sales Employees for commissions earned for net new ARR under the Commission Plan
22 even though the California Sales Employees should receive such compensation.

23 59. As a California Sales Employee, Reece was subject to the aforementioned practice and
24 was not paid for all of her commissions that she earned. Specifically, Reece closed a deal for net new
25 ARR, but, rather than pay Reece for the net new ARR, Defendant rolled Reece's net new ARR into
26 renewals so Reece would not get paid her earned commissions on the deal as Reece was not
27 compensated on or responsible for renewals. In fact, Reece was paid no commissions on the deal
28 even though she should have been paid her earned commissions and, to date, Defendant has never

1 paid out the commissions owed to Reece for such deal.

2 60. Furthermore, Defendant has a pattern and practice of not paying their California Sales
3 Employees on every deal that their California Sales Employees close.

4 61. Reece, as a California Sales Employee, was subject to the aforementioned practice.
5 By way of example, Reece was informed by Defendant that she earned and would be paid
6 commissions for the deals on her commission spreadsheet that closed. However, Defendant refused
7 to pay and has never paid Reece for her earned commissions on all of her deals despite the fact that
8 the deals closed, and Reece was assured that she would receive commissions for the deals under her
9 Commission Plan by Defendant.

10 62. Finally, Defendant has a policy and practice of having their commission plans expire
11 on or about December 31 of an applicable year, but then not entering into new commission plans
12 agreements with its California Sales Employees until on or about the end of February or later of the
13 following year. Defendant then applies the new commission plans retroactively to commissions
14 earned after the previous commission plan expired, but prior to the new commission plan being put
15 into place. As such, Defendant retroactively applies its new commission plan to commissions already
16 earned prior to the new commission plan being put into place.

17 63. As a California Sales Employee, Reece was also subject to the aforementioned
18 practice. By way of example, Reece's 2021 commission plan expired on or about December 31,
19 2021; however, Reece was not presented with a new 2022 commission plan until February 15, 2022,
20 and it was not executed by the parties until February 22, 2022. Although, prior to the new commission
21 plan being put into place on February 22, 2022, Reece had earned commissions that Defendant applied
22 the new commission plan retroactively to instead of the terms and conditions of the existing plan at
23 the time as required by California Labor Code §2751(b).

24 ***WalkMe Does Not Timely Pay Its California Sales Employee's Wages***

25 64. Defendant has a pattern and practice of not paying any commissions earned by
26 California Sales Employees to them until last day of the following month (i.e., commissions earned
27 in July would be paid out at the end of August and so forth) in violation of Labor Code §204(a).

28 65. Reece, as a California Sales Employee, was subject to the aforementioned practice

1 and, as a result, she did not receive her earned commissions until on or after the last day of the
2 following month (i.e., she received her February commissions on the last day of March and so forth).

3 ***WalkMe Does Not Timely Pay Its Employee's Upon Their Separation of Employment***

4 66. Defendant has a pattern and practice of refusing to pay its California employees all of
5 their earned wages immediately at the time of their separation of employment as required by Labor
6 Code §§201 and 202. Rather Defendant, if they do pay the wages due to the former employees, will
7 wait days, weeks, and sometimes months to pay their former California employees' earned wages to
8 them.

9 67. Furthermore, when a California Sales Employee separates from Defendant,
10 regardless of whether they are terminated by Defendant or they resign, Defendant refuses to pay the
11 California Sales Employees with all of their earned commissions at the time of their departure, but
12 rather, if Defendant decides to pay them at all, it waits until the end of the following month or beyond
13 even though such commissions are reasonably calculable at the time of the California Sales
14 Employees' departure.

15 68. Reece, as a California employee and California Sales Employee, was subject to the
16 aforementioned practices and, as a result, she did not receive her earned wages on her separation date.
17 Rather, Defendant refused to pay Reece's earned commissions that were calculable at that time for
18 months after her separation with some of her wages and earned commissions not ever being paid at
19 all.

20 ***WalkMe Fails to Provide Its Misclassified Sales Employees One Day of Rest in Seven***

21 69. The requirements of the California Sales Employees' jobs require them to often work
22 on their days off and weekends such that they are often and regularly required to work seven straight
23 days.

24 70. Reece, like other California Sales Employees, was subject to these practices and would
25 have to respond to emails or calls, fill out documentation that sales leadership asked for, review deals
26 and status documentation, and other tasks on the weekends. As a result, Reece, like other California
27 Sales Employees, was regularly forced to work seven consecutive days without a day off.

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1 ***WalkMe Refuses to Timely Provide Employees with a Copy of Their Employee File***

2 71. Defendant has a policy and practice of not permitting its employees to receive a copy
3 of or inspect their personnel file within thirty (30) calendar days of making a request or receiving a
4 copy of the documents signed by the employee related to the holding of employment with Defendant
5 as required by Labor Code §§432 and 1198.5.

6 72. Reece, as an employee and former employee of Defendant, was subject to the
7 aforementioned policy and practice. On July 8, 2022, Reece made a written request to Defendant for
8 a “a complete copy of [her] personal file, including, but not limited to any disciplinary files, as well
9 as a copy of any and all documents that [she] signed relating to [her] obtaining or holding of
10 employment with [Defendant]” pursuant to Labor Code §§432 and 1198.5. However, to date,
11 Defendant has never provided Reece with the records that she requested and was entitled to under
12 California law after making her request.

13 **CLASS AND COLLECTIVE ACTION ALLEGATIONS**

14 73. Plaintiff brings this action individually on behalf of herself and as a class action as
15 well as a collective action under the Fair Labor Standards Act of 1938, 29 U.S.C. §201 *et seq.*
16 (“FLSA”) on behalf of a proposed Class defined as follows:

- 17 i. All persons employed by Defendant in the state of California at any time during
18 the period from four years before the filing of the Complaint through the date of
19 class certification whose compensation included commissions ("**Commissioned**
20 **Employee Class Members**");
- 21 ii. All persons employed by or that should have been employed by Defendant as non-
22 exempt employees in the state of California at any time during the period from
23 four years before the filing of the Complaint through the date of final judgment
24 that were entitled to accrue sick leave ("**Sick Leave Class Members**");
- 25 iii. All persons employed by Defendant in the state of California at any time during
26 the period from four years before the filing of the Complaint through the date of
27 final judgment who performed any work from home or at a place other than
28 Defendant’s offices for any amount of time ("**Remote Employee Class**

1 **Members**"); and

- 2 iv. All persons employed by Defendant in the state of California at any time during
3 the period from four years before the filing of the Complaint through the date of
4 final judgment who requested a copy of or to inspect their personnel file and did
5 not receive a copy or the ability to inspect their personnel file within thirty (30)
6 days of making their request ("**Employee File Access Class Members**" and
7 collectively herein with the Remote Employee Class Members, Sick Leave Class
8 Members, and Commissioned Employee Class members as the "**Class**" or "**Class**
9 **Members**")

10 74. The Class is also comprised of the follow Subclasses:

- 11 i. Those members of the Commissioned Employee Class Members who are not or
12 were not an "Outside Salesperson" as such term is defined in Wage Order 4
13 ("**Inside Sales Class Members**"); and
14 ii. Those members of the Class and Subclasses who separated from their employment
15 with Defendant during the period from four years before the filing of the
16 Complaint through the date of class certification ("**Former Employee Class**
17 **Members**" and collectively with Inside Sales Class Members as the
18 "**Subclasses**").

19 75. Plaintiff's claims under the FLSA are brought as a collective action on behalf of herself
20 and on behalf of all other similarly-situated persons who are currently employed or were employed
21 by Defendant during the full statute of limitations period (i.e., on or after the date that is three years
22 before the filing of the complaint in this case) (the "**FLSA Collective Period**"). Plaintiff and all such
23 other similarly situated persons are jointly referred to herein as the "**FLSA Collective.**"

24 76. Plaintiff consents to being a party plaintiff pursuant to 29 U.S.C. § 216(b) and brings
25 these claims based upon the allegations herein as a representative party of a prospective class of
26 similarly situated individuals under 29 U.S.C. § 216(b).

27 77. Plaintiff brings her FLSA claims as a collective action pursuant to FLSA Section
28 16(b), 29 U.S.C. §§ 207 and 216(b), on behalf of herself and on behalf of all other similarly situated

1 persons who were employed by Defendant in one of the Classes during the FLSA Collective Period.

2 78. Excluded from the FLSA Collective are Defendant's legal representatives, officers,
3 directors, assigns, and successors, or any individual who has or had a controlling interest in
4 Defendant. Also excluded are persons and entities who submit timely and otherwise proper requests
5 for exclusion from the FLSA Collective.

6 79. At all relevant times, Plaintiff and the other members of the FLSA Collective were
7 similarly situated, had substantially similar job requirements and pay provisions, were paid in the
8 same manner and under the same common policies, programs, procedures, protocols, plans and
9 practices, and were subject to Defendant's illegal practices outlined above in the fact section.

10 80. The claims of Plaintiff stated herein are similar to those of the other employees in the
11 FLSA Collective. During the FLSA Collective Period, Defendant was fully aware of the duties
12 performed by Plaintiff and the FLSA Collective, and that those duties were not exempt from the
13 provisions of the FLSA.

14 81. Defendant's violations of the FLSA were willful, repeated, knowing, intentional and
15 without a good faith basis, and significantly damaged Plaintiff and the FLSA Collective.

16 82. The exact number of the FLSA Collective is unknown to Plaintiff at the present time
17 without discovery of Defendant's books and records, but Plaintiff, upon information and belief,
18 estimates that there are at least over one hundred (100) other similarly situated persons who were
19 employed by Defendant during the FLSA Collective Period.

20 83. Plaintiff is currently unaware of the identities of the FLSA Collective. However, the
21 similarly situated members of the FLSA Collective are known to Defendant and are readily
22 identifiable through Defendant's records. Accordingly, Defendant should be required to provide
23 Plaintiff with a list of all persons employed by Defendant during the FLSA Collective Period, along
24 with their last known addresses, telephone numbers and email addresses, so Plaintiff can give the
25 FLSA Collective notice of this action and an opportunity to make an informed decision about whether
26 to participate in it.

27 84. Plaintiff reserves the right pursuant to California Rules of Court Rule 3.764 and
28 3.765, to amend or modify the respective definitions of the Class and/or Subclasses to provide

1 greater specificity and/or further division into subclasses or limitation to particular issues.

2 85. This action is brought, and may properly be maintained, as a class action pursuant
3 to California Code of Civil Procedure §382 because there is a well-defined community of
4 interest in the litigation, and the proposed class is easily ascertainable. This action presents
5 questions of common interest and satisfies the numerosity, commonality, typicality, adequacy,
6 predominance, and superiority requirements of this provision.

7 86. The Class Members are so numerous that joinder of each individual member would be
8 impracticable, and the disposition of their claims in a class action, rather than in numerous individual
9 actions, will benefit the parties, the Court, and the interests of justice.

10 87. The Class Members other than Reece are readily ascertainable by their job positions
11 and duties, by their classification by Defendant, and from the books and records maintained by
12 Defendant in its regular course of business.

13 88. There is a well-defined community of interest amongst the Class Members, as all of
14 these individuals have resided and worked in California and have been similarly subjected to unlawful
15 policies and/or practices herein.

16 89. Common questions of law and fact that affect the class predominate over questions
17 that affect only individual Class Members, including, among other things:

- 18 i. whether Defendant maintained a policy and/or practice whereby Inside Sales Class
19 Members were improperly classified as exempt from overtime as opposed to non-
20 exempt employees;
- 21 ii. whether Defendant maintained a policy and/or practice of failing to pay Inside
22 Sales Class Members the legally mandated minimum-wage for all hours worked;
- 23 iii. whether Defendant maintained a policy and/or practice of failing to pay Inside
24 Sales Class Members their legally mandated overtime in accordance with Labor
25 Code §510 for all hours worked in excess of forty (40) hours in a week, eight (8)
26 hours in a day, or on a seventh consecutive day of a workweek;
- 27 iv. whether Defendant maintained a policy and/or practice of failing to pay Sick Leave
28 Class Members with all of their wages by paying their applicable sick leave at their

1 base salary instead of their regular rate of pay or in accordance with applicable
2 California law;

3 v. whether Defendant maintained a policy and/or practice of failing to provide Inside
4 Sales Class Members the meal periods to which they were entitled under California
5 law;

6 vi. whether Defendant maintained a policy and/or practice of failing to allow Inside
7 Sales Class Members the rest periods to which they were entitled under California
8 law;

9 vii. whether Defendant maintained a policy and/or practice of failing to pay Inside
10 Sales Class Members the additional hour of compensation owed to them under
11 Labor Code section 226.7 for all shifts during which a mandated meal period was
12 not provided;

13 viii. whether Defendant maintained a policy and/or practice of failing to pay Inside
14 Sales Class Members the additional hour of compensation owed to them under
15 Labor Code section 226.7 for all shifts during which they were deprived a
16 mandated rest period;

17 ix. whether Defendant maintained a policy and/or practice of failing to maintain and
18 furnish accurate, itemized wage statements to Inside Sales Class Members,
19 Commissioned Employee Class Members, and Sick Leave Class Members in
20 violation of Labor Code §226 and Wage Order 4;

21 x. whether Defendant failed to provide accurate notice of the Sick Leave Class
22 Members' sick time to them as required by Labor Code §246 (i);

23 xi. whether Defendant maintained a policy and/or practice of failing to properly
24 reimburse all Remote Employee Class Members for all of their necessary
25 expenditures or losses incurred by the Remote Employee Class Members in direct
26 consequence of the discharge of their duties, or of their obedience to the directions
27 of Defendant;

28 xii. whether Defendant's cell phone reimbursement policy and practice for

1 reimbursing its Commissioned Employee Class Members for their business use of
2 their personal cellphones was sufficient to cover the reasonable business use of
3 their personal cellphone;

4 xiii. whether Defendant maintained a policy and/or practice of failing to properly pay
5 the Sick Leave Class Members, Commissioned Employee Class Members, and
6 Inside Sales Commission Members within the time limits prescribed by Labor
7 Code section 204;

8 xiv. whether Defendant maintained a policy and/or practice of failing to properly pay
9 the Commissioned Employee Class Members and Inside Sales Commission
10 Members with all of their commissions and wages earned by them;

11 xv. whether Defendant maintained a policy and/or practice of failing to properly pay
12 Former Employee Class Members within the time limits prescribed by Labor Code
13 sections 201 and 202;

14 xvi. whether Defendant maintained a policy and/or practice of failing to properly
15 provide the Employee File Access Class Members a copy of or access to their
16 employee file within the time limits provided by Labor Code section 11985; and

17 xvii. whether Defendant's violations of the Labor Code serve as predicate
18 violations of Business and Professions Code §§17200 *et. seq.*

19 90. Common questions of law and/or fact predominate over questions that affect only
20 individual Class Members. Plaintiff's claims are typical of those belonging to the members of the
21 Class that Plaintiff seeks to represent, and Plaintiff can adequately represent the Class that she seeks
22 to represent.

23 **FIRST CAUSE OF ACTION**

24 **FAILURE TO PAY OVERTIME**

25 (California Wage Order 4-2001 and California Labor Code §§510 and 1198)

26 (Against All Defendants)

27 91. Plaintiff repeats and realleges all of the allegations set forth in the preceding
28 paragraphs as if the same were fully set forth herein and with the same full force and effect.

1 92. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who
2 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
3 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
4 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
5 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

6 93. At all relevant times herein, California Labor Code §510 mandates Defendant
7 compensate its non-exempt employees for their overtime at one and a half (1.5) times their regular
8 rate of pay for the hours that they work each day in excess of eight (8) hours (up to twelve [12] hours)
9 or each week for the hours that they work in excess of forty (40) hours or for the first eight (8) hours
10 worked on a seventh consecutive day of a workweek.

11 94. Additionally, California Labor Code §510 mandates that Defendant is also required to
12 compensate its non-exempt employees at two times (2x) their regular rate of pay for the hours that
13 they work each day in excess of twelve (12) hours or in excess of eight (8) hours worked on a seventh
14 consecutive day of a workweek.

15 95. An employee's regular rate of pay is calculated by adding all remuneration for
16 employment (i.e., all compensation and earnings), except statutory exclusions, in any workweek
17 divided by the total hours worked by that employee in the workweek.

18 96. Wage Order 4-2001, §3 and Labor Code §§510 and 1198 make it unlawful to pay
19 employees for overtime work at less than the applicable overtime rate.

20 97. Specifically, Labor Code §1198 prohibits, among other things, the employment of any
21 employee for longer hours than those fixed by under conditions of labor prohibited the labor
22 commission's wage order, which for Defendant's employees are listed in Wage Order 4-2001.

23 98. As articulated above, Defendant forced its Inside Sales Class Members, including
24 Plaintiff, to work more than forty (40) hours a week without overtime pay and under conditions that
25 violated Wage Order 4 and in violation of Labor Code §1198.

26 99. Inside Sales Class Members, including Plaintiff, worked overtime as defined by Wage
27 Order 4-2001, §3 and Labor Code §510, including, but not limited to, working in excess of eight
28 hours in one day, forty hours in each workweek and seven days in a workweek, without overtime pay

1 and under conditions that violated Wage Order 4-2001 and Labor Code §1198.

2 100. Pursuant to Labor Code §558, Inside Sales Class Members, including Plaintiff, are
3 entitled to recover for a civil penalty of \$50.00 for the initial failure to compensate them at the
4 statutory overtime rate for any work in excess of eight hours in one day or any work in excess of 40
5 hours in any workweek and/or failure to compensate Inside Sales Class Members, including Plaintiff,
6 at the statutory double time rate for any work in excess of twelve hours in one day or any work in
7 excess of 8 hours on the seventh day of a workweek in addition to any underpaid wages; and \$100.00
8 for each subsequent failure to compensate Inside Sales Class Members, including Plaintiff, at the
9 statutory overtime rate for any work in excess of eight hours in one day or any work in excess of 40
10 hours in any workweek and/or failure to compensate Inside Sales Class Members, including Plaintiff,
11 at the statutory double time rate for any work in excess of twelve hours in one day or any work in
12 excess of 8 hours on the seventh day of a workweek in addition to any underpaid wages.

13 101. Pursuant to Labor Code §1194, Inside Sales Class Members, including Plaintiff, are
14 entitled to recover the full amount of the unpaid balance of wages, including interest thereon, along
15 with attorney's fees and costs.

16 102. As a direct and proximate result of Defendant's conduct in violation of Wage Order
17 4-2001, §3 and Labor Code §§510 and 1198, Inside Sales Class Members, including Plaintiff, have
18 suffered, and continue to suffer, losses related to the use and enjoyment of wages and lost interest on
19 such wages all to their damage in an amount according to proof at trial.

20 **SECOND CAUSE OF ACTION**

21 **FAILURE TO PROVIDE MEAL BREAKS**

22 (California Wage Order 4-2001, §11 and California Labor Code §§512 and 226.7)

23 (Against All Defendants)

24 103. Plaintiff repeats and realleges all of the allegations set forth in the preceding
25 paragraphs as if the same were fully set forth herein and with the same full force and effect.

26 104. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who
27 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
28 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,

1 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
2 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

3 105. Wage Order 4-2001, §11 and Labor Code §512 provide that an employer “shall not
4 employ an employee for a work period of more than five hours per day without providing the
5 employee with a meal period of not less than 30 minutes, except that if the total work period per day
6 of the employee is no more than six hours, the meal period may be waived by mutual consent of both
7 the employer and employee. An employer shall not employ an employee for a work period of more
8 than 10 hours per day without providing the employee with a second meal period of not less than 30
9 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may
10 be waived by mutual consent of the employer and the employee only if the first meal period was not
11 waived.” Furthermore, “[u]nless the employee is relieved of all duty during a 30 minute meal period,
12 the meal period shall be considered an ‘on duty’ meal period and counted as time worked. An ‘on
13 duty’ meal period shall be permitted only when the nature of the work prevents an employee from
14 being relieved of all duty and when by written agreement between the parties an on-the-job paid meal
15 period is agreed to.”

16 106. Labor Code §226.7(b) provides that “[a]n employer shall not require an employee to
17 work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable
18 regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and
19 Health Standards Board, or the Division of Occupational Safety and Health.”

20 107. Additionally, Labor Code §226.7 requires employers to pay an additional one hour of
21 pay at the employee’s “regular rate of compensation” for each workday that the meal or rest or
22 recovery period is not provided (also known as a Premium Payment). The Premium Payment must be
23 made by the employer concurrently with the other wages due within the pay period when the break
24 violation occurred.

25 108. The California Supreme Court has also determined that the term “*regular rate of*
26 *compensation*” for the required Premium Payment is synonymous with the term the “regular rate of
27 pay” for the purposes of calculating overtime. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.
28 5th 858. As such, employers were and are required to pay meal, rest, or recovery period premiums at

1 the same regular rate used for overtime calculations. *See Id.* The California Supreme Court also
2 applied this standard retroactively to all previous payments *See Id.*

3 109. Regardless of the classification of the Inside Sales Class Members, including Plaintiff,
4 (either as exempt or non-exempt), Defendant was still obligated to comply with California's meal
5 break laws with respect to Inside Sales Class Members, including Plaintiff, pursuant to Wage Order
6 4-2001.

7 110. Inside Sales Class Members, including Plaintiff, did not sign or execute any written
8 agreement with Defendant to take "on-duty" meal periods within the meaning of Wage Order 4-2001,
9 §11, nor did they sign any agreement waiving their statutory meal periods.

10 111. As articulated herein above, Inside Sales Class Members, including Plaintiff, were
11 denied their meal breaks as required by Wage Order 4-2001 §11 and Labor Code §512.

12 112. Pursuant to Labor Code §226.7, Inside Sales Class Members, including Plaintiff, are
13 entitled to recover from Defendant damages equal to their applicable hourly rate of pay times the total
14 number of days worked during which they were not provided meal periods as well as interest thereon.

15 113. Pursuant to California Labor Code §218.5, Inside Sales Class Members, including
16 Plaintiff, are entitled to recover, and hereby seek recovery of, their attorneys' fees and costs.

17 **THIRD CAUSE OF ACTION**

18 **FAILURE TO PROVIDE REST BREAKS**

19 (California Wage Order 4-2001, §12 and California Labor Code §226.7)

20 (Against All Defendants)

21 114. Plaintiff repeats and realleges all of the allegations set forth in the preceding
22 paragraphs as if the same were fully set forth herein and with the same full force and effect.

23 115. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who
24 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
25 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
26 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
27 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

28 116. Pursuant to Wage Order 4-2001, §12 requires that "[e]very employer shall authorize

1 and permit all employees to take rest periods, which insofar as practicable shall be in the middle of
2 each work period. The authorized rest period time shall be based on the total hours worked daily at
3 the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. [...] Authorized
4 rest period time shall be counted as hours worked for which there shall be no deduction from wages.”

5 117. Labor Code §226.7(b) provides that “[a]n employer shall not require an employee to
6 work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable
7 regulation, standard, or order of the Industrial Welfare Commission, the Occupational Safety and
8 Health Standards Board, or the Division of Occupational Safety and Health.”

9 118. Additionally, Labor Code §226.7 requires employers to pay an additional one hour of
10 pay at the employee’s “regular rate of compensation” for each workday that the meal or rest or
11 recovery period is not provided (also known as a Premium Payment). The Premium Payment must be
12 made by the employer concurrently with the other wages due within the pay period when the break
13 violation occurred.

14 119. The California Supreme Court has also determined that the term “*regular rate of*
15 *compensation*” for the required Premium Payment is synonymous with the term the “regular rate of
16 pay” for the purposes of calculating overtime. *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.
17 5th 858. As such, employers were and are required to pay meal, rest, or recovery period premiums at
18 the same regular rate used for overtime calculations. *See Id.* The California Supreme Court also
19 applied this standard retroactively to all previous payments *See Id.*

20 120. Regardless of the classification of the Inside Sales Class Members, including Plaintiff,
21 (either as exempt or non-exempt), Defendant was still obligated to comply with California’s rest break
22 laws with respect to Inside Sales Class Members, including Plaintiff, pursuant to Wage Order 4-2001.

23 121. As described herein above, Defendant had a pattern and practice of failing to provide
24 Inside Sales Class Members, including Plaintiff, with a rest period of ten (10) consecutive minutes
25 for each four (4) hour work period, or major fraction thereof. All of this was done knowingly and
26 intentionally in violation of Labor Code §§226.7 as well as IWC Wage Order 4-2001.

27 122. Pursuant to Labor Code §226.7, Inside Sales Class Members, including Plaintiff, are
28 entitled to recover from Defendant damages equal to their applicable hourly rate of pay times the total

1 number of days worked during which they were not provided rest periods as well as interest thereon.

2 123. Pursuant to California Labor Code §218.5, Inside Sales Class Members, including
3 Plaintiff, are entitled to recover, and hereby seek recovery of, their attorneys' fees and costs.

4 **FOURTH CAUSE OF ACTION**

5 **FAILURE TO PAY MINIMUM WAGES**

6 (California Wage Order 4-2001 and California Labor Code §§1194, 1197 and 1182.12)

7 (Against All Defendants)

8 124. Plaintiff repeats and realleges all of the allegations set forth in the preceding
9 paragraphs as if the same were fully set forth herein and with the same full force and effect.

10 125. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who
11 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
12 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
13 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
14 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

15 126. At all times herein, Wage Order 4-2001 applied to Defendant's employment of the
16 Class Members.

17 127. Wage Order 4-2001, §4 and Labor Code §§1197 and 1182.12 establish the right of
18 employees to be paid minimum wages for all hours worked, in amounts set by state law. Specifically,
19 Labor Code §1197 provides that "[t]he minimum wage for employees fixed by the commission is the
20 minimum wage to be paid to employees, and the payment of a less wage than the minimum so fixed
21 is unlawful."

22 128. As stated herein, Inside Sales Class Members, including Plaintiff, worked straight time
23 and overtime hours without any compensation for these hours worked for Defendant in violation of
24 Wage Order 4-2001, §4 and California Labor Code §§1197 and 1182.12.

25 129. Pursuant to Labor Code §1194(a), Inside Sales Class Members, including Plaintiff, are
26 entitled to recover the full amount of the unpaid balance of wages, including interest thereon, along
27 with attorney's fees and costs.

28 130. Pursuant to Labor Code §1194.2(a), Inside Sales Class Members, including Plaintiff,

1 are entitled to recover liquidated damages in an amount of wages unlawfully withheld and interest
2 accrued thereon.

3 131. Pursuant to Labor Code §1197.1, Inside Sales Class Members, including Plaintiff, are
4 also entitled to recover a penalty of \$100.00 for the first pay period that they were underpaid, and
5 \$250.00 for each subsequent pay period that they were underpaid.

6 132. As a direct and proximate result of Defendant's conduct in violation of Wage Order
7 4-2001, §4 and California Labor Code §§1197 and 1182.12, Inside Sales Class Members, including
8 Plaintiff, have suffered, and continue to suffer, losses related to the use and enjoyment of wages and
9 lost interest on such wages all to their damage in an amount according to proof at trial.

10 133. Pursuant to California Labor Code §218.5, Inside Sales Class Members, including
11 Plaintiff, are entitled to recover, and hereby seek recovery of, their attorneys' fees and costs.

12 **FIFTH CAUSE OF ACTION**

13 **FAILURE TO PAY WAGES**

14 (California Labor Code §204)

15 (Against All Defendants)

16 134. Plaintiff repeats and realleges all of the allegations set forth in the preceding
17 paragraphs as if the same were fully set forth herein and with the same full force and effect.

18 135. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who
19 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
20 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
21 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
22 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

23 136. Labor Code §204 provides in part that "all wages [...] earned by any person in any
24 employment are due and payable twice during each calendar month, on days designated in advance
25 by the employer as the regular pay days."

26 137. Labor Code §204 further provides that all wages earned by any employee between the
27 1st and 15th days of any calendar month must be paid by no later than the 26th day of the month
28 during which the labor was performed, and all wages earned between the 16th and last day of the

1 month must be paid by the 10th day of the following month.

2 138. Labor Code §204(b) also requires an employer to pay all wages earned for labor in
3 excess of the normal work period by no later than the payday for the next regular payroll period.

4 139. Labor Code §246(l) requires an employer to pay its non-exempt employee's sick leave
5 by using one of two calculations (i) In the same manner as their regular rate of pay for the workweek
6 in which the employee uses paid sick time, whether or not the employee actually works overtime in
7 that workweek; or (ii) by dividing the employee's total wages, not including overtime premium pay,
8 by the employee's total hours worked in the full pay periods of the prior 90 days of employment.
9 Rather than comply with the foregoing obligations, Defendant paid Sick Leave Class Members,
10 including Plaintiff, at their base hourly rate of pay (or salary rate for those misclassified) instead of
11 one of the foregoing calculations and as such, Defendant has failed pay Sick Leave Class Members,
12 including Plaintiff, the full amount of their wages owed to them.

13 140. As a result of the foregoing and in violation of Labor Code §204, Defendant knowingly
14 and willfully refused to pay and failed to perform Defendant's obligation to compensate Sick Leave
15 Class Members, including Plaintiff, for the wages earned by them.

16 141. In violation of Labor Code §204, Defendant knowingly and willfully refused to pay
17 and failed to perform Defendant's obligation to timely pay and compensate Insides Sales Class
18 Members, including Plaintiff, for the wages earned by them as outlined herein above, including, but
19 not limited to, minimum wages, overtime wages, meal and rest period wages, etc.

20 142. In violation of Labor Code §204, Defendant knowingly and willfully refused to pay
21 and failed to perform Defendant's obligation to compensate Commissioned Employee Class
22 Members, including Plaintiff, for their commission wages earned by them and timely pay their wages
23 as outlined herein above.

24 143. As a direct and proximate result of Defendant's conduct, Sick Leave Class Members,
25 Inside Sales Class Members, and Commissioned Employee Class Members, including Plaintiff, have
26 been damaged in an amount according to proof at trial, and seek all wages earned and due and interest
27 thereon.

28 144. Pursuant to Labor Code §210, Sick Leave Class Members, Inside Sales Class

1 Members, and Commissioned Employee Class Members, including Plaintiff, are entitled to recover
2 a penalty of \$100.00 for Defendant's initial failure to timely pay all of their wages earned, and
3 \$200.00 for each subsequent failure to timely pay all of their wages earned.

4 145. Additionally, pursuant to Labor Code §210, for each subsequent failure to pay in
5 compliance with Labor Code §204, Sick Leave Class Members, Inside Sales Class Members, and
6 Commissioned Employee Class Members, including Plaintiff, are entitled to recover an additional
7 amount equal to 25% of the unlawfully withheld wages.

8 146. Pursuant to Labor Code §218.5, Sick Leave Class Members, Inside Sales Class
9 Members, and Commissioned Employee Class Members, including Plaintiff, are also entitled to
10 recover their reasonable attorneys' fees and costs.

11 147. As a direct and proximate result of Defendant's conduct in violation of Labor Code
12 §204 as alleged above, Sick Leave Class Members, Inside Sales Class Members, and Commissioned
13 Employee Class Members, including Plaintiff, have suffered, and will continue to suffer, losses
14 related to the use and enjoyment of wages and lost interest on such wages all to their damage in an
15 amount according to proof at trial.

16 **SIXTH CAUSE OF ACTION**

17 **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**

18 (California Labor Code §226)

19 (Against All Defendants)

20 148. Plaintiff repeats and realleges all of the allegations set forth in the preceding
21 paragraphs as if the same were fully set forth herein and with the same full force and effect.

22 149. Labor Code § 226(a) requires an employer to provide its employees with accurate
23 itemized wage statements in writing showing: (1) all applicable hourly rates in effect during each
24 respective pay period and the corresponding number of hours worked at the rate by the employee; (2)
25 total number of hours worked; (3) gross wages earned; (4) net wages earned; (5) all deductions; (6)
26 inclusive dates of the period for which the employee is paid; (7) the name of the employee and either
27 an employee identification or the last four digits of the employee's social security number; and, (8)
28 the name and address of the legal entity that is the employer.

150. Defendant failed to properly pay Sick Leave Class Members, Inside Sales Class Members, and Commissioned Employee Class, including Plaintiff, wages as articulated herein, Defendant, as a result of these violations, also failed to provide Sick Leave Class Members, Inside Sales Class Members, and Commissioned Employee Class, including Plaintiff, with accurate itemized wage statements as required by Labor Code § 226(a).

151. As a result of Defendant's failure to provide accurate itemized wages statements, Sick Leave Class Members, Inside Sales Class Members, and Commissioned Employee Class, including Plaintiff, suffered actual damages and harm by being unable to determine their applicable pay rate and amounts due to them for each pay period, which prevented them from becoming aware of these violations and asserting their statutory protections under California law.

152. Defendant knowingly and intentionally failed to comply with Labor Code § 226(a) on each and every wage statement provided to Sick Leave Class Members, Inside Sales Class Members, and Commissioned Employee Class, including Plaintiff.

153. Pursuant to Labor Code § 226.3(e), Sick Leave Class Members, Inside Sales Class Members, and Commissioned Employee Class, including Plaintiff, are entitled to recover the greater of all actual damages or fifty dollars (\$50.00) for the initial pay period in which a violation occurs and one hundred dollars (\$100.00) for each violation in a subsequent pay period, not exceeding an aggregate penalty of four thousand dollars (\$4,000.00).

154. Sick Leave Class Members, Inside Sales Class Members, and Commissioned Employee Class, including Plaintiff, are also entitled to an award of costs and reasonable attorneys' fees under Labor Code § 226(h).

SEVENTH CAUSE OF ACTION

FAILURE TO PAY ALL WAGES EARNED UPON DISCHARGE

(California Labor Code §§201, 202 and 203)

(Against All Defendants)

155. Plaintiff repeats and realleges all of the allegations set forth in the preceding paragraphs as if the same were fully set forth herein and with the same full force and effect.

156. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who

1 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
2 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
3 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
4 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

5 157. California Labor Code §§201 and 202 requires an employer to pay all wages
6 immediately at the time of separation of employment in the event the employer discharges an
7 employee, or an employee provides at least 72 hours of notice of their intent to quit.

8 158. Labor Code §203 provides that an employer who fails to do so must pay a waiting time
9 penalty of one day of an employee's wages for each calendar day thereafter that they remain unpaid,
10 up to a maximum of thirty (30) days.

11 159. Waiting time penalties must be paid at the employee's daily wage rate, which is
12 calculated by adding the employee's base wages, commissions, bonuses, and vacation pay that the
13 employee earns in a year, dividing that sum by 52 weeks, and dividing that result by 40 hours. *Drumm*
14 *v. Morningstar, Inc.* (N.D. Cal. 2010) 695 F.Supp.2d 1014, 1019. Furthermore, waiting time penalties
15 must be paid as a penalty and without taxes or other withholdings taken out of the waiting time
16 penalty.

17 160. Defendant has not paid Former Employee Class Members, including Plaintiff, for all
18 of their wages due at the time of their separation as there are still wages outstanding as a result of
19 Defendant's violations as articulated herein nor has Defendant provided them with all of the waiting
20 time penalties that are required as a result of Defendant's failure to pay all of their wages due.

21 161. As a result, and pursuant to Labor Code §203, Former Employee Class Members,
22 including Plaintiff, are entitled to recover a "waiting time" penalty of one day of their wages for each
23 calendar day that they remain unpaid, up to a maximum of thirty (30) days.

24 **EIGHTH CAUSE OF ACTION**

25 UNREIMBURSED BUSINESS EXPENSES

26 (California Labor Code §§2800 and 2802)

27 (Against All Defendants)

28 162. Plaintiff repeats and realleges all of the allegations set forth in the preceding

1 paragraphs as if the same were fully set forth herein and with the same full force and effect.

2 163. Labor Code §2800 requires an employer to indemnify its employee for losses caused
3 by the employer's want of ordinary care.

4 164. Labor Code §2802 provides that "[a]n employer shall indemnify his or her employee
5 for all necessary expenditures or losses incurred by employee in direct consequence of the discharger
6 of his or her duties."

7 165. California law prevents an WalkMe from passing on operating expenditures to its
8 employees and must reimburse expenditures, such as cell phones, equipment, business travel,
9 training, mileage, and other expenditures or losses incurred by its employees as a result of or in
10 furtherance of their employment with WalkMe (including, but not limited to, a portion of their home
11 internet cost if they were working from home). *See Cochran v. Schwan's Home Services, Inc.* (2014)
12 228 Cal. App. 4th 1137, 1140.

13 166. Defendant has a pattern, practice, and policy of not indemnify or reimbursing Remote
14 Employee Class Members and Commissioned Employee Class Members, including Plaintiff, for all
15 of their losses and expenditures either caused by Defendant or incurred by the Remote Employee
16 Class Members and Commissioned Employee Class Members, including Plaintiff, in direct
17 consequence of the discharge of their duties, or of their obedience to Defendant's directions.

18 167. Remote Employee Class Members, including Plaintiff, are required to perform
19 services at home, which means Defendant was and is obligated to cover a portion of their home
20 internet costs as well as all of the equipment that they have to purchase to work from home.

21 168. Defendant has a policy and practice of providing no reimbursement to any of its
22 Remote Employee Class Members, including Plaintiff, for their business use of their home internet,
23 or any other "work from home" expenses that they incur in the course and scope of their employment.

24 169. While Defendant did provide a one-time small stipend in March 2020 to some of its
25 Remote Employee Class Members, such stipend was not sufficient to reimburse, nor did it cover the
26 cost for all of its Remote Employee Class Members' expenses that they have incurred to complete
27 Defendant's necessary work during their employment.

28 170. As stated above, Defendant does provide its Commissioned Employee Class

1 Members with a small thirty (\$30) dollars monthly reimbursement for their business use of their
2 personal cell phone. However, Commissioned Employee Class Members are in constant use of their
3 personal cell phone for work related tasks such that the business use of their personal cell phone is
4 the predominate use (i.e., 50% of more). Therefore, the small reimbursement that Defendant does
5 provide its Commissioned Employee Class Members is not sufficient or reasonable to reimburse its
6 Commissioned Employee Class Members for the actual business use of their personal cell phone
7 plans.

8 171. By requiring Remote Employee Class Members and Commissioned Employee Class
9 Members, including Plaintiff, to pay expenses and cover losses that they incurred in direct
10 consequence of the discharge of their duties for Defendant and/or in obedience of Defendant's
11 direction or expectations, Defendant has violated Labor Code §§2800 and 2802 and Remote
12 Employee Class Members and Commissioned Employee Class Members, including Plaintiff, are
13 entitled to reimbursement for these necessary expenditures plus interest.

14 172. Pursuant to Labor Code §2802(c), Remote Employee Class Members and
15 Commissioned Employee Class Members, including Plaintiff, are entitled to recover their reasonable
16 attorneys' fees and costs for prosecution of this action.

17 **NINETH CAUSE OF ACTION**

18 **FAILURE TO PROVIDE TIMELY ACCESS TO EMPLOYMENT RECORDS**

19 (California Labor Code §1198.5)

20 (Against All Defendants)

21 173. Plaintiff repeats and realleges all of the allegations set forth in the preceding
22 paragraphs as if the same were fully set forth herein and with the same full force and effect.

23 174. Under Labor Code §1198.5, Defendant is required to provide their employees with a
24 copy of or access to their personnel records within thirty (30) calendar days of making a request.

25 175. As articulated herein above, Defendant has a policy and practice of not providing
26 Employee File Access Class Members, including Plaintiff, with access to or a copy of their personnel
27 records within thirty (30) calendar days of making a request.

28 176. As a direct result of Defendant's failure to permit Employee File Access Class

1 Members, including Plaintiff, to inspect or copy their personnel records within the thirty (30) day
2 time period, Employee File Access Class Members, including Plaintiff, are entitled to recover a seven
3 hundred and fifty dollar (\$750) penalty as well as reasonable attorneys' fees and costs, pursuant to
4 statute.

5 **TENTH CAUSE OF ACTION**

6 **UNLAWFUL BUSINESS PRACTICES**

7 (California Business and Professions Code §17200)

8 (Against All Defendants)

9 177. Plaintiff repeats and realleges all of the allegations set forth in the preceding
10 paragraphs as if the same were fully set forth herein and with the same full force and effect.

11 178. A violation of Business & Professions Code §17200, *et. seq.* may be predicated on the
12 violation of any state or federal law. Defendant's activities, as alleged herein, are violations of
13 California law, and constitute unlawful business acts and practices in violation of Business &
14 Professions Code §17200, *et. seq.*

15 179. As such, Plaintiff is informed, believes, and based thereon alleges, that the practices
16 alleged herein constitute an unlawful, unfair, and/or fraudulent business practice, as set forth in
17 Business & Professions Code §17200, *et. seq.*

18 180. Plaintiff is informed, believes, and based thereon alleges, that the practices alleged
19 herein present a continuing threat to members of the public as Defendant has conducted and continues
20 to conduct business activities while failing to comply with the legal mandates cited herein.

21 181. By way of example, Defendant's misclassification scheme allows Defendant to strip
22 Plaintiff and Inside Sales Class Members of their fundamental employment rights, such as the right
23 to minimum wage for all hours worked, mandated meal and rest periods, premium wages for missed
24 meal and rest periods, itemized wage statements, and the prompt payment of full wages within time
25 limits set by law, as provided under various provisions of the Labor Code and Wage Order 4-2001.
26 With their unlawful scheme, Defendant is able to unjustly keep and appropriate for
27 themselves significant amounts of money that otherwise should have been paid Plaintiff and Inside
28 Sales Class Members as wages. Defendant continues with this misclassification scheme today in

1 order to enrich itself at the expense of the Inside Sales Class Members.

2 182. By way of further example, Defendant's failure to properly reimburse Remote
3 Employee Class Members and Commissioned Employee Class Members, including Plaintiff, for all
4 of their business expenses allows Defendant to illegal pass on business operational expenses to its
5 employees in order to enrich itself. Defendant continues with its reimbursement practices today at
6 the expense of the Remote Employee Class Members and Commissioned Employee Class Members.

7 183. Furthermore, such skirting of the legal mandates cited herein presents a threat to the
8 general public in that the enforcement of such laws is essential to ensure that all California employers
9 compete equally, and that no California employer receives an unfair competitive advantage at the
10 expense of its employees.

11 184. Defendant has clearly established a policy of accepting a certain amount of collateral
12 damage, as represented by the damages to the Class Members herein alleged, as incidental to its
13 business operations, rather than accept the alternative costs of full compliance with fair, lawful, and
14 honest business practices, ordinarily borne by its responsible competitors and as set forth in legislation
15 and the judicial record.

16 185. Defendant's unfair business practices have reaped undue benefits and illegal profits,
17 and unjustly enriched Defendant, at the expense of Plaintiff, other Class Members, and the public.
18 Plaintiff and other Class Members have been personally injured by Defendant's unlawful business
19 acts and practices, as alleged herein, including but not necessarily limited to the loss of money or
20 property.

21 186. As a result of Defendant's conduct, the Class Members have suffered damages, in an
22 amount to be determined according to proof at trial.

23 187. Also, as a result of Defendant's conduct and pursuant to Business & Professions Code
24 §17200, *et. seq.*, Plaintiff and the Class Members are entitled to preliminary and permanent injunctive
25 relief enjoining Defendant from continuing to commit their illegal acts, and for an accounting for and
26 restitution of the monies unlawfully withheld and retained by Defendant and other appropriate relief
27 available under Business and Professions Code §§17200 and 17203.

28 188. As a further result of Defendant's unlawful and unfair business practices and pursuant

1 to Business & Professions Code §17200, *et. seq.*, the Class Members, including Plaintiff, are entitled
2 and do seek are also entitled to disgorgement of illegally acquired profits by Defendant during the
3 period starting four years before the filing of the Complaint through the present.

4 189. Plaintiff and Class Members are also entitled to and do seek an award of attorneys'
5 fees and costs pursuant to the common fund doctrine, California Code of Civil Procedure §1021.5
6 and all other applicable laws.

7 **ELEVENTH CAUSE OF ACTION**

8 **CIVIL PENALTIES PURSUANT TO LABOR CODE PRIVATE ATTORNEY GENERAL ACT**

9 (California Labor Code §2699)

10 (Against All Defendants)

11 190. Plaintiff repeats and realleges all of the allegations set forth in the preceding
12 paragraphs as if the same were fully set forth herein and with the same full force and effect.

13 191. Pursuant to Labor Code §558.1, not only WalkMe, but any other natural person who
14 is an owner, director, officer, or managing agent of WalkMe may be held personally liable for
15 violations of the directives appearing in the wage orders and in various provisions of the Labor Code,
16 including any PAGA claims or penalties. *See Turman v. Superior Court (Koji's Japan Inc.)* (2017)
17 17 Cal. App. 5th 969, 986; *see also Atempa v Pedrazzani* (2018) 27 Cal. App. 5th 809, 820.

18 192. Plaintiff is an "aggrieved employee" under Cal. Lab. Code § 2698 et seq. ("**PAGA**"),
19 as Plaintiff has been employed by WalkMe during the applicable statutory period and suffered one or
20 more of the Labor Code violations herein. As such, Plaintiff seeks to recover, on behalf of herself and
21 all other current and former aggrieved employees of WalkMe, the civil penalties provided by PAGA,
22 plus reasonable attorney's fees and costs.

23 193. Plaintiffs seek to recover the PAGA civil penalties through a representative action
24 permitted by PAGA and the California Supreme Court in *Arias v. Superior Court* (2009) 46 Cal. 4th
25 969. Therefore, class certification of the PAGA claims is not required.

26 194. On October 11, 2022, Plaintiff gave written notice of WalkMe's violations of various
27 provisions of the California Labor Code as alleged in this complaint to the Labor and Workforce
28 Development Agency ("**LWDA**") via the online filing system required by the PAGA statute and with

1 a copy via certified mail to WalkMe. The LWDA did not provide notice of its intention to investigate
2 WalkMe's alleged violations within sixty-five (65) calendar days of the October 11, 2022, postmark
3 date of the notice sent by Plaintiff. *See* Cal. Lab. Code § 2699.3. On December 16, 2022, Plaintiff
4 filed an amendment to her LWDA claim to add her claim regarding Labor Code §2810.5.

5 195. Plaintiff seeks civil penalties pursuant to PAGA for violations of the following Labor
6 Code provisions:

- 7 i. Labor Code §432.5 for requiring its California Sales Employees to agree to
8 terms and conditions in their offer letter that are known by WalkMe to be
9 illegal in the state of California, including, but not limited to, requiring them
10 to agree to be exempt and not entitled to overtime compensation;
- 11 ii. Labor Code §§1197, 1197.1, and 1194 for failing to pay at least the minimum
12 wage fixed by the commission for all hours worked and/or the legal overtime
13 compensation applicable to the California Sales Employees;
- 14 iii. Labor Code §§510 and 558 for failing to pay overtime to the California Sales
15 Employees;
- 16 iv. Labor Code §§551 and 552 for cause their California Sales Employees to work
17 more than six days in seven and not providing one day's rest in each seven (7)
18 day period;
- 19 v. Labor Code §§246 and 248.5 for failing to pay California Sales Employees as
20 required by Labor Code §246(l);
- 21 vi. Labor Code §§246 and 248.5 for failing to provide California Sales Employees
22 with proper notice of their sick leave balance as required by Labor Code
23 §246(i);
- 24 vii. Labor Code §1198 for employing California Sales Employees for longer hours
25 than those fixed by under conditions of labor prohibited the labor
26 commission's wage order, which for Defendant's employees are listed in Wage
27 Order 4;
- 28 viii. Labor Code §226.7 and paragraph 12 of Wage Order 4-2001 for failing to

- 1 authorize and/or permit required rest periods to Plaintiff and other
2 misclassified California Sales Employees;
- 3 ix. Labor Code §226.7(b) and paragraph 11 of Wage Order 4-2001 failing to pay
4 Plaintiff and other misclassified California Sales Employees the additional
5 hour of compensation earned for every shift that a mandated rest period was
6 denied;
- 7 x. Labor Code §§226.7 and 512 and paragraph 11 of Wage Order 4-2001 for
8 failing to provide required meal periods to Plaintiff and other
9 misclassified California Sales Employees;
- 10 xi. Labor Code §226.7(b) and paragraph 11 of Wage Order 4-2001 failing to pay
11 Plaintiff and other misclassified California Sales Employees the additional
12 hour of compensation earned for every shift that a mandated meal period was
13 denied;
- 14 xii. Labor Code §§2800 and 2802 for failing to indemnify their employee for losses
15 caused by the WalkMe's want of ordinary care and failing to indemnify its
16 California employees for all necessary expenditures or losses incurred by the
17 employees in direct consequence of the discharge of their duties, or of their
18 obedience to the directions of WalkMe;
- 19 xiii. Labor Code §§201, 202, 203 and 204 for failing to pay all wages immediately
20 at the time of separation of employment, or to an employee who provides at
21 least 72 hours of notice of their intent to quit as well as failing to provide
22 waiting time penalties for those violations;
- 23 xiv. Labor Code §204(a) for failing to pay all wages earned by any employee
24 between the 1st and 15th days of any calendar month by no later than the
25 26th day of the month during which the labor was performed, and all wages
26 earned between the 16th and last day of the month to be paid by the 10th day of
27 the following month;
- 28 xv. Labor Code §204(b) for failing to pay all wages earned for labor in excess of

1 the normal work period by no later than the payday for the next regular payroll
2 period;

3 xvi. Labor Code §§226(a) and 226.3 for failing to provide accurate and complete
4 wage statements for each pay period;

5 xvii. Labor Code §§1174 and 1174.5 for failing to keep required payroll records;

6 xviii. Labor Code §221 for illegally collecting and receiving from its employees any
7 part of wages theretofore paid by WalkMe to said employee;

8 xix. Labor Code §300 for illegally assigning employee's wages without the
9 assignment being contained in a separate written instrument signed by the
10 individual whom the wages or salary has been earned by and identifying
11 specifically the transaction to which the assignment relates and where the
12 employees is married, failure to obtain written consent of the employee's
13 spouse;

14 xx. Labor Code §§432 and 1198.5 for failing to provide their employees with a
15 copy of their personnel file within 30 calendar days of the employee making a
16 written request and failing to provide employees who sign any instrument
17 relating to the obtaining or holding of employment with a copy of the
18 instrument upon request;

19 xxi. Labor Code §2751 for violations of California's rules for commission plans;
20 and

21 xxii. Labor Code §2810.5 for failing to provide California Sales Employees written
22 notice, at the time they were hired, that contained all of the information
23 required by Labor Code §2810.5(a)(1).

24 196. With respect to violations of Labor Code §§1194, 1197 and 1197.1, Labor Code
25 §1197.1 imposes a civil penalty in addition to any other penalty provided by law of one hundred
26 dollars (\$100) for initial violations for each underpaid employee for each pay period for which the
27 aggrieved employee was underpaid in addition to an amount sufficient to recover underpaid wages,
28 and two hundred and fifty dollars (\$250) for subsequent violations for each underpaid employee for

1 each pay period for which the aggrieved employee was underpaid in addition to an amount sufficient
2 to recover underpaid wages. Moreover, Plaintiff seeks civil penalties in the amount of unpaid wages
3 owed to aggrieved employees pursuant to Labor Code §1197.1(a)(3). Plaintiff also seeks liquidated
4 damages in an amount equal to the unpaid wages owed to aggrieved employees and interest thereon
5 pursuant to Labor Code §1194.2(a).

6 197. With respect to violations of Labor Code §§510 and 1198, Labor Code §558 imposes
7 a civil penalty in addition to any other penalty provided by law of fifty dollars (\$50) for initial
8 violations for each underpaid employee for each pay period for which the aggrieved employee was
9 underpaid in addition to an amount sufficient to recover underpaid wages, and one hundred dollars
10 (\$100) for subsequent violations for each underpaid employee for each pay period for which the
11 aggrieved employee was underpaid in addition to an amount sufficient to recover underpaid wages.
12 Moreover, Plaintiff seeks civil penalties in the amount of unpaid wages owed to aggrieved employees
13 pursuant to Labor Code § 558(a)(3).

14 198. With respect to violations of Labor Code §§226.7 and 512, Plaintiff seeks, in addition
15 to any other penalty provided by law, civil penalties in the amount of one additional hour of pay at
16 the aggrieved employee's regular rate of compensation for each work day that the meal or rest period
17 is not provided to Labor Code § 226.7(b).

18 199. With respect to violations of Labor Code §§201 to 204, Plaintiff seeks, in addition to
19 any other penalty provided by law, civil penalties in the amount of one day of each aggrieved
20 employee's wages for each calendar day that they remain unpaid, up to a maximum of thirty (30)
21 days, pursuant to Labor Code §203.

22 200. With respect to violations of Labor Code §§204(a) and 204(b), Labor Code §210
23 imposes a civil penalty in addition to any other penalty provided by law of one hundred dollars (\$100)
24 for each initial failure to pay each aggrieved employee, and two hundred dollars (\$200) for each
25 failure to pay each aggrieved employee, plus 25% of the amount unlawfully withheld.

26 201. With respect to violations of Labor Code § 226(a), Labor Code § 226.3 imposes a civil
27 penalty, in addition to any other penalty provided by law, of two hundred fifty dollars (\$250) per
28 aggrieved employee for the first violation, and one thousand dollars (\$1,000) per aggrieved employee

1 for each subsequent violation of Labor Code § 226(a).

2 202. With respect to violations of Labor Code §1174, Labor Code §1174.5 imposes a civil
3 penalty of \$500.

4 203. With respect to violations of Labor Code §1198.5, Labor Code §1198.5(k) imposes a
5 civil penalty of \$750.

6 204. With respect to violations of Labor Code §246, Labor Code §248.5 imposes a civil
7 penalty, in addition to any other penalty provided by law, the dollar amount of paid sick days withheld
8 from the aggrieved employee multiplied by three, or two hundred fifty dollars (\$250), whichever
9 amount is greater, but not to exceed an aggregate penalty of four thousand dollars (\$4,000) per
10 aggrieved employee;

11 205. Labor Code § 2699 et seq. imposes a civil penalty of one hundred dollars (\$100) per
12 pay period, per aggrieved employee for initial violations, and two hundred dollars (\$200) pay period,
13 per aggrieved employee for subsequent violations for all Labor Code provisions for which a civil
14 penalty is not specifically provided, including, but not limited to, Labor Code §§221, 300, 432, 432.5,
15 551, 552, 558, 1174, 2751, 2800, 2802, and 2810.5.

16 206. Plaintiff reserves her right to allege any additional and all other violations of the Labor
17 Code and the Wage Order as may be disclosed in discovery and as a result of additional investigation
18 that may be pursued in this action.

19 207. Plaintiff was compelled to retain the services of counsel to file this court action to
20 protect their interests and those of Defendants' other former and current California Athletic Trainers,
21 and to assess and collect the civil penalties owed by Defendants. Plaintiff has thereby incurred
22 attorneys' fees and costs, which she is entitled to recover under Labor Code §2699.

23 **TWELFTH CAUSE OF ACTION**

24 Violations of the Fair Labor Standards Act

25 (29 U.S.C. §§ 206 and 207)

26 (Against All Defendants)

27 208. Plaintiff repeats and realleges all of the allegations set forth in the preceding
28 paragraphs as if the same were fully set forth herein and with the same full force and effect.

1 209. At all times relevant to this action, Defendant was Plaintiff's and the FLSA
2 Collective's employer within the meaning of the Fair Labor Standards Act. 29 U.S.C. § 203(d).
3 Defendant had the power to hire and fire Plaintiff and the FLSA Collective members, controlled the
4 terms and conditions of their employment, and determined their rate and method of any compensation
5 in exchange for their employment.

6 210. At all times relevant to this action, Defendant was engaged in commerce or in an
7 industry or activity affecting commerce.

8 211. Defendant constitutes an enterprise within the meaning of the Fair Labor Standards
9 Act. 29 U.S.C. § 203 (r-s).

10 212. 29 U.S.C. § 206(a) requires covered employers, such as Defendant, to pay all non-
11 exempt employees the prevailing minimum wage for all hours worked. Plaintiff and the FLSA
12 Collective were not exempt from the requirement that Defendant pay them the prevailing minimum
13 wage under the FLSA.

14 213. 29 U.S.C. § 218(a) provides further that a covered employer, such as Defendant, must
15 pay its employees the state minimum wage if it exceeds the federal minimum wage.

16 214. During the FLSA Collective Period, Defendant did not pay Plaintiff and the FLSA
17 Collective the prevailing minimum wage for all hours worked.

18 215. As a result of Defendant's failure to pay Plaintiff and the FLSA Collective the
19 prevailing minimum wage for all hours worked, Defendant violated 29 U.S.C. § 206(a) and the FLSA,
20 29 U.S.C. § 201, *et seq.*

21 216. Throughout the FLSA Collective Period, Plaintiff and the other members of the FLSA
22 Collective also regularly worked and continue to work in excess of forty (40) hours per workweek.

23 217. At all relevant times, Defendant operated under a decision, policy, and plan, and under
24 common policies, programs, practices, procedures, protocols, routines, and rules of willfully failing
25 and refusing to pay Plaintiff and the FLSA Collective at one and one-half times their hourly wage for
26 all work in excess of forty (40) hours per workweek.

27 218. At all relevant times, Defendant willfully, regularly, and repeatedly failed to pay
28 Plaintiff and the FLSA Collective at the required overtime rate, one and one-half times their hourly

1 wage for all hours worked in excess of forty (40) hours per workweek in violation of 29 U.S.C. §
2 207(a)(1) and the FLSA, 29 U.S.C. § 201, *et seq.*

3 219. The foregoing conduct of Defendant constitutes willful violations within the meaning
4 of 29 U.S.C. § 255(a) of the FLSA.

5 220. As a result of Defendant's FLSA violations, Plaintiff and the members of the FLSA
6 Collective are entitled to recover damages in the amount of their respective unpaid overtime
7 compensation, the total amount of their unpaid minimum wages, an additional equal amount in
8 liquidated damages, interest, and such other legal and equitable relief as the Court deems just and
9 proper.

10 221. Plaintiff, on behalf of herself and the FLSA Collective, seeks recovery of attorneys'
11 fees and costs, to be paid by Defendant, as provided by the FLSA, 29 U.S.C. § 216(b).

12 **PRAYER FOR RELIEF**

13 WHEREFORE, Plaintiff seeks judgment against Defendants, and each of them, in an amount
14 according to proof, as follows:

15 1. Designating this action as a collective action on behalf of the FLSA Collective
16 (asserting FLSA claims) and authorizing prompt issuance of notice pursuant to 29 U.S.C. § 216(b)
17 to all putative class members apprising them of the pendency of this action, and permitting them to
18 assert timely FLSA claims in this action by promptly filing individual consents to be a Plaintiff in
19 the FLSA claims in this action pursuant to 29 U.S.C. § 216(b);

20 2. Direct Defendant to provide Plaintiff with a list of all members of the FLSA
21 Collective, including all last known addresses, telephone numbers and e mail addresses of each such
22 person, so Plaintiff can give such persons notice of this action and an opportunity to make an
23 informed decision about whether to participate in it;

24 3. Designate Plaintiff as the representative of the FLSA Collective class;

25 4. Appointment of Plaintiff's counsel as lead counsel for the FLSA Collective class;

26 5. Determine the damages sustained by Plaintiff and the FLSA Collective as a result of
27 Defendant's violations of the FLSA, and award those damages, according to proof, against
28 Defendant and in favor of Plaintiff and the FLSA Collective, plus such pre-judgment and post-

1 judgment interest as may be allowed by law;

2 6. Declare that Defendant's violations of the provisions of the FLSA were willful as to
3 Plaintiff and the FLSA Collective members;

4 7. Award Plaintiff and the FLSA Collective an additional equal amount as liquidated
5 damages pursuant to 29 U.S.C. § 216(b) because Defendant's violations were willful and/or without
6 a good faith basis;

7 8. Certification of Plaintiffs' claims as a class action, pursuant to Cal. Code of Civ. Pro.
8 §382, on behalf of the proposed class and Class Members;

9 9. Naming Plaintiff as representative of all Class Members and Plaintiff's counsel as
10 Class counsel to represent all Class Members;

11 10. Class notice to all Class Members;

12 11. For an order declaring that Defendant's conduct violate the statutes and laws
13 referenced herein;

14 12. For an order finding in favor of Plaintiff and all Class Members on all counts asserted
15 herein;

16 13. For general, compensatory, and consequential damages according to proof, including,
17 but not limited to, for lost wages and earnings, and all other sums of money, together with interest
18 on these amounts;

19 14. For all liquidated damages and statutory penalties authorized or required by law;

20 15. For restitution of all wrongfully withheld amounts, including, but not limited to
21 wages, in an amount according to proof;

22 16. Preliminary and permanent injunctions enjoining and restraining Defendant from
23 continuing the unfair and unlawful business practices set for above, and the requiring the
24 establishment of appropriate and effective policies, procedures, and practices in place to prevent
25 future violations of the aforementioned California laws;

26 17. Disgorgement of illegally acquired profits by Defendant during the period starting
27 four years before the filing of the Complaint through the present pursuant to Business & Professions
28 Code §17200, *et. seq.*;

- 1 18. For an award of PAGA penalties as alleged herein;
- 2 19. For declaratory relief;
- 3 20. For all equitable relief;
- 4 21. For pre-judgment and post-judgment interest on each of the foregoing at the legal rate
- 5 from the date the obligation became due through the date of judgment on this matter as required by
- 6 law, including, but not limited to, Labor Code §§218.6, 1194, and 1194.2;
- 7 22. For an award to Plaintiff and the Class Members of their reasonable costs of suit,
- 8 attorneys' fees, and expert witness fees under all applicable statutory or contractual basis; and
- 9 23. For such other and further relief as this Court may deem just and proper.

10

11 DATED: January 28, 2026

Respectfully submitted,

12 **VALLES LAW, P.C.**

13

14 By: 

15 Daniel Valles
Kayla Rathjen

16 Attorneys for Plaintiff
17 AMY REECE, ON BEHALF OF HERSELF, AND
18 ALL OTHERS SIMILARLY SITUATED
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DEMAND FOR JURY TRIAL

Plaintiff Amy Reece, on behalf of herself, the Class Members, and all others similar situated,
hereby demands a jury trial on all issues so triable.

DATED: January 28, 2026

Respectfully submitted,

VALLES LAW, P.C.

By: 

Daniel Valles
Kayla Rathjen

Attorneys for Plaintiff
AMY REECE, ON BEHALF OF HERSELF, AND
ALL OTHERS SIMILARLY SITUATED

Case Name: *Reece v. WalkMe, Inc.*

Case Number: CGC-22-6602550

PROOF OF SERVICE

I am a citizen of the United States and employed in Los Angeles County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is 4104 Highland Avenue, Manhattan Beach, CA 90266.

On January 28, 2026, I served a copy of the within document(s):

• **PLAINTIFF'S SECOND AMENDED COMPLAINT**

☐

(BY MAIL) I placed such sealed envelope, with postage thereon fully prepaid for first class mail, containing the document(s) listed above for collection and mailing in Manhattan Beach, California, to the person(s) at the address(es) set forth below, following ordinary business practices. I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

☐

(BY OVERNIGHT MAIL) I placed such sealed envelope containing the document(s) listed above in a sealed envelope and affixing a pre-paid air bill, and caused the envelope to be delivered to an agent for overnight delivery to person(s) at the address(es) set forth below.

☒

(BY E-MAIL) I transmitted via e-mail or electronic transmission the document(s) listed above to the person(s) at the e-mail address(es) set forth below. I did not receive, within a reasonable time after the submission, any electronic message or other indication that the transmission was unsuccessful.

1 Chad Greeson, Esq.
2 Daniel XuLi, Esq.
3 Littler Mendelson, P.C.
4 Treat Towers
5 1255 Treat Blvd, Suite 600,
6 Walnut Creek, CA 94597
7 Tel: (925) 927-4507

Attorneys for Defendants
WalkMe, Inc.

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Emails: CGreeson@littler.com and DXuLi@littler.com

I declare under penalty of perjury that the foregoing is true and correct. Executed on January 28, 2026, at Manhattan Beach, California.



Daniel Valles