



**MATERN LAW GROUP, PC**

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October 10, 2025

**Via Online Submission**

California Labor & Workforce  
Development Agency  
Attn. PAGA Administrator  
1515 Clay Street, Ste. 801  
Oakland, CA 94612

**Via Certified U.S. Mail – Return  
Receipt Requested**

BetterHelp - Teladoc Inc.  
1945 Lakepointe Drive  
Lewisville, Texas 75057

**Via Certified U.S. Mail – Return  
Receipt Requested**

BetterHelp  
3155 Olsen Dr. Suite #375  
San Jose, California 95117

**Via Certified U.S. Mail – Return  
Receipt Requested**

BetterHelp, Inc.  
1945 Lakepointe Drive  
Lewisville, Texas 75057

**Re: Notice Pursuant to California Labor Code § 2699.3**

**Employee:** David Wolfe

**Employers:** BetterHelp; BetterHelp – Teladoc Inc.; BetterHelp, Inc.

To Whom It May Concern:

This office represents David Wolfe (“Mr. Wolfe”), who is employed by BetterHelp – Teladoc Inc., BetterHelp, and BetterHelp, Inc. (collectively, “Employers”). Pursuant to the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code § 2698, *et seq.*, this letter sets forth the specific provisions of the Labor Code and Industrial Welfare Commission (“IWC”) Wage Order No. 4-2001, which Mr. Wolfe alleges Employers have violated, including the facts and theories to support the alleged violations. Please be advised that this letter constitutes written notice required by Labor Code § 2699.3, subdivisions (a)(1)(A) and (c)(1)(A) and may lead to immediate action against Employers in a court of law and/or administrative proceedings, as well as the imposition of substantial penalties and other remedies against Employers. Concurrently herewith, our office is also transmitting payment in the amount of \$75.00 for the requisite filing fee, pursuant to Labor Code § 2699.3, subdivisions (a)(1)(B) and (c)(1)(B).

This letter also serves as notice of Mr. Wolfe’s demand for preservation and non-spoilation of evidence, requesting that all relevant documents and data be saved and that all electronic files

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and hard-copy documents that are related to Mr. Wolfe's employment and potential claims must be preserved, even without a court order.

Spoliation of evidence may result in legal claims for damages and monetary and evidentiary sanctions, including "adverse inference" jury instructions. Furthermore, intentional spoliation of evidence may carry criminal consequences pursuant to California Penal Code § 135.

We are investigating a potential class and representative action on behalf of Employers' current and former independent contractors in the State of California, who Mr. Wolfe contends were misclassified as independent contractors and should have been classified as non-exempt employees.

### **Misclassification**

During the relevant time period, Employers have willfully misclassified Mr. Wolfe and other aggrieved employees as independent contractors when they should have been classified as employees, in violation of California Labor Code §§ 226.8 & 2775 *et seq.*, and Wage Order No. 4-2001. Employers have maintained and continue to maintain control over Mr. Wolfe and other aggrieved employees' performance of their work by, among other things, directing the work of Mr. Wolfe and other aggrieved employees, controlling the manner in which Mr. Wolfe and other aggrieved employees used Employers' platform, providing the instrumentalities and tools for the work, and training Mr. Wolfe and other aggrieved employees on Employers' practices and procedures, which Mr. Wolfe and other aggrieved employees were required to follow. Employers also retain the right, contractually and for the performance of the work in fact, to control the day-to-day details of the work performed. These factors demonstrate the existence of an employment relationship under California law.

In addition, Mr. Wolfe and other aggrieved employees were not engaged in any work that is outside of the usual course of Employers' business. Indeed, Mr. Wolfe and other aggrieved employees provided therapy to patients using Employers' platform. As therapy services is the central function of Employers' business, Mr. Wolfe and other aggrieved employees were performing work for Employers that is integral to Employers' business.

Finally, Mr. Wolfe and other aggrieved employees were not customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed for Employers, and Employers will be unable to establish the actual existence of any independent business operations. Therefore, Mr. Wolfe and other aggrieved employees do not meet the definition of independent contractors under applicable laws. *Dynamex Operations West, Inc. v. Superior Court* (2018) 4 Cal.5th 903, 955-957; Labor Code § 2775-2787.

### **Labor Code Violations**

As a result of Employers' intentional misclassification of Mr. Wolfe and other aggrieved employees, Employers have violated the California Labor Code by failing to provide meal and rest periods to employees in violation of Labor Code §§ 226.7 and 512 and Wage Order No. 4-2001,

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§§ 11–12; failing to pay one additional hour of compensation at the employee’s regular rate of compensation for each workday that a meal or rest period is not provided in violation of Labor Code § 226.7 and Wage Order No. 4-2001, §§ 11(B) and 12(B); failing to pay employees minimum wages for all hours worked in violation of Labor Code §§ 1194, 1197 and 1197.1 and Wage Order No. 4-2001, § 4; failing to pay employees overtime wages in violation of Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3; failing to timely pay employees all wages earned in violation of Labor Code § 204; failing to furnish accurate itemized wage statements to employees in violation of Labor Code § 226; failing to maintain required records pursuant to Labor Code §§ 226, 1174 and 1174.5 and Wage Order No. 4-2001, § 7; and failing to indemnify employees for all necessary expenditure and losses in violation of Labor Code § 2802.

Employers have voluntarily and knowingly misclassified Mr. Wolfe and other aggrieved employees as independent contractors, in violation of Labor Code § 226.8, Wage Order No. 4-2001, and other provisions of the Labor Code and California regulations, in furtherance of their scheme of depriving aggrieved employees of their protections under California labor laws.

The allegations made by Mr. Wolfe on behalf of himself and all other aggrieved employees of Employers in the State of California during the four years preceding the date of this notice are based on the following facts and theories: Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors when they were, in fact, employees, resulting in Employers treating Mr. Wolfe and other aggrieved employees as non-employees. Mr. Wolfe and other aggrieved employees were not provided uninterrupted meal periods of at least thirty minutes. In fact, if they could take meal periods, which they often could not, they were less than thirty minutes, late (first meal periods starting after the fifth hour of work and/or second meal periods starting after the tenth hour), or were interrupted. If they could take rest periods, which they often could not, the rest periods were less than ten minutes or interrupted. At no time were Mr. Wolfe and other aggrieved employees provided one hour of pay for each workday a meal period was not provided, nor were they provided one hour of pay for each workday a rest break was not authorized and permitted. Moreover, Mr. Wolfe and other aggrieved employees were not paid proper minimum and overtime wages for all hours worked as required by California law.<sup>1</sup>

Given the minimum wage, overtime, meal period and rest period violations and Employers’ failure to compensate their employees fully, as set forth above, employees’ wage statements are inaccurate and failed to comply with California law. Additionally, Employers failed to reimburse employees for necessary business expenses incurred in the discharge of their duties. In short, Employers’ unlawful misclassification of Mr. Wolfe and other aggrieved employees deprived them of all protections of the Labor Code, including their earned wages and other compensation.

### **Failure to Provide Meal Periods**

Pursuant to Labor Code §§ 226.7 and 512 and Wage Order No. 4-2001, § 11, an employer is required to provide meal periods to its non-exempt employees. An employer must provide a

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<sup>1</sup> “[T]he statement that defendant has not provided its employees with proper rest periods states both the facts and the theory.” *Gutierrez v. California Commerce Club, Inc.* (2010) 187 Cal.App.4th 969, 979 n.5.

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meal period to any non-exempt employee who works a shift of more than five (5) hours and a second meal period to any employee who works a shift of more than ten (10) hours. Furthermore, an employer must pay one extra hour of compensation for each workday a meal period is not provided.

If an employee is not relieved of all duty during a meal period, the meal period shall be considered an “on duty” meal period and counted as time worked. A paid “on duty” meal period is permitted only when 1) the nature of the work prevents an employee from being relieved of all duty and 2) the parties have agreed in writing to on duty meal periods.

Mr. Wolfe and other aggrieved employees were and are entitled to the protections of California Labor Code §§ 226.7 and 512 and Wage Order No. 4-2001, § 11. Mr. Wolfe’s and other aggrieved employees’ meal periods are short (less than thirty minutes), late (first meal periods after the fifth hour of work and second meal periods after the tenth hour), interrupted and/or missed. Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors, and thus failed to provide them with the meal periods to which they were entitled. Mr. Wolfe, for example, was not provided 30-minute meal periods at all during his shifts, due to Employers misclassifying him as an independent contractor and operating as though he was not entitled to meal periods.

Employers further violated Labor Code § 226.7 and Wage Order No. 4-2001 by failing to compensate Mr. Wolfe and other aggrieved employees who were not provided with meal periods in accordance with California law one additional hour of pay at each employee’s regular rate of compensation for each workday a meal period was not provided.

### **Failure to Authorize and Permit Rest Periods**

Pursuant to Labor Code § 226.7 and Wage Order No. 4-2001, § 12, an employer is required to provide rest periods to its non-exempt employees. An employer must provide a ten (10) minute rest period for every four (4) hours worked or major action thereof which insofar as practicable shall be in the middle of each work period. Furthermore, an employer must pay one extra hour of compensation for each workday a rest period is not authorized and permitted.

Mr. Wolfe and other aggrieved employees were and are entitled to the protections of California Labor Code §§ 226.7 and Wage Order No. 4-2001, § 12. Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors, and thus failed to authorize and permit them to take 10-minute rest periods at all during their shifts. Specifically, Employers maintained a policy or practice of not authorizing and permitting Mr. Wolfe and other aggrieved employees to take one 10-minute rest break for shifts 3.5-6.0 hours, a second rest break for shifts greater than 6 hours and less than or equal to 10 hours, and a third rest break for shifts in excess of 10 hours based on Mr. Wolfe’s and other aggrieved employees’ erroneous status as independent contractors, when in fact, Mr. Wolfe and other aggrieved employees were and are non-exempt employees and are entitled to the protections of California Labor Code §§ 226.7 and Wage Order No. 4-2001, § 12. Mr. Wolfe, for example, was generally not authorized and permitted to take required rest breaks at all during his shifts.

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When Mr. Wolfe and other aggrieved employees were able to take rest breaks, Employers failed to authorize and permit Mr. Wolfe and other aggrieved employees to take their rest breaks in the middle of each work period insofar as practicable.

Employers further violated Labor Code § 226.7 and Wage Order No. 4-2001, § 12 by failing to pay Mr. Wolfe and other aggrieved employees one additional hour of pay at each employee's regular rate of compensation for each workday a rest period was not authorized and permitted.

### **Failure to Pay Minimum Wages**

Pursuant to Labor Code §§ 1194 and 1197 and Wage Order No. 4-2001, § 4, payment to an employee of less than the applicable minimum wage for all hours worked in a payroll period is unlawful. Despite Employers intentionally misclassifying Mr. Wolfe and other aggrieved employees as independent contractors instead of employees, and as set forth above, Mr. Wolfe and other aggrieved employees are non-exempt employees and are entitled to the protections of Labor Code §§ 1194 and 1197 and Wage Order No. 4-2001, § 4.

Employers failed to pay Mr. Wolfe and other aggrieved employees minimum wages for all hours worked by, among other things: requiring, suffering or permitting Mr. Wolfe and other similarly-situated individuals to work off-the-clock; illegally and inaccurately recording time worked by Mr. Wolfe and other aggrieved employees; failing to properly maintain Mr. Wolfe's and other aggrieved employees' records; failing to provide accurate itemized wage statements to Mr. Wolfe and other aggrieved employees for each pay period; and other methods to be discovered. As an example, Mr. Wolfe was required to perform work off-the-clock, including conducting patient's therapy sessions, but was not compensated for this time.

Employers' conduct violates Labor Code §§ 1194 and 1197 and Wage Order No. 4-2001, § 4.

### **Failure to Pay Overtime Wages**

Pursuant to California Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3, an employer must compensate its employees for all overtime, which is calculated at one and one-half (1 ½) times the regular rate of pay for hours worked in excess of eight (8) hours per day and/or forty (40) hours per week, and for the first eight (8) hours on the seventh consecutive work day, with double time for all hours worked in excess of eight (8) hours on the seventh day of any workweek, or after twelve (12) hours in any workday.

Despite Employers intentionally misclassifying Mr. Wolfe and other aggrieved employees as independent contractors instead of employees, and as set forth above, Mr. Wolfe and other aggrieved employees are current and former non-exempt employees and are entitled to the protections of Labor Code §§ 510 and 1194 and Wage Order No. 4-2001. Employers failed to

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compensate Mr. Wolfe and other aggrieved employees for all overtime hours worked as required under the foregoing provisions of the Labor Code and IWC Wage Order by, among other things: failing to pay overtime at one and one-half (1 ½) times or double the regular rate of pay as provided by Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3; failing to include all remuneration in the calculation of the regular rate of pay; requiring, suffering or permitting Mr. Wolfe and other aggrieved employees to work off-the-clock; illegally and inaccurately recording time worked by Mr. Wolfe and other aggrieved employees; failing to properly maintain Mr. Wolfe's and other aggrieved employees' records through falsifying hours worked; failing to provide accurate itemized statements to Mr. Wolfe and other aggrieved employees for each pay period; and other methods to be discovered. Mr. Wolfe, for example, was regularly required to conduct client therapy sessions off-the-clock, but was not compensated for this time worked.

In violation of California law, Employers have refused to perform their obligations to compensate Mr. Wolfe and other aggrieved employees for all wages earned and all hours worked. Employers' conduct violates Labor Code §§ 510 and 1194 and Wage Order No. 4-2001, § 3.

**Failure to Timely Pay All Wages Earned**

Pursuant to Labor Code § 204, an employer must pay its employees at least twice a month for all wages earned during the preceding pay period. Labor Code § 204 provides that labor performed between the 1st and 15th days, inclusive, of any calendar month shall be paid for between the 16th and the 26th day of the month during which the labor was performed, and labor performed between the 16th and the last day, inclusive, of any calendar month, shall be paid for between the 1st and 10th day of the following month. An employer using an alternate payday schedule must pay wages within seven calendar days of the end of the payroll period in which the wages were earned.

Although Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors, Mr. Wolfe and other aggrieved employees were and are non-exempt employees entitled to Labor Code protections. Employers failed to pay Mr. Wolfe and other aggrieved employees on their regularly scheduled payday for all work performed during the preceding pay period. Specifically, Employers required Mr. Wolfe and other aggrieved employees to work off-the-clock without compensation. Additionally, Employers failed to pay Mr. Wolfe and other aggrieved employees premium wages owed for each workday a meal period was not provided and each workday a rest period was not authorized and permitted.

Employers also failed to pay Mr. Wolfe and other aggrieved employees for the overtime wages they earned in violation of Labor Code § 204. Labor Code § 204 requires an employer to pay overtime wages no later than the payday for the next regular payroll period following the payroll period in which the overtime wages were earned. Employers knew they were required to pay overtime wages, yet on many occasions failed to pay Mr. Wolfe and other aggrieved employees overtime wages on any payday.

**Failure to Furnish Accurate Itemized Wage Statements**

Labor Code § 226 requires every employer to furnish each of its employees an accurate itemized wage statement in writing showing (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors to deprive them of Labor Code protections. However, as set forth herein, Mr. Wolfe and other aggrieved employees were and are non-exempt employees entitled to Labor Code protections. Employers failed to provide Mr. Wolfe and other aggrieved employees with timely and accurate itemized wage statements in writing showing each employee's gross wages earned, total hours worked, the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, all deductions made, net wages earned, the inclusive dates of the period for which the employee is paid, the name and address of the legal entity or entities employing Mr. Wolfe and other aggrieved employees, and all applicable hourly rates in effect during each pay period and the corresponding number of hours worked at each hourly rate, in violation of Labor Code § 226 and Wage Order No. 4-2001, § 7.

Specifically, Employers knew or should have known they were misclassifying their employees and not providing them with proper meal and rest breaks; nevertheless, Employers knowingly failed to include in the wage statements the extra hour of compensation owed for each workday a meal break was not provided and each workday a rest break was not authorized and permitted. As a result, Mr. Wolfe and other aggrieved employees lost wages. In addition, Employers had knowledge they were requiring employees to work off-the-clock, were not properly compensating their employees for all hours worked, and were not paying overtime when required by law, yet Employers knowingly failed to include this time worked in the wage statements. As a result, Mr. Wolfe and other aggrieved employees lost wages. Employers also did not properly calculate the regular rate of pay of Mr. Wolfe and other aggrieved employees. As a result, Mr. Wolfe's and other aggrieved employees' wage statements did not include all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate.

**Failure to Maintain Required Records**

Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors to deprive them of Labor Code protections. However, as set forth herein, Mr. Wolfe and other aggrieved employees are non-exempt employees entitled to Labor Code protections.

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Employers failed to maintain records as required under Labor Code §§ 226 and 1174 and Wage Order No. 4-2001, § 7, including but not limited to the following records: total daily hours worked by each employee; applicable rates of pay; all deductions; meal periods; time records showing when each employee begins and ends each work period; and accurate itemized statements.

Specifically, Employers had knowledge they were not providing their misclassified employees with proper meal and rest breaks; nevertheless, Employers knowingly failed to include in the wage statements the extra hour of compensation owed for each workday a meal break was not provided and each workday a rest break was not authorized and permitted. In addition, Employers had knowledge they were requiring employees to work off-the-clock and not properly compensating employees for all hours worked, as well as not paying overtime rates to their misclassified employees, yet Employers knowingly failed to include this time worked in the regular rate of pay of aggrieved employees.

**Failure to Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties**

Employers intentionally misclassified Mr. Wolfe and other aggrieved employees as independent contractors to deprive them of Labor Code protections. However, as set forth herein, Mr. Wolfe and other aggrieved employees are non-exempt employees entitled to Labor Code protections.

Labor Code § 2802(a) requires an employer to indemnify an employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer. Employers failed to indemnify Mr. Wolfe and other aggrieved employees for all business expenses and/or losses incurred in direct consequence of the discharge of their duties while working under the direction of Employers. Mr. Wolfe, for example, was required to use his personal cell phone for work-related purposes but was not reimbursed for such cell phone expenses. Thus, Employers failed to reimburse Mr. Wolfe and other aggrieved employees for cell phone usage, and other employment-related expenses, in violation of Labor Code § 2802.

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This notice is hereby given to Employers and any and all related and/or alter ego companies, corporations, partnerships, and/or business entities, as well as against any and all officers, owners, directors, managers, managing agents, or entities who are or may be liable under California law for any of the violations alleged herein as to any locations or employees who worked at any time in the State of California.

This notice is made on behalf of all persons who were misclassified as independent contractors and who are, were, or will be non-exempt employees of Employers, or any related or

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alter-ego company, corporation, partnership, and/or business entity at any time on or after a date four years prior to the date of this letter in the State of California.

This notice shall be construed as extending without limitation to any past, present, future, or continuing violation of the Labor Code, the applicable IWC Wage Order, or any applicable regulation which might be discovered as a result of a reasonable and diligent investigation made pursuant to this notice.

**This notice shall further represent Mr. Wolfe's reasonable attempt to settle his dispute with Employers prior to litigation. Pursuant to *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal. 4th 553, this notice serves to apprise Employers of Mr. Wolfe's aforementioned grievances and the proposed remedies as detailed below, while affording Employers reasonable opportunity to meet Mr. Wolfe's demands.**

Demand is hereby made that Employers shall agree, in writing received at this office no later than 30 calendar days from the postmark date of this notice, as follows:

1. Employers shall re-classify any aggrieved employees currently classified as independent contractors as employees, and pay the appropriate civil penalties set forth in Labor Code section 226.8.
2. Under Labor Code section 558 and 2699, Employers shall pay a civil penalty for the above-referenced violations in an amount sufficient Mr. Wolfe and other aggrieved employees employed by Employers at any time during the past 12 months back pay and compensation for the above-referenced Labor Code violations.
3. Employers shall pay Mr. Wolfe and all other similarly-situated persons employed by Employers at any time during the past 48 months back pay and compensation for the above-referenced violations.
4. Employers shall comply with all California labor laws and ensure that their non-exempt employees are paid proper overtime compensation and given required meal and rest periods.
5. Employers shall conduct a survey or interview all current and former non-exempt employees in California who were misclassified as independent contractors during the past 48 months to obtain information from them regarding the number of meal breaks which were not provided, the number of rest breaks which were not authorized and permitted, and the number of employees who were required to pay for cell phones or other business expenditures in the discharge of their duties, with the investigation to be completed within 60 days.
6. Employers shall pay each employee one hour of pay for each workday he or she was not authorized and permitted one or more rest periods, as required by Labor Code § 226.7. Employers also shall pay each employee one hour of pay for each workday he or she was not provided one or more and meal periods, as required by Labor Code § 226.7.

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7. Employers shall reimburse those employees who were forced to pay for any business expenses incurred for Employers' benefit, including but not limited to cell phone expenses, and travel-related expenses.

8. Employers shall pay accrued interest to all employees at the rate of 10 percent per annum for said unpaid wages.

9. Employers shall pay all penalties arising from the violations of the Labor Code and IWC Wage Order sections referenced above and pursuant to PAGA, Labor Code § 2698 *et seq.*, including but not limited to penalties under Labor Code 226.3, 558, 1174.5, 1182.12, 1197.1, 1198, 1199 and 2699 and Wage Order No. 4-2001, § 20.

If the Labor and Workforce Development Agency intends to investigate the allegations set forth herein, please notify this office of that decision by certified mail addressed to Matern Law Group, PC, 2101 E. El Segundo Blvd., Suite 403, El Segundo, California 90245. Additionally, please advise us if the Agency or Employers requires additional information regarding Mr. Wolfe's complaints.

Thank you for your prompt attention to this matter.

Very truly yours,

**MATERN LAW GROUP, PC**

A handwritten signature in cursive script, appearing to read "Olivia Green", written in blue ink.

Olivia Green, Esq.