Reuben D. Nathan, Esq. (SBN: 208436)
NATHAN & ASSOCIATES, APC
2901 W. Coast, Suite 200
Newport Beach, California 92663
Telephone:(949) 270-2798
Email: rnathan@nathanlawpractice.com

Matthew Righetti, Esq. State Bar No. 121012
John Glugoski, Esq. State Bar No. 191551
RIGHETTI GLUGOSKI, P.C.
2001 Union Street, Suite 400
San Francisco, CA 94123
Telephone: (415) 983-0900
Facsimile: (415) 397-9005
Email: matt@righettilaw.com
Email: jglugoski@righettilaw.com

Attorneys for Plaintiffs Virginia Brew, Tony Grosbeier, Courtney Tolbert, D C Snyder, and Timothy Mellen

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN MATEO

VIRGINA BREW, TONY GROSBEIER, COURTNEY TOLBERT, D C SNYDER, AND TIMOTHY MELLEN on behalf of themselves and all similarly situated persons, and the general public,

Plaintiffs,

vs.

ROCKET MORTAGE, LLC.; and DOES 1 through 25, inclusive,

Defendants.

CASE NO. 24-CIV-00893

[*Assigned for all purposes to the Honorable Nancy L. Fineman, Dept. 4*]

DECLARATION OF COURTNEY TOLBERT IN SUPPORT OF PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT; CLASS REPRESENTATIVE ENHANCEMENT AWARDS; SETTLEMENT ADMINSTRATOR'S EXPENSES; ATTORNEYS' FEES AND COSTS; AND JUDGMENT THEREON

Hearing Date: February 4, 2025
Time: 2:00 p.m.
Dept: 4

DECLARATION OF COURTNEY TOLBERT

I, COURTNEY TOLBERT, declare that:

1. I am a competent adult, over the age of eighteen (18) and am a plaintiff and class representative in the above-entitled action. I have personal knowledge of the facts stated herein except as to those matters stated upon information or belief, and, as to those matters, I believe them to be true. If called as a witness, I could and would testify truthfully and competently to the matters stated herein. Capitalized terms used but not defined in this declaration have the same definition as used in the accompanying Motion for Final Approval and Application for Attorneys' Fees and Costs.

2. I was employed by Rocket Mortgage LLC from June 19, 2020 to June 24, 2024.

3. In or around June 2023, I also retained attorneys Matthew Righetti and John Glugoski of Righetti Glugoski, P.C. and Reuben D. Nathan of Nathan & Associates, APC to represent my interests in the Action.

4. Prior to retaining Righetti Glugoski and Nathan & Association, on April 2023, I retained Michael Yadegaran of Avenue Law to represent me against Rocket Mortgage asserting claims for (1) discrimination on the basis of disability, (2) discrimination of basis of race, and (3) wage and hour violations.

5. On April 6, 2023, my attorney issued a demand on the basis of my discrimination and wage and hour claims. A true and correct copy of the redacted demand is attached to my declaration as "Exhibit A."

6. My attorney Michael Yadegaran and I did not agree on the course of litigation so I retained Righetti Glugoski and Nathan & Associates to represent me.

7. I decided to file the the wage and hour class action and file a complaint with DEFH and file an individual civil complaint for my discrimination claims set forth in Exhibit A.

8. On June 23, 2023, I filed the initial action class action Tolbert v. Rocket Mortgage, et al. Case No. CVRI2303158 in the Riverside Superior Court.

9. On July 24, 2024, Defendants removed the state action to federal court in the Central District of California, Case No. 5:23-cv-01450-MCS-PVC.

10. In federal court, there was a rigorous process with short deadline for class certification, so I had to be available constantly because my attorneys had multiple questions throughout that pat of the process.

11. On June 11, 2024, I joined this action, through the filing of the First Amended Complaint in this action, filed by my attorneys on behalf of myself, Virginia Brew, Tony Grosbeier, DC Snyder and Timothy Mellen. The purpose of the lawsuit is to recover unpaid wages, including minimum wage, overtime, reimbursement of business expenses, pay premiums for meal and rest break violations, unlawfully deducted wages, waiting time penalties, penalties for inaccurate wage statements, and penalties for the labor code violations.

12. On June 12, 2024 the Synder Action was dismissed without prejudice.

13. Throughout the case, I have been actively involved in pursuing information that could support the case, and ultimately, I believe my efforts helped the Class Members. My efforts included my initial consultation with my attorneys, searching and locating documents, reviewing documents securing participation of additional class members, maintaining regular contact with my attorneys, and reviewing all relevant information and documentation provided to me by my attorneys.

14. As discussed below, I request that the Court award me a Class Representative service Payment of Ten Thousand Dollars and Zero Cents ($10,000.00) and Fifteeen Thousands Dollars and Zero Cents ($15,000.00) in exchange for a general release.

15. I believe this amount is justified by my expenditure of time, and the personal risk I assumed. I suffered risks to future employment by filing this case. I understand from my attorneys the the excellent results in this case are unusual compared to most class cases, which I believe also supports my service award.

16. During my employment with Defendants, I was not provided lawful meal periods and rest breaks or compensation in lieu of, I was not provided itemized accurate wage statements, I was not reimbursed for business expenses, I was not provided the lawful minimum wage and overtime wages owed to me, unlawful deductions were made from my wages, I was not paid all wages owed to me upon my separation of employment, and I am owed penalties under the labor code. The Class Members suffered the same or substantially similar injuries as me.

17. From June 2023 to the present date, I have spent approximately 30 hours searching for documents on my computer and emails. I located several documents that appeared to fit the description of the documents which continued throughout the litigation. After reading through emails and attachments, I located several separate documents that I provided to my attorneys.

18. On or about June 2023, I signed a retainer agreement and spoke with Reuben Nathanfor approximately 1.5 hours regarding the documents I provided.

19. During the time of June 2023 through the present date, I spent approximately 8 hours with Reuben Nathan providing him with information he requested to create a discovery plan, prepare litigation strategy for the case, conferring with others, and scheduling times.

20. I had my deposition taken for 7 hours in the federal case which involved 1.5 hour of deposition preparation 4 hours of driving to and back from Los Angeles. I also was required to respond to multiple sets of discovery with my attorneys's assistance which took more than 30 hours.

21. On March 7, 2024, I took the entire day off of work per my attorneys request to be available for the mediation. I made myself available for the full-day mediation and took time off of work for a total of 8 hours.

22. On or about March 25, 2024, I received the Confidential Memorandum of Understanding ("MOU") from my attorneys. I spent 2.5 reading over the MOU and consulted with my attorneys and executed the MOU on March 26, 2024.

23. On or about June 5, 2024, I received the long form settlement agreement from my attorneys. I spent 3 hours reading over the settlement agreement and consulted with my attorneys and executed the agreement on June 5, 2024.

24. While my attorneys were preparing the Motion for Preliminary Approval, they called me several times to confirm certain information and have me located documents to support the motion which took 2 hours.

25. I spent an additional 2 hour reviewing my files and preparing this declaration.

26. I have spent a total of approximately 100 hours in serving as a class representative in this case as set forth in the details above. Since I initiated the class action, was the only Class Represenative to respond to voluminous sets of discovery and have my deposition taken, I believe I

am entitled to the $10,000 enhancement award given the results.

27. Defendants demanded that I execute a general realaese as a part of the class action settlement. I was forced to release my discrimination clams as a part of the general release. The $15,000 pales in comparison to what I believe are value of my discrimination claims set forth under Exhibit A.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct.

Executed on December 9, 2024, at Riverside, California.

Signed by:

2BF3CB5B85164EA...

Courtney Tolbert

EXHIBIT A

AVENUE LAW
A PROFESSIONAL CORPORATION

April 6, 2023

SETTLEMENT COMMUNICATION PROTECTED BY CALIFORNIA EVIDENCE CODE §§ 1152, 1154 AND FEDERAL RULE OF EVIDENCE 408; INADMISSIBLE FOR ALL PURPOSES

VIA EMAIL *ONLY*

Rocket Mortgage, LLC
c/o Tiffany K. Snow, Esq.
Associate Counsel, Rocket Central
1005 Woodward Avenue
Detroit, Michigan 48226
tiffanysnow@rocketcentral.com

Rocket Mortgage, LLC
c/o Erin Behler, Esq.
Deputy General Counsel, Rocket Central
1005 Woodward Avenue
Detroit, Michigan 48226
erinbehler@rocketcentral.com

Re: Courtney Tolbert v. Rocket Mortgage, LLC, Quicken Loans, LLC, Drew Glomski, et al.
Los Angeles County Superior Court Case No. **Pre-Litigation**

Dear Ms. Snow and Ms. Behler:

As you know, this law firm represents Courtney Tolbert ("Mr. Tolbert") in connection with his labor and employment claims against Rocket Mortgage, LLC ("Rocket Mortgage"), Quicken Loans, LLC ("Quicken") (collectively, "Rocket") and Drew Glomski ("Glomski"), in addition to any of Rocket's liable managers, supervisors, or agents (collectively, "Defendants"). Please continue to direct all correspondence regarding this matter to the undersigned.

As described herein, while working at Rocket, Mr. Tolbert faced discrimination related to his autoimmune disease, discrimination on the basis of his race, and a variety of Labor Code violations. Mr. Tolbert was ultimately wrongfully terminated in violation of public policy. The purpose of this letter is to explore the possibility of reaching a fair and swift resolution to this matter prior to initiating litigation. In the event a just resolution cannot be reached expeditiously, we intend to file suit in Los Angeles County Superior Court against Rocket Mortgage, Quicken, Glomski, and any additional Rocket employees who are responsible for the claims outlined herein.

I. Factual Background

Mr. Tolbert is a hardworking, honest, upstanding family man. He has found a successful career in the financial services sector, and works hard to support his family. He has been married to his wife for nearly a decade, and they have two little boys. Mr. Tolbert has never filed for bankruptcy, has never been divorced, has never faced criminal prosecution, and up until this current dispute, he had never been involved in a civil legal action.

Mr. Tolbert is 39 years old. He is African-American and he suffers from Idiopathic Urticaria, a severe autoimmune disease that causes debilitating hives. Idiopathic Urticaria results in hives and skin welts across the body and face, swelling of the body and face, and constriction of the throat and breathing pathway. Idiopathic Urticaria also escalates the symptoms of regular illnesses, causing something like the common cold to quickly and aggressively cause severe symptoms.

A. Mr. Tolbert Is Hired In June 2020

Mr. Tolbert joined Rocket in or around June 2020 as an Associate Banker. Mr. Tolbert's compensation was based on a minimum wage and commission hybrid. Mr. Tolbert earned an average prorated salary of approximately $140,000 during his employment at Rocket. Mr. Tolbert boasted an extensive track record of work in the financial services field prior to his employment with Rocket. He had worked at Wells Fargo, Merrill Lynch, and Loan Depot in the past.

In Mr. Tolbert's first few months at Rocket, he was able to earn lucrative sales incentives and was considered one of the elite bankers in his training program. Once Mr. Tolbert successfully completed Rocket's training program, he was highly sought after by various team leaders. Mr. Tolbert's performance continued at a high level, and he continued to receive significant sales incentives. Mr. Tolbert even won multiple "MVP" awards from different supervisors.

B. Rocket's Tier System

As Mr. Tolbert's performance continued at a high clip, he was placed in Rocket's "Platinum Tier." Bankers at Rocket were placed in various tiers – with Platinum being the highest – based on a variety of factors. The most tangible benefit of being placed in a higher tier was that a higher-tiered banker received more frequent leads that were of a significantly higher quality than the leads received by lower-tiered bankers. Rocket's tier system was opaque and lacked transparency. Employees were not truly informed regarding all the different tiers and the consequences of slipping into one of the lower tiers. It was widely known that "Bronze" was one of the lowest, if not the lowest tier.

C. Mr. Tolbert's Disability And Disability-Related Medical Absences

In his initial interviews with Rocket, Mr. Tolbert openly disclosed that he suffers from Idiopathic Urticaria, a severe autoimmune disease that causes an outbreak of debilitating, long-lasting hives. His condition requires monthly injections of Xolair to keep the worst symptoms of Idiopathic Urticaria at bay. Mr. Tolbert advised numerous directors and regional vice presidents at Rocket of his medical condition, and shared with them that he needed to receive monthly injections. The injections oftentimes had severe side effects (much like a serious vaccine), requiring Mr. Tolbert to set aside several hours or a day to recover.

One of Mr. Tolbert's direct supervisors, Paul Conway ("Conway") was the only one who engaged Mr. Tolbert in an interactive process and agreed on a reasonable accommodation with Mr. Tolbert. They agreed that Mr. Tolbert would schedule his Xolair injections for the 14th of every month, and that Mr. Tolbert would take a preemptive sick day or half-day off to fight through the side effects of his required medication.

During his employment at Rocket, Mr. Tolbert was forced out sick for an extended amount of time on two occasions. Both periods of absence were due to Mr. Tolbert's Idiopathic Urticaria. Symptoms of an Idiopathic Urticaria flare-up include dozens of severe hives across the body and face, inability to breathe, swelling up of the face and body, and skin welts all forming in a very short period of time. Idiopathic Urticaria can also hamper the body's ability to fight generally harmless health issues like the common cold, resulting in severe illness.

The first period of medical absence lasted from on or about March 11, 2021 until on or about April 22, 2021. The first period of medical absence was a direct result of an abscess that formed due to Mr. Tolbert's medical condition. During this period of time, Mr. Tolbert visited an urgent care and was admitted to a hospital. He would eventually undergo surgery to drain the abscess. Mr. Tolbert was away from work for a cumulative amount of approximately ten to fourteen days.

The second medical absence period lasted from in or around mid-August 2021 until in or around mid-September 2021. Again, Mr. Tolbert was forced to visit an urgent care as a result of his autoimmune disorder. Mr. Tolbert was away from work for a cumulative amount of approximately seven days.

D. <u>Mr. Tolbert's Tier Is Demoted Following Disability-Related Medical Absences</u>

In or around April 2021, Mr. Tolbert returned to work from his first medical absence related to his Idiopathic Urticaria flare up. Upon his return, Mr. Tolbert was dismayed to find that he was demoted to the Bronze Tier. Mr. Tolbert was not notified of the reasoning for his tier demotion, and could only think of his medical absence as the reason why he had been dropped to the Bronze Tier.

Falling to the Bronze Tier severely impacted Mr. Tolbert's ability to meet his performance benchmarks and quotas, because he was receiving far fewer leads, and the leads lacked the quality he received with the Platinum Tier leads. Mr. Tolbert constantly complained to his supervisors that he believed he was placed in a lower tier only because he got sick.

Mr. Tolbert believed that his demotion to the Bronze Tier was due to no reason other than that he had fallen ill to his medical condition. This felt like institutionalized disability discrimination. Mr. Tolbert complained to his immediate directors and RVPs about what he perceived to be an uncalled for and discriminatory demotion.

Following his demotion to the Bronze Tier, Mr. Tolbert was placed in an incredibly precarious position. He needed to worker longer hours and harder to obtain enough leads to come anywhere near his quotas. But because of his low tier, those leads were simply not being funneled through to him. So, even if Mr. Tolbert was on his best behavior and converted a high number of leads, it would not be enough to push him up the hill to the Platinum Tier. This all started a vicious cycle that caused Mr. Tolbert to work impossibly long hours almost every day of the week, just to gain back his prior status. Mr. Tolbert was eventually required to "audit" his voicemails every single night – a practice no other colleague was forced to implement – despite repeated notices to his supervisors that his I.T. equipment and software was causing glitches with his receipt of voicemails.

Mr. Tolbert felt that he could no longer take a day off – even for his necessary Xolair injections. In or around November 2021, Mr. Tolbert stopped taking any time off for any reason, including to recuperate from the side effects of his Xolair injections. Mr. Tolbert advised his superiors of this, who continued to hammer on him.

E. Mr. Tolbert Faces Disability And Race Discrimination And Harassment From Regional Vice President Drew Glomski

Mr. Tolbert was moved to Drew Glomski's region in or around November 2021, and thereafter served under Glomski, who was an RVP. Mr. Tolbert immediately faced issues from Glomski and believed that Glomski had it out for him from the start of their working relationship, due to Mr. Tolbert's race and disability. Within several weeks in or around January and February 2022, Glomski issued four complaints against Mr. Tolbert.

Mr. Tolbert feared that Glomski was targeting him and singling him out for unfair complaints and punishment in a one-sided manner, all caused by Glomski's animus. Glomski focused solely on Mr. Tolbert, and never carried out similar disciplinary actions against other colleagues who did not have a disability or were not African American. Even when there was credible proof that Mr. Tolbert did not violate a company rule or policy, or that his direct supervisor had signed off on the alleged conduct, Glomski came down hard on Mr. Tolbert in a manner that no other similarly situated colleague faced. Mr. Tolbert consistently made complaints to Glomski about how Glomski was treating Mr. Tolbert.

It was clear that Mr. Tolbert's fears about Glomski were credible not only by his experience with Glomski, but also due to Glomski's past record. For one, Glomski had previously faced legal action for improperly terminating the employment of two other African American employees. Next, when Mr. Tolbert inquired about Glomski with other colleagues, they were reluctant to answer Mr. Tolbert's questions and insinuated that he had issues with African American employees. And when it came time for RVPs and directors to name their "MVP" performer for the month, Glomski only gave one MVP award to an African American subordinate. Almost all the MVPs under Glomski were Caucasian. Of course, Mr. Tolbert never received an MVP award from Glomski even though he had been an MVP recipient in the past. Glomski also got rid of any African American managers in his region.

Glomski would also make distasteful conservative political statements in the workplace, and was outspoken about his dislike of the rap/hip-hop music genre. In fact, following Super Bowl LVI on February 13, 2022, Glomski went out of his way to let his colleagues know that he "hated" the Super Bowl halftime show. The halftime show was critically acclaimed and featured some of the most notable African American hip-hop, rap, and R&B artists, such as: Mary J. Blige, Dr. Dre, Snoop Dogg, Kendrick Lamar, and 50 Cent. It was the first Super Bowl halftime show to fully embrace what had previously been considered too "urban" a genre to place before a nationally televised audience.

When it came to discipline, rather than providing Mr. Tolbert with a stern admonition or word of helpful advice, Glomski gleefully reveled in each and every opportunity to harm Mr.

Tolbert's job security at Rocket. This was a clear indication to Mr. Tolbert that Glomski was not interested in helping Mr. Tolbert improve, but was rather waiting until the day he could fire Mr. Tolbert.

F. Mr. Tolbert's Children Contract COVID And Drew Glomski Fires Mr. Tolbert

On or about Sunday, June 19th, 2022, Mr. Tolbert learned that his two toddler sons had contracted COVID. Mr. Tolbert advised his direct supervisor, Mark Hirsch ("Hirsch") via text message on or about Monday, June 20th, 2022, that his children were fighting COVID and that Mr. Tolbert needed to take them to the hospital for medical care.

On or about Wednesday, June 22nd, 2022, Glomski reached out to Mr. Tolbert when Hirsch (Mr. Tolbert's direct supervisor) was out of the office on vacation. Glomski asked Mr. Tolbert to pull up a specific loan number, and attempted to claim that Mr. Tolbert had written a bad loan, saying it was a "DRTR". But, after further review, it became clear that Glomski was mistaken and he retracted his admonition. Glomski did not apologize for his mistake.

On or about Friday, June 24th, 2022, Glomski again called Mr. Tolbert. Glomski accused Mr. Tolbert of "missing a voicemail on Monday." Importantly, that was the day Mr. Tolbert was tending to his children, who were battling COVID. Even so, Mr. Tolbert audited his voicemails that Monday evening and reviewed his inbox to make sure he was up to date with everything. Mr. Tolbert reviewed his inbox and voicemails again, and found nothing. Mr. Tolbert told Glomski, "I feel like you are picking on me again" and told Glomski that he had to take his children to the doctor due to their COVID symptoms.

Instead of inquiring regarding the health of Mr. Tolbert's children, Glomski callously told Mr. Tolbert to stay available, and that he would be back shortly. Moments later, Glomski video conferenced Mr. Tolbert with a human resources representative, and terminated Mr. Tolbert's employment. During the termination, Mr. Tolbert suffered an immediate reaction from his autoimmune disease, with welts swelling up and hives breaking out on his face. Rocket's human resources representative asked Mr. Tolbert if he required a "safe space," apparently ignorant of the fact that Mr. Tolbert was suffering a severe episode that was caused by his medical condition.

It was appalling that instead of recognizing that he was wrong about the "mistake" Glomski accused Mr. Tolbert of making – the false pretext for Mr. Tolbert's firing – he proceeded to terminate Mr. Tolbert, mere moments after Mr. Tolbert told Glomski that his young children required immediate medical attention.

Following Mr. Tolbert's termination, he had a phone call with Hirsch, his final and most direct supervisor. Hirsch confirmed to Mr. Tolbert that Glomski had wanted to terminate Mr. Tolbert's employment for some time, and that he had intended to fire Mr. Tolbert at least as early as Wednesday, June 22nd, 2022. It was striking to Mr. Tolbert that Glomski had fabricated a reason to terminate Mr. Tolbert, and had only been prevented from doing so by Mr. Tolbert's fast thinking and rebuttal of Glomski's pretextual reasoning.

Mr. Glomski's wrongful termination of Mr. Tolbert had come at long last. It was preceded by months of discriminatory behavior by Glomski, finalized by a wrongful termination after Mr. Tolbert would not keep quiet about Glomski's discriminatory and improper workplace conduct.

Of particular note is the fact that Mr. Tolbert's two-year anniversary at Rocket was mere days away when he was terminated by Glomski. Of course, Mr. Tolbert would have received a significant windfall on his two-year anniversary, because his stocks would have vested on that day.

G. <u>Defendants' Misconduct Caused Mr. Tolbert Significant Mental Distress</u>

The discrimination, harassment, and wrongful termination that Mr. Tolbert faced while working at Rocket and following his wrongful termination from Rocket has caused him significant emotional and psychological pain. For the first time in his life, Mr. Tolbert was forced to seek the therapy services of a mental health professional. Mr. Tolbert has suffered panic attacks following his termination from Rocket. He is still facing the repercussions of his experience at Rocket. To date, he has been unable to secure employment despite his best attempts.

H. <u>Defendants' Labor Code Violations</u>

It appears that Glomski's hasty termination of Mr. Tolbert resulted in a number of California Labor Code violations. First, the California Labor Code requires that "[i]f an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately." *See* Lab.C. § 201(a). Mr. Tolbert was not paid all his earned wages at the time of his termination. In fact, multiple payments were made to Mr. Tolbert as late as a week after his termination.

Next, Rocket failed to properly pay out *all* accrued paid time off at the time of Mr. Tolbert's termination. Under California law, accrued PTO is recognized as earned wages and all such accrued PTO is due at the time of termination. *See* Lab.C. § 227.3. Rocket's failure to provide Plaintiff with all his earned wages and accrued PTO at the time of termination results in a cause of action for waiting time penalties. *See* Lab.C. § 203.

Finally, Mr. Tolbert requested his personnel documents pursuant to Lab.C. § 226 following his termination from Rocket. He received an incomplete version of his personnel file after the deadline required under California law. Notably, in addition to statutory penalties and fines, Mr. Tolbert is entitled to all attorneys' fees and costs associated with the prosecution of these Labor Code claims.

I. <u>Defendants' Issuance Of Illegal Non-Compete Document</u>

In addition to the Labor Code violations that followed Mr. Tolbert's wrongful termination, Mr. Tolbert was also issued documentation that claimed Mr. Tolbert was bound to a non-compete contract, also in violation of California law. California's Attorney General <u>recently issued a press release</u> on the subject, reaffirming the State's strong interest in protecting workers and removing illegal restraints on the ability of employees to choose to work where they wish. Mr. Tolbert's fear of violating this illegal non-compete provision prevented him from obtaining gainful employment in his industry for many months.

II. Mr. Tolbert's Legal Contentions

Our investigation has uncovered a vast array of violations of state and federal labor and employment laws by Defendants that give rise to claims that include, *inter alia*, disability discrimination and harassment; race discrimination and harassment; wrongful termination in violation of public policy; failure to prevent harassment, discrimination, or retaliation; negligent hiring, supervision, or retention; intentional infliction of emotional distress; final pay violations; paid time off violations; waiting time penalties; personnel record violations; non-compete violations; and unfair business practices. We anticipate that additional violations of California and federal law will come to light as we expand our investigation.

As a result of the misconduct described herein, Mr. Tolbert has suffered, and continues to suffer, severe emotional distress, including embarrassment, loss of self-esteem, disgrace, humiliation, and anxiety. Accordingly, Mr. Tolbert is entitled to back pay, front pay, penalties, and emotional distress damages suffered as a direct result of Defendants' unlawful conduct. *He is also entitled to the stock shares that would have vested but for Defendants' misconduct.*

Defendants' misconduct entitles Mr. Tolbert to seek economic damages, compensatory damages for his emotional distress, punitive damages, pre-judgment interest, attorney's fees, and legal costs. *See* Cal. Gov. Code § 12965. The Labor Code provisions under which Mr. Tolbert intends to seek recourse carry statutory attorney fees provisions, meaning that Defendants will be liable for Mr. Tolbert's attorney's fees (as well as their own attorney's fees) when he prevails.

III. Mr. Tolbert Will Be Vindicated By A Jury Of His Peers

Simply put, Defendants gave short shrift to the most basic laws meant to protect employees in this State, engaging in brazen discrimination, harassment, and wrongful termination. If this case were to proceed, we are confident that Mr. Tolbert would be a credible and sympathetic witness. He is articulate, professional, sharp, and motivated to seek redress for Defendants' unlawful conduct.

IV. Notice To Insurer

Defendants are directed to communicate our demand to your insurer and immediately advise us of the insured's policy limits, the type of coverage, and whether there is any dispute over coverage. To the extent there is an applicable insurance policy, we request that Defendants inform us immediately so all parties can evaluate whether settlement within those limits is possible (i.e., without requiring contribution from Defendants). If the policy's limits include defense costs (a "burning limits" policy), it is even more imperative that Defendants inform us of that fact, as litigation activity will burn away Defendants' available policy limits and leave Rocket exposed to an excess judgment over the policy limits. To the extent the insurance carrier assigns counsel to represent Defendants, Defendants should also consult with private counsel to ensure that its interests vis-à-vis the insurance policy are fully protected.

Of course, an insurer has a duty of disclosure in this regard. If the insured's consent is required for disclosure, it is requested that the insured be advised in a timely manner of the consequences of failing to disclose policy limits. *Levi Boicourt v. Amex Assurance Company* (2000) 78 Cal.App.4th 1390 (it may be bad faith to neglect to seek the insured's consent to disclose the policy limit, as a failure to do so inhibits the chances of the case's settling within policy limits).

V. Litigation Hold, Preservation Of Evidence, Dispute Resolution

Although Mr. Tolbert will consider a quick and confidential resolution to this dispute through informal direct negotiations or mediation, in the event that pre-litigation resolution proves unsuccessful, Mr. Tolbert will enjoy the full protection of California's robust labor and employment statutes, and will avail himself of the legal remedies they provide.

However, if Defendants are interested in discussing an amicable resolution[1] of this matter through informal negotiation or mediation prior to the initiation of legal action, please contact the undersigned by not later than April 11, 2023. If we do not hear from you by the deadline provided, Mr. Tolbert will have no alternative but to formally pursue his claims.

Regardless, please be advised that with the potential for legal action in this matter, Defendants, and all their officers, directors, employees, and representatives, have a legal duty to preserve all potential evidence relating to Mr. Tolbert's employment and the aforementioned allegations, including, but not limited to, all time records and electronic correspondence. Please ensure that Defendants instruct all employees to maintain such documentation and that a system is in place that will preserve all electronic evidence.

This letter is sent as part of an effort to resolve claims between Mr. Tolbert and Defendants. As such, this letter is protected from discovery and trial introduction pursuant to California Evidence Code §§ 1152, 1154 and Federal Rule of Evidence 408. Nothing contained herein is intended or should be construed as a waiver of any of Mr. Tolbert's rights or remedies, whether legal or equitable, all of which are hereby expressly reserved.

Best regards,

AVENUE LAW | APC

MICHAEL Y. YADEGARAN, ESQ

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[1] As part of any potential resolution, Mr. Tolbert will require assurances that Rocket will review its policies and ensure that the discriminatory practices and procedures similar to what Mr. Tolbert experienced are addressed and rectified.