

William Reich

Via On-Line

Labor & Workforce Development Agency
Attention: PAGA Administrator

Via Certified Mail

Sanjit Biswas
Chief Executive Officer
Samsara, Inc.
1 De Haro Street
San Francisco, CA 94107

Re: Request for Relief Under the Private Attorney General's Act

Dear Mr. Biswas:

My name is William Reich. I am a private individual. I am also a former employee of Samsara, Inc. ("Samsara") and am what I understand is considered to be an "aggrieved employee" under California Labor Code section 2699 *et seq.*

The facts and theories supporting my claims against Samsara include, but are not limited to, the following.

RELEVANT FACTS

Samsara has a policy of requiring employees like myself to sign and/or comply with contracts, policies, requirements, and practices that unlawfully restrain the employees' right to compete or to work with any of Samsara's competitors.

For example, Samsara requires employees, pursuant to Samsara's standard offer letter, to sign and comply with Samsara's Employee Invention Assignment and Confidentiality Agreement (the "Confidentiality Agreement"). Among other things, the Confidentiality Agreement contains the following provisions that I believe are void, illegal, and unenforceable non-compete provisions under California law (which I will shorten to the "Illegal Non-Compete Provisions"):

Non-Solicitation

(a) Nonsolicitation of Business. I agree that for a one year period following termination or cessation of my employment with the Company (the "Restricted Period"), I will not either alone or in association with others, solicit, divert or take away, or attempt to divert or take away, the business or patronage of any of the clients, customers, or business partners of the Company which I contacted, solicited, or served during the twelve (12)- month period prior to the termination or cessation of my employment with the Company.

(b) Nonsolicitation of Employees and Contractors. I agree that during my employment by the Company and the Restricted Period, I will not solicit any employee or contractor of the Company to terminate his or her employment or contractors status with Company.

Confidentiality Agreement at Section 14.

At least as of June 20, 2024, Samsara did not notify me or, to my knowledge, any other Samsara's employees that the Illegal Non-Compete Provisions were void.

APPLICABLE LAW

1. **Labor Code § 432.5** prohibits an employer from requiring an employee to sign a writing that the employer knows is prohibited by law.
2. **Bus. & Prof. Code § 16600** provides as follows:

(a) Except as provided in this chapter, every contract by which anyone is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent void.

(b) (1) This section shall be read broadly, in accordance with *Edwards v. Arthur Andersen LLP* (2008) 44 Cal.4th 937, to void the application of any noncompete agreement in an employment context, or any noncompete clause in an employment contract, no matter how narrowly tailored, that does not satisfy an exception in this chapter.

(2) This subdivision does not constitute a change in, but is declaratory of, existing law.

(c) This section shall not be limited to contracts where the person being restrained from engaging in a lawful profession, trade, or business is a party to the contract.

Bus. & Prof. Code § 16600.

3. **Bus. & Prof. Code § 16600.1** provides as follows:

(a) It shall be unlawful to include a noncompete clause in an employment contract, or to require an employee to enter a noncompete agreement, that does not satisfy an exception in this chapter.

(b)(1) For current employees, and for former employees who were employed after January 1, 2022, whose contracts include a noncompete clause, or who were required to enter a noncompete agreement, that does not satisfy an exception to this chapter, the employer shall, by February 14, 2024, notify the employee that the noncompete clause or noncompete agreement is void.

(2) Notice made under this subdivision shall be in the form of a written individualized communication to the employee or former employee, and shall be delivered to the last known address and the email address of the employee or former employee.

(c) A violation of this section constitutes an act of unfair competition within the meaning of Chapter 5 (commencing with Section 17200).

Bus. & Prof. Code § 16600.1

4. **Bus. & Prof. Code § 16600.5** provides as follows:

(a) Any contract that is void under this chapter is unenforceable regardless of where and when the contract was signed.

(b) An employer or former employer shall not attempt to enforce a contract that is void under this chapter regardless of whether the contract was signed and the employment was maintained outside of California.

(c) An employer shall not enter into a contract with an employee or prospective employee that includes a provision that is void under this chapter.

(d) An employer that enters into a contract that is void under this chapter or attempts to enforce a contract that is void under this chapter commits a civil violation.

(e)(1) An employee, former employee, or prospective employee may bring a private action to enforce this chapter for injunctive relief or the recovery of actual damages, or both.

(2) In addition to the remedies described in paragraph (1), a prevailing employee, former employee, or prospective employee in an action based on a violation of this chapter shall be entitled to recover reasonable attorney's fees and costs.

Bus. & Prof. Code § 16600.5.

Samsara's Illegal Non-Compete Provisions are void, illegal, and unenforceable under California law, including under Business and Professions Code sections 16600, 16600.1, and 16600.5.

The Nonsolicitation of Business provision is not tied to any alleged protection of Samsara trade secret information, and illegally restrains Samsara's employees from employment after departing Samsara.

Similarly, the Nonsolicitation of Employees and Contractors provision impermissibly restrains other Samsara employees who might wish to depart Samsara to join Samsara's former employees, and unlawfully restrains who Samsara's former employees might choose to work alongside.

Thus, I believe that Samsara was thus required by law under Section 16600.1(b) to notify Samsara's employees by no later than February 14, 2024, that Samsara's Illegal Non-Compete Provisions were void, but failed to do so. Instead, Samsara's in-house counsel actually tried to use it as a threat to intimidate me.

OTHER AGGRIEVED EMPLOYEES & CONCLUSION

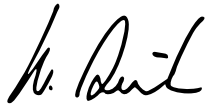
In addition to myself, other Samsara employees aggrieved by Samsara's Labor Code violation(s) include the following:

Current and former Samsara employees who are or were subject to Samsara's Confidentiality Agreement and/or Illegal Non-Compete Provisions as well as current or former Samsara employees who are or were subject to substantially similar policies, practices, rules, guidelines and contracts contained in Samsara's Confidentiality Agreement and/or Illegal Non-Compete Provisions.

Pursuant to Labor Code 2699, *et seq.*, I am seeking civil penalties on behalf of the State of California, as well as myself and all other aggrieved employees.

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "W. Reich", written in a cursive style.

William Reich