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April 3, 2026

VIA ONLINE FILING — LWDA PAGA FILING PORTAL
AND VIA CERTIFIED MAIL — RETURN RECEIPT REQUESTED

Labor and Workforce Development Agency

PAGA Unit — Department of Industrial Relations

455 Golden Gate Avenue, 10th Floor

San Francisco, California 94102

PAGAinfo@dir.ca.gov

— AND —

Deel US LLC

Registered Agent / Legal Department

650 2nd Street

San Francisco, California 94107

— AND —

Silhouette.exchange (Silhouette AG)

c/o Chandler De Kock, Chief Executive Officer

chandler@silhouette.exchange

RE: PAGA Notice Pursuant to California Labor Code §2699.3(a)(1) — Aggrieved Employee: Ambarish Krishnamurthy — Employer of Record: Deel US LLC — Client Employer: Silhouette.exchange / Silhouette AG

To the Labor and Workforce Development Agency, and to the Employers identified above:

I. INTRODUCTION

Pursuant to California Labor Code §2699.3(a)(1), aggrieved employee Ambarish Krishnamurthy, by and through his counsel Vani Moodley, Esq. of Selectium Law Group P.C., hereby provides written notice to the Labor and Workforce Development Agency ("LWDA") and to the above-identified employers of specific violations of the California Labor Code committed against Mr. Krishnamurthy and, on information and belief, against other similarly situated current and former California-based employees.

This notice is filed pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Cal. Lab. Code §§2698–2699.8, as amended by AB 2288 and SB 92 (effective June 19, 2024). Mr. Krishnamurthy is an aggrieved employee who personally experienced each of the Labor Code violations alleged herein. Upon expiration of the 65-day statutory notice period, Mr. Krishnamurthy intends to file a PAGA representative action in Santa Clara County Superior Court on behalf of himself and all other aggrieved current and former California employees of Deel US LLC who experienced the same violations.

II. PARTIES

A. Aggrieved Employee

Ambarish Krishnamurthy resides in Santa Clara, California. At all relevant times he was employed by Deel US LLC as Employer of Record and performed work remotely from Santa Clara, California as a Principal Software Engineer. His employment commenced November 18, 2025 and was terminated December 17, 2025.

B. Employer of Record — Deel US LLC

Deel US LLC is a Delaware limited liability company with its principal place of business at 650 2nd Street, San Francisco, California 94107. At all relevant times, Deel US LLC was the legal employer of record of Mr. Krishnamurthy and, on information and belief, of a substantial number of other California-based employees placed through Deel's Employer of Record ("EOR") platform. Deel acknowledged in writing on December 22, 2025, through HR Experience Administrator Natalia Marin, that it is Mr. Krishnamurthy's "formal employer" and that it "remain[s] compliant with U.S. employment regulations." Deel issued Mr. Krishnamurthy's offer letter, administered his benefits through UnitedHealthcare, processed his payroll, and executed his termination.

C. Client Employer — Silhouette.exchange / Silhouette AG

Silhouette.exchange (operating entity: Silhouette AG, domiciled in Zug, Switzerland) is a cryptocurrency trading platform that engaged Mr. Krishnamurthy's services through Deel's EOR platform. Silhouette directed Mr. Krishnamurthy's day-to-day work activities, controlled his access to work systems, and directed Deel to execute the termination of his employment. Silhouette CEO Chandler De Kock acknowledged on December 17, 2025 that all employment and compliance matters were administered through Deel as EOR. Silhouette and Deel together constitute joint employers of Mr. Krishnamurthy for purposes of California Labor Code liability under 29 C.F.R. §791 and applicable California multi-factor joint employer tests.

III. STATEMENT OF FACTS AND THEORIES SUPPORTING ALLEGED VIOLATIONS

The following facts are provided in satisfaction of the specificity requirements of Cal. Lab. Code §2699.3(a)(1) and the standard established in Alcantar v. Hobart Service (9th Cir. 2015) 800 F.3d 1047. All facts are based on Mr. Krishnamurthy's personal knowledge, preserved documentary evidence, and information and belief regarding systemic employer practices.

A. Employment and Compensation

Mr. Krishnamurthy was employed by Deel US LLC as a Principal Software Engineer commencing November 18, 2025, at an annual salary of $260,000, with Deel-administered health benefits through UnitedHealthcare. His offer letter was issued directly by Deel CEO Alex Bouaziz. His employment was classified as indefinite. He performed all work remotely from Santa Clara, California.

B. The Unlawful Monitoring

On December 15, 2025, during a scheduled one-on-one meeting, Aidan de Nobrega, Silhouette's technical lead, admitted to Mr. Krishnamurthy that he had been reviewing transcripts of Mr. Krishnamurthy's private one-on-one conversations with colleague Stenton Mayne — a meeting Mr. de Nobrega did not attend — obtained via Circleback and Google Gemini AI transcription tools. Mr. de Nobrega stated he received this information "through third parties" and used intelligence derived from that non-consensual monitoring to restrict Mr. Krishnamurthy's access to colleagues and meetings.

Mr. Krishnamurthy never consented to a non-participant manager accessing, reviewing, or acting upon transcripts of his private professional conversations. The Deel offer letter contains no monitoring disclosure of any kind. Deel, as the legal employer, never implemented, disclosed, or enforced any CIPA-compliant consent protocol governing client company access to AI-generated transcripts of California employee communications.

C. The Protected Complaint and Retaliatory Termination

On December 15, 2025, Mr. Krishnamurthy immediately escalated in writing via Slack to Silhouette CEO Chandler De Kock, explicitly citing California law and identifying the monitoring as a violation of California privacy statutes. No corrective action was taken. On December 17, 2025 — forty-eight hours after the protected complaint — Deel US LLC executed Mr. Krishnamurthy's termination at Silhouette's direction, immediately revoking all system access, without notice, without investigation, without a hearing, and without any written documentation of cause.

Mr. Krishnamurthy had received no performance warnings, no disciplinary notices, and no documented concerns of any kind during his 29-day employment. The sole documented event between the commencement of his employment and his termination that could explain the adverse action is his December 15, 2025 protected complaint regarding California privacy law violations.

D. Deel's Failure to Follow Its Own Handbook Procedures

Deel's Employee Handbook, dated January 2025 and issued to Mr. Krishnamurthy as his formal employer, mandates: (1) a formal investigation before any adverse employment action, including interviews of the complainant and witnesses (§5.5); (2) prohibition of retaliation against employees who file complaints (§5.2); (3) protection of employees who report suspected legal violations under the Whistleblower Policy (§9); and (4) progressive discipline including written warnings before dismissal absent documented serious misconduct (§§13.1-13.2). Deel followed none of these procedures.

E. Systemic Practice — Other Aggrieved Employees

On information and belief, Deel's practice of executing client company termination instructions without independent legal review, and of permitting client companies to deploy AI monitoring and transcription tools without implementing or auditing CIPA-compliant consent protocols for California-based EOR employees, is systemic and not limited to Mr. Krishnamurthy. Deel employs or has employed a substantial number of California-based workers through its EOR platform. Each such employee whose client company utilized AI transcription tools without CIPA-compliant protocols, and each such employee subjected to adverse action at client company direction without Deel's independent compliance review, is a potential aggrieved employee within the meaning of PAGA.

IV. SPECIFIC LABOR CODE VIOLATIONS

Violation 1: California Labor Code §1102.5(b) — Whistleblower Retaliation

Labor Code §1102.5(b) prohibits an employer from retaliating against an employee who discloses information to a person with authority over the employee where the employee has reasonable cause to believe the information discloses a violation of a state or federal statute.

Facts and Theory: Mr. Krishnamurthy disclosed to CEO Chandler De Kock — a person with authority over his engagement — information he reasonably believed disclosed a violation of California Penal Code §632. The disclosure was explicit, written, and timestamped December 15, 2025. The adverse employment action — termination — followed within 48 hours. Deel executed the termination as the legal employer without conducting any investigation or independent compliance review, notwithstanding its written acknowledgment of employer status and compliance obligations. The 48-hour temporal proximity between protected disclosure and adverse action establishes a prima facie case of retaliation that Deel cannot rebut with any documented legitimate non-retaliatory reason.

Aggrieved Employees: All current and former California employees of Deel US LLC who were subjected to adverse employment action within a temporally proximate period following the making of a protected complaint or disclosure to their client company or to Deel, where Deel executed the adverse action without independent legal review.

Violation 2: California Labor Code §98.6 — Retaliation for Assertion of Labor Code Rights

Labor Code §98.6 prohibits an employer from discharging or otherwise discriminating against an employee because the employee engaged in protected conduct including filing a complaint or asserting rights under the Labor Code.

Facts and Theory: Mr. Krishnamurthy asserted rights under California privacy and whistleblower statutes. Deel, as his legal employer, executed his discharge within 48 hours. The same facts and theory supporting the §1102.5 claim apply here independently. Civil penalties under PAGA for §98.6 violations are $100 per aggrieved employee per pay period for initial violations and $200 for subsequent or egregious violations.

Violation 3: California Labor Code §1102 — Coercion of Employees

Labor Code §1102 prohibits employers from coercing or influencing employees through threat of discharge to adopt or refrain from adopting any particular course of political action or inaction. The doctrine extends to employer conduct that creates a chilling effect on employees' exercise of statutory rights. The systematic monitoring of Mr. Krishnamurthy's private communications — with adverse consequences flowing directly from that monitoring — constituted coercion of employees' exercise of their right to communicate freely with colleagues without management surveillance.

Violation 4: California Labor Code §232.5 — Prohibition on Preventing Disclosure of Working Conditions

Labor Code §232.5 prohibits employers from requiring employees to refrain from disclosing information about working conditions or from retaliating against employees who disclose such information. Mr. Krishnamurthy disclosed information about unlawful working conditions — specifically the warrantless surveillance of employee communications — and was terminated in direct consequence of that disclosure.

Violation 5: Failure to Maintain Lawful Employment Policies — Systemic CIPA Non-Compliance

As Mr. Krishnamurthy's legal employer of record, Deel had an independent obligation under California law to ensure that its employment practices and those of its client companies with respect to California-based employees complied with California Penal Code §632 and related privacy statutes. Deel's failure to implement, audit, or enforce CIPA-compliant consent protocols governing client company use of AI transcription tools — and its failure to disclose monitoring practices in its employment documentation — constitutes a systemic failure of employer compliance obligations that exposed Mr. Krishnamurthy and all similarly situated California EOR employees to unlawful surveillance without legal recourse.

V. CIVIL PENALTIES SOUGHT

Pursuant to California Labor Code §2699(f), the following civil penalties are sought on behalf of the State of California and all aggrieved employees:

- Labor Code §1102.5 violations: Civil penalties of $100 per aggrieved employee per pay period for initial violations; $200 per aggrieved employee per pay period for subsequent violations. For

Mr. Krishnamurthy individually: approximately 4 pay periods during the 29-day employment period.

- Labor Code §98.6 violations: Civil penalties of $10,000 per employee per violation, or alternatively under §2699(f) $100/$200 per pay period per employee.
- Labor Code §1102 and §232.5 violations: Civil penalties under §2699(f) of $100 per aggrieved employee per pay period for initial violations; $200 for subsequent or egregious violations.
- Enhanced penalties under §2699(f)(2)(B): Where violations rested on malicious, fraudulent, or oppressive conduct — which this notice alleges with respect to Deel's conscious disregard of its compliance obligations following written notice of California law violations — penalties increase to $200 per aggrieved employee per pay period and cannot be reduced by reasonable steps assertions.

Penalties are to be allocated 65% to the LWDA and 35% to aggrieved employees, pursuant to Lab. Code §2699(i) as amended effective June 19, 2024. Attorney's fees and costs are recoverable by a prevailing PAGA plaintiff.

VI. NOTICE TO EMPLOYER — OPPORTUNITY TO CURE

Pursuant to Labor Code §2699.3(a), this notice provides Deel US LLC and Silhouette.exchange with the opportunity to cure the violations described herein. We note the following with respect to the cure provisions:

- The 2024 PAGA reforms (AB 2288) permit employers to reduce civil penalties to 30% of the applicable amount if, within 60 days of receiving this notice, the employer takes all reasonable steps to be prospectively in compliance with the Labor Code provisions identified herein. Lab. Code §2699(h).
- "All reasonable steps" in this context would include, at minimum: (1) implementing a written CIPA-compliant consent policy governing client company use of AI transcription and monitoring tools for all California-based EOR employees; (2) auditing current client company practices for California EOR employees; (3) training compliance personnel on §632 requirements; and (4) revising employment documentation to include mandatory monitoring disclosures.
- Employers with fewer than 100 employees may submit a confidential cure proposal to the LWDA within 33 days of this notice pursuant to Lab. Code §2699.3(c)(2). We note that Deel US LLC is not a small employer within the meaning of this provision.

We encourage Deel US LLC to engage seriously with this notice and to take the steps necessary to protect California employees on its EOR platform from the violations described herein. Resolution of these systemic practices in parallel with resolution of Mr. Krishnamurthy's individual claims is the most efficient path to closing this matter.

VII. NOTICE OF INTENT TO FILE CIVIL ACTION

Mr. Krishnamurthy intends to file a PAGA representative civil action in Santa Clara County Superior Court upon expiration of the 65-day notice period established by Labor Code §2699.3(a)(2), unless the LWDA provides notice within that period of its intent to investigate. The civil action will seek civil penalties on behalf of the State of California and all aggrieved current and former California employees of Deel US LLC who experienced the violations described in this notice.

The PAGA action will be filed in conjunction with Mr. Krishnamurthy's individual claims for wrongful termination, whistleblower retaliation under Labor Code §1102.5, violations of California Penal Code §632, and related claims. A separate pre-litigation demand letter has been transmitted to Deel's outside counsel contemporaneously with this notice.

VIII. REPRESENTATIVE COUNSEL CONTACT INFORMATION

All correspondence regarding this PAGA notice should be directed to:

Vani Moodley, Esq.

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San Jose, California 95138

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vani@selectiumlawgroup.com

Respectfully submitted,

V. Moodley

Vani Moodley, Esq.

Selectium Law Group P.C.

Counsel for Aggrieved Employee Ambarish Krishnamurthy

California State Bar No. [to be inserted]

Aggrieved Employee: Ambarish Krishnamurthy | Last Known Address: Santa Clara, California | Dates of Employment: November 18, 2025 December 17, 2025

cc: Deel US LLC (via certified mail); Silhouette.exchange / Silhouette AG (via email and certified mail)