

Re: Notice of PAGA Settlement Payment From Abrishamcar v. Oracle America, Inc.

Enclosed you will find a check made payable to you. This is your payment from the civil penalties settlement of the lawsuit entitled *Abrishamcar v. Oracle America, Inc.*, Case No. CIV 535490 (San Mateo County Superior Court) (the “Action”).

What are my choices?	
Cash the check	Get paid your share of the civil penalties recovered in this Labor Code case.
Do Nothing	You will still be bound by the Settlement. Your share of the civil penalties will be sent to entities designated to receive residual uncashed settlement funds.

Background

The Action was filed against Oracle America, Inc. (“Oracle”) pursuant to the California Private Attorneys General Act of 2004, California Labor Code section 2698 et seq. (“PAGA”) by former Oracle employees Maryam Abrishamcar and Kavi Kapur. The Action concerned alleged Labor Code violations occurring to **Oracle sales personnel subject to an Incentive Compensation Plan or Agreement or were in an Incentive Compensation Plan or Agreement-eligible sales position in California during the period from July 24, 2014 to September 18, 2015 or the period from October 30, 2016 to February 9, 2018** (“Aggrieved Employees”), consistent with the Court’s Case Management Order No. 17. You have been identified as one of the alleged Aggrieved Employees.¹

The Plaintiffs claimed that Oracle owed civil penalties under PAGA for alleged violations of the California Labor Code sections 201, 202, 203, 204, 221, 226, 232, 232.5, 432.5, and 2751 by allegedly failing to comply with requirements for commission contracts to be promptly issued and signed, requiring employees to keep wages and working conditions confidential, delaying payments of commissions, taking back previously paid commissions, deviating from the compensation plan’s method for computing commissions, and inaccurately reporting commissions on wage statements.

Oracle denies the allegations and maintains that its policies, agreements, contracts and practices were lawful and that all employees were provided all wages and compensation to which they were entitled to under the law and denies that it owes any unpaid wages or penalties.

The Settlement

The Court has approved the \$15,500,000.00 Settlement amount agreed upon by the parties. The following disbursements will be made from the Gross Settlement Amount: (1) third-party settlement administration fees of \$15,000.00; (2) attorneys’ fees of \$6,200,000.00 to the Plaintiffs’ counsel; (3) litigation fees and costs of \$555,153.24 to the Plaintiffs’ counsel; and (4) PAGA Representative Service Awards of \$65,000.00 for Plaintiff Abrishamcar and \$45,000.00 for Plaintiff Kapur. The remaining funds after these disbursements are available for distribution as described below (“PAGA Penalty Amount”).

Under the applicable law, 75% of the PAGA Penalty Amount will go to the State of California’s Labor and Workforce Development Agency (“LWDA”). The remaining 25% of the PAGA Penalty Amount goes to current and former employees who were allegedly affected by the wage and hour practices at issue in the case. The 25% of the PAGA Penalty Amount will be paid on a pro-rata basis to individual Aggrieved Employees (“Aggrieved Employee PAGA Payment”) according to the following formula:

The [Settlement] Administrator will calculate each Aggrieved Employee PAGA Payment by (1) dividing the sum of Aggrieved Employee PAGA Payments by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Release Period, and (2) multiplying the result by the particular Aggrieved Employee’s PAGA Pay Period(s).

Pursuant to the Settlement, enclosed is a check for your share of a portion of the civil penalties.

¹ The time periods in the definition of Aggrieved Employees are based on the Court’s ruling in Case Management Order #17, filed on December 7, 2018.

You are not a party to this lawsuit, but you and the LWDA will be bound by the judgment in this matter as to PAGA civil penalties, including being bound by the following release:

Plaintiffs, on behalf of the LWDA (and with binding effect on the Aggrieved Employees), will fully and finally release and discharge the Released Parties,² from any PAGA claim for civil penalties that was brought or could have been brought based on the facts alleged in the Operative Complaint and Plaintiffs' LWDA notice letters dated July 24, 2015, October 30, 2017, and January 26, 2018, arising from any alleged violations occurring to Aggrieved Employees during the PAGA Release Period [July 24, 2014 to May 31, 2018],³ including all PAGA claims for civil penalties for allegedly failing to timely issue written, signed commission contracts, issuing commission contracts lacking a method of computation by which commissions would be computed and paid, knowingly requiring employees to keep wages and working conditions confidential, failing to timely pay wages including by delaying payments of commissions, deducting from previously paid wages, and issuing inaccurate wage statements, and alleged violations of California Labor Code Sections 201, 202, 203, 204, 221, 226, 232, 232.5, 432.5, and 2751 (the "Released PAGA Claims").

Even if you do not cash your check, you will still be bound by the Settlement. The Settlement releases the above-mentioned PAGA claims for civil penalties. The Settlement does not release any legal remedies other than those penalties which could be recovered under PAGA in this Action.

You may peruse the Settlement Administrator's website, www.AbrishamcarPAGASettlement.com, if you have any questions about the Settlement. On the website you will find the contact information of the attorneys for both sides and a link to the Court's portal where you access court records for this case.

Sincerely,

Counsel for Plaintiffs
Counsel for Defendant

² "Released Parties" means Oracle America, Inc. and its parent, subsidiary, related, affiliated, predecessor, and successor companies/entities and each of their respective past, present, and future agents, employees, clients, officers, directors, managing agents, members, owners (whether direct or indirect), principals, fiduciaries, partners, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, common law employers, contractors, affiliates, service providers, alter-egos, vendors, staffing agencies, payroll agencies, service providers, affiliated organizations, and any person and/or entity with potential or alleged to have joint liability.

³ The release period is based on Court rulings in Case Management Order #17, filed on December 7, 2018.