IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF SOUTH CAROLINA COLUMBIA DIVISION

ANTHONY L. VARNER, Individually and on behalf of all others similarly situated,

PLAINTIFF

VS.

CIVIL ACTION NO: 3:18

3:18-2098-TLW

SOUTH CAROLINA FARM BUREAU INSURANCE COMPANY, SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY, PALMETTO CASUALTY INSURANCE COMPANY, OCONEE COUNTY FARM BUREAU, SOUTHERN FARM BUREAU CASUALTY INSURANCE COMPANY, SOUTHERN FARM BUREAU LIFE INSURANCE COMPANY, and A, B, and C CORPORATIONS,

DEFENDANTS

INDIVIDUAL, COLLECTIVE ACTION AND CLASS ACTION COMPLAINT FOR DECLARATORY JUDGMENT AND DAMAGES

COMES NOW Anthony L. Varner ["Varner"], individually and as representative of all persons similarly situated, and brings this action against Defendants South Carolina Farm Bureau Insurance Company ["SCFB"], South Carolina Farm Bureau Mutual Insurance Company ["SCFBM"], Palmetto Casualty Insurance Company ["PCI"], Oconee County Farm Bureau ["OCFB"], Southern Farm Bureau Casualty Insurance Company ["SFBC"], and Southern Farm Bureau Life Insurance Company ["SFBL"], an integrated enterprise that jointly employed Varner

and employed and/or employs other similarly situated individuals, [hereinafter referred to collectively as "Farm Bureau"].¹

INTRODUCTION

1. This is a civil action for violations of the Fair Standards Labor Act of 1938, as amended, 29 U.S.C. § 201 *et seq.* [hereinafter "FLSA"]. Varner brings the action on behalf of himself and on behalf of all individuals similarly situated who work or worked as insurance Agency Managers for all six Farm Bureau pursuant to contract and are or were misclassified as independent contractors when, in fact, they are or were nonexempt employees.

2. Varner brings this action on behalf of himself and on behalf of all of those similarly situated, seeking to recover payment of wages lost or unpaid back wages, liquidated damages, punitive damages, reasonable attorneys' fees, costs of prosecution of this action, and pre- and post-judgment interest.

3. This case implicates all six Farm Bureau Defendants' policies of misclassifying employees as independent contractors in an effort to avoid overtime pay liability under the FLSA. The Farm Bureau Defendants misclassified Varner and others similarly situated and then required or permitted them to work as insurance Agency Managers in excess of 40 hours per week without paying or compensating them for their overtime hours.

4. In addition to misclassifying Agency Manager employees as independent contractors and requiring or allowing them to work in excess of 40 hours per week, the six Farm Bureau

¹ Varner was terminated from his position of Agency Manager by Farm Bureau in April of 2017. Accordingly, the past tense is used throughout this Complaint to refer to him and to other similarly situated Agency Managers who are no longer employed by Farm Bureau. However, this action is not intended to be limited to claims by former Agency Managers and includes and intends to include Agency Managers currently employed by Farm Bureau, as well as Varner and other former Agency Managers. Use of present and/or past tense throughout this Complaint (or failure to consistently use both tenses throughout this Complaint) is not intended and should not be taken as an intent to limit this suit to claims brought either just by former Agency Managers or just by current Agency Managers.

Defendants also refused or failed to keep proper records of hours worked as required by the FLSA and refused or failed to compensate Varner and others similarly situated for their overtime work at the applicable overtime rate of pay. The Farm Bureau Defendants still continue these wrongful and unlawful practices, at the expense of and to the detriment of their Agency Mangers.

5. The Farm Bureau Defendants' conduct violates the FLSA which requires employers to keep proper records of hours worked and to compensate nonexempt employees for their overtime work at a minimum rate of one and one-half times their regular rate of pay. See 29 U.S.C. § 207(a).

6. Varner, as the putative class representative, seeks certification of this suit as a collective and class action on behalf of all current and former misclassified Agency Managers of Farm Bureau locations in South Carolina.

THE PARTIES

7. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

8. Varner resides at 105 Broyles Circle, Townville, South Carolina. Varner began his career with the Farm Bureau Defendants when he was hired as an Agent in Anderson County, South Carolina in April 1994. He worked as an Agent first and then as an Associate Manager in Anderson County. In January 2011, the Farm Bureau Defendants promoted Varner to the position of Agency Manager over Oconee County. He worked in that capacity until April 30, 2017, when the Farm Bureau Defendants terminated his Agency Manager contract ("the termination").² During all applicable times, Varner regularly worked as an Agency Manager in excess of 40 hours per week. However, the Farm Bureau Defendants misclassified him as an independent contractor in an effort to avoid liability under the FLSA and refused or failed to pay him overtime pay. A copy of the Agency Manager Contract between Varner and SCFBM which became effective on

² On May 1, 2017, Farm Bureau hired Plaintiff as an Agent in Oconee County and gave him a contract for that position.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 4 of 53

January 1, 2011 is attached hereto and incorporated by reference as Exhibit "1." A copy of the Agency Manager Contract between Varner and SFBC which became effective on January 1, 2011 is attached hereto and incorporated by reference as Exhibit "2." A copy of the Office Management Agreement between Varner and OCFB is attached hereto and incorporated by reference as Exhibit "3." A copy of the Lease Agreement between Varner and OCFB is attached hereto and incorporated by reference as Exhibit "4." A copy of a January 24, 2017 Agency Manager Evaluation performed on Varner is attached hereto and incorporated by reference as Exhibit "5." A copy of Varner's Consent to Sue form will be filed separately.

9. Defendant South Carolina Farm Bureau Insurance Company ["SCFB"] is a South Carolina Corporation. It may be served with process through service upon its registered agent, William O. Courtney, Jr., 724 Knox Abbott Drive, Cayce, SC 29033.

10. Defendant South Carolina Farm Bureau Mutual Insurance Company ["SCFBM"] is a South Carolina Corporation. It may be served with process through service upon its designated agent, the South Carolina Insurance Commission.

11. Defendant Palmetto Casualty Insurance Company ["PCI"] is a South Carolina Corporation. It may be served with process through service upon its registered agent, John G. Richards, 1612 Marion Street, Columbia, SC 29201.

12. Defendant Oconee County Farm Bureau is a South Carolina Corporation. It may be served with process through service upon Lee Keese, President, or Douglas Hollifield, Vice President, or James Stone, II, Secretary-Treasurer, at its headquarters at 2015 Sandifer Blvd., Seneca, SC 29678.

13. Defendant Southern Farm Bureau Casualty Insurance Company is a Mississippi Corporation. It may be served with process through service upon its registered agent, Steve W. Ingram, 1800 East County Line Road, Ridgeland, Mississippi 39157.

14. Defendant Southern Farm Bureau Life Insurance Company is a Mississippi Corporation. It may be served with process through service upon its registered agent, Corporation Service Company, 5760 I-55 North, Suite 150, Jackson, Mississippi 39211.

JURISDICTION AND VENUE

15. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

16. This Court has jurisdiction over the claims asserted in this action pursuant to 28 U.S.C. § 1331 (federal question jurisdiction) because claims arise under the FLSA. It also has jurisdiction pursuant to 28 U.S. C. § 1337 (jurisdiction over civil actions arising under any Act of Congress regulating commerce) 29 U.S.C. § 216(b) (jurisdiction over action to recover liability prescribed under the FLSA), 28 U.S.C. § 2201 (the Federal Declaratory Judgment Act), and Rule 57 of the Federal Rules of Civil Procedure.

17. This Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367(a) because these claims arise from a common set of operative facts and are so related to the claims within this Court's original jurisdiction that they form a part of the same case or controversy.

18. Venue is proper in this Court under 28 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to the FLSA claims occurred within this district.

ENTERPRISE AND JOINT EMPLOYMENT

19. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 6 of 53

20. All six Farm Bureau Defendants are an integrated enterprise, each of which jointly employed Varner.

21. All six Farm Bureau Defendants constitute a single enterprise under 29 U.S.C. § 203(r) because they are an integrated enterprise and/or perform related activities for a common business purpose. There is an interrelation between their operations, and they have common management, common ownership or financial control and centralized control of labor relations. All six Farm Bureau Defendants had control over employment practices and decisions related to Varner and to others similarly situated. They continue to have control over employment practices and decisions related to Agency Managers.

22. The provisions regarding Agency Managers' responsibilities in the Farm Bureau Defendants' Agency Manager's Contracts are good examples of the integration of the Farm Bureau entities and the integration of their operations and practices. See Exhibit "1," at p. 2, ¶ J (requiring Agency Managers to perform services in accordance with "the Farm Bureau Insurance Companies Agency Manager's Manual"); Exhibit "2," at p. 2, ¶ J (same); Exhibit "3," at pp. 2-3, ¶ 4 (defining term of agreement to be as long as Agency Manager is under contract to serve as Agency Manager "with Southern Farm Bureau Life Insurance Company, Southern Farm Bureau Casualty Insurance Company and South Carolina Farm Bureau Mutual Insurance Company"); see also Exhibit "4," at pp. 1-2, ¶ 3 (defining term of lease to be as long as Agency Manager is under contract to serve as Agency Manager "with Southern Farm Bureau Life Insurance Company, Southern Farm Bureau Casualty Insurance to serve as Agency Manager "with Southern Farm Bureau Life Insurance Company, Southern Farm Bureau Casualty Insurance to serve as Agency Manager "with Southern Farm Bureau Life Insurance Company, Southern Farm Bureau Casualty Insurance Company and South Carolina Farm Bureau Life Insurance Company, Southern Farm Bureau Casualty Insurance Company and South Carolina Farm Bureau Life Insurance Company, Southern Farm Bureau Casualty Insurance Company and South Carolina Farm Bureau Mutual Insurance Company"); and Exhibit "5," at cover page (indicating Agency Manager Evaluation is by "South Carolina Farm Bureau Insurance Companies") and at p. 7 (indicating one Agency Manager contractual responsibility is to solicit and service "any and all lines of business 'the Companies' offer").

23. Other examples are readily available on the Defendants' websites wherein they refer to themselves and/or related entities generically as "Farm Bureau." See, e.g., excerpts from South Carolina Farm Bureau Insurance website, scfbins.com, attached hereto and incorporated by reference as Exhibit "6," at p. 1 (depicting picture of a booth displaying the "Farm Bureau" logo and referring generically to "Farm Bureau Insurance"); p. 3 (indicating that "Farm Bureau Insurance opened its doors for business in South Carolina" in the 1950s; promising that families suffering property damage from natural disaster won't get runaround from "Farm Bureau Insurance"; and stating that customers who suffered damage from Hurricane Hugo had check from their "Farm Bureau Insurance claims adjuster before their lights were back on"); p. 5 (referring to SCFBM, SFBC and PCI jointly as "the Companies" and noting that each of these three entities uses "Farm Bureau" tradenames, service marks, web page headers, logos and designations); and p. 6 (continuing to refer to SCFBM, SFBC and PCI jointly as "the Companies"); see also additional excerpts from South Carolina Farm Bureau Insurance website, scfbins.com, attached hereto and incorporated by reference as Exhibit "7," at p. 1 (asking customers "why choose Farm Bureau Insurance?"); p. 6 ("the Companies" referring to themselves generically as "Farm Bureau Insurance"); p. 10 ("the Companies" referring to themselves generically as both "Farm Bureau Insurance" and "South Carolina Farm Bureau Insurance") pp. 14-18 (evidencing that agents are assigned emails through common domain and hosting server, "scfbins.com"); p. 22 (inviting customers to register on South Carolina Farm Bureau Federation website, scfb.org); and p. 23 (displaying "South Carolina Farm Bureau" logo).

24. A LinkedIn account is maintained in the generic name of "Farm Bureau Insurance of South Carolina." <u>See</u> excerpts from Farm Bureau Insurance of South Carolina LinkedIn pages, attached hereto and incorporated by reference as Exhibit "8." The integrated enterprise made up

of the six Farm Bureau Defendants refers to itself as "Farm Bureau Insurance of South Carolina" and "Farm Bureau Insurance" in its LinkedIn postings and uses the "Farm Bureau" trademark in photos posted on its LinkedIn account pages. <u>See, e.g.</u> Exhibit "8" at p. 1 (containing references to "Farm Bureau Insurance of South Carolina" and to "Farm Bureau Insurance"); p. 2 (displaying "Farm Bureau Insurance" logo and hash-tagging picture "#FarmBureauFamily#); p. 5 (announcing Mike Myers' retirement "after 35 years with Farm Bureau Insurance"); p. 8 (displaying "Farm Bureau Insurance" logo); p. 10 (representing that its people and its service "makes 'Farm Bureau Insurance' unique"); p. 12 (asking viewers if they wonder what it is like to be "Farm Bureau Insurance" agent or county secretary and posting "behind-the-scenes look at our 'Farm Bureau' 100 School"); p. 13 (representing that team spoke with students about potential job opportunities with "Farm Bureau Insurance"); p. 17 (announcing newly-designed website as "SC Farm Bureau Insurance Homepage/Farm Bureau Insurance" and providing link, <u>http://scfbins.com</u>).

25. Additionally, although their contracts are presumably with specific "Farm Bureau" companies, Farm Bureau Agents and Agency Managers market themselves as "Farm Bureau" and "SC Farm Bureau Insurance" Agents and Agency Managers. <u>See, e.g.</u>, copies of Agency Manager Robert Bozard's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "9;" Agency Manager/Agent David Sullivan's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "10;" and Agency Manager George Winn's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "10;" and Agency Manager George Winn's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "11." They also market themselves as "South Carolina Farm Bureau Insurance Companies." <u>See, e.g.</u> copies of Agency Manager Ashley Creel's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "12;" Agency Manager Bryson Herron's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "13;" Agency Manager Randall Johnson's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "13;" Agency

Exhibit "14;" Agency Manager Richard Kemp's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "15;" Associate Agency Manager Daniel Kopp's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "16" (note that although he holds himself out as Associate Manager for "Farm Bureau Insurance of South Carolina," he has served on numerous committees for "Southern Farm Bureau Life Insurance Company" and has been recipient of numerous awards by "Southern Farm Bureau Life Insurance Company"); Agency Manager Tommy Morin's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "17;" Agency Manager Byron Sheppard's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "18;" and former Agency Manager Tony Varner's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "19." See also copies of District Claims Manager John Felder's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "20" (marketing himself to be District Claims Manager for "South Carolina Farm Bureau Insurance Companies") and District Claims Manager Rick Lamar's LinkedIn profile, attached hereto and incorporated by reference as Exhibit "21" (also marketing himself to be District Claims Manager for "South Carolina Farm Bureau Insurance Companies").

26. All six Farm Bureau Defendants engaged (and continue to engage) in activities related to soliciting, selling and servicing insurance policies under the Farm Bureau aegis. All six Farm Bureau Defendants utilized (and continue to utilize) the same agency force for the soliciting, selling and servicing of their insurance products in South Carolina. <u>See</u> copy of one of the Defendants' "Advertising Policy and Social Media Policy and Guidelines for South Carolina Agents" publications, attached hereto and incorporated by reference as Exhibit "22," at p. 1, Introduction (stating that Southern Farm Bureau Casualty Insurance Company, South Carolina Farm Bureau Insurance Company, Palmetto Casualty Insurance Company and South Carolina

Farm Bureau Mutual Insurance Company, "as associated companies," utilize a "common" agency force to market their products). The integration is further evidenced by the fact that the Defendants use or have used the exact same Agency Manager Contracts. <u>Cf.</u>, for example, Exhibit "1," a "South Carolina Farm Bureau Mutual Insurance Company" Agency Manager Contract to Exhibit "2," a "Southern Farm Bureau Casualty Insurance Company" Agency Manager Contract.

27. All six Farm Bureau Defendants worked (and continue to work) together to offer insurance products and services under a single Farm Bureau identity.

28. All six Farm Bureau Defendants shared (and continue to share) a unified, advertising mark (logo). In fact, the Farm Bureau Defendants share the exact same "Advertising Policy" and "Social Media Policy and Guidelines." <u>See, e.g.</u> Exhibit "22;" <u>see also printed copy of one of Defendants' "Hearsay Social and Facebook Training" power point presentations, attached hereto and incorporated by reference as Exhibit "23."</u>

29. All six Farm Bureau Defendants jointly utilized (and continue to utilize) a shared method of compensating Agency Managers. See, e.g., Exhibits "1" and "2" at p. 7, \P 7.

30. All six Farm Bureau Defendants, formally or as a matter of practice, jointly determined, shared or allocated the ability to direct, control and supervise Varner and other misclassified Agency Managers, by both direct and indirect means. <u>See, e.g.</u> Exhibits "22" and "23" regarding control the Farm Bureau Defendants exert over their agency force's advertising and use of Facebook and other social media forums. They continue to jointly determine, share or allocate the ability to direct, control and supervise other misclassified Agency Managers.

31. By way of example, Farm Bureau Agency Managers managed and supervised (and continue to manage and supervise) Farm Bureau Agents for the sale of all product lines sold by the Farm Bureau entities. See Exhibit "1," at p. 2, ¶ D and Exhibit "2," at p. 2, ¶ D; see also Exhibit

"5," at p. 4, Agency Development/Performance, No. 3 (rating Agency Manager on ability to monitor progress of Agents and provide regular skill development and feedback to Agents). In turn, District Managers, who were themselves managed and supervised by the Vice President of Sales, managed and supervised (and continue to manage and supervise) the Agency Managers and were (and continue to be) responsible for all of the marketing efforts such as advertising and sales promotions for all product lines sold by the Farm Bureau entities. <u>See, e.g., Exhibit "5"</u> (evidencing District Manager's management, supervision and evaluation of Agency Manager); <u>see also</u> Exhibit "22," at pp.1-2 (indicating one of SFBC's Vice Presidents is responsible for maintaining written procedures for the Farm Bureau Defendants' agency force's advertising).

32. By way of an additional example and as indicated above, the Farm Bureau Defendants share the same advertising and social media policies and guidelines. <u>See</u> Exhibit "22." In one of the Defendants' publications governing advertising and social media use by South Carolina Agents, Defendants expressly referred to themselves as "associated companies" and as "The Farm Bureau family of companies." <u>See</u> Exhibit "22," at pp. 1 and 4. There, Defendants also represented (and admitted) that they utilize a common agency force to market their products. <u>See</u> Exhibit "22," at p. 1.

33. All six Farm Bureau Defendants, formally or as a matter of practice, jointly determined, shared and/or allocated the power, directly or indirectly, to hire and fire Varner and other misclassified Agency Managers or to modify the terms and conditions of their employment.

34. For example, Varner and other misclassified employees were subject to employmentrelated agreements with the Farm Bureau Defendants whereby the Farm Bureau Defendants misclassified them as independent contractors. <u>See</u>, <u>e.g.</u>, Exhibits "1," "2," and "3." These agreements required them to follow guidelines, instructions and rules contained within the Farm Bureau Defendants' rate books, compliance manuals, guidelines and other documents, all of which were subject to change at the Farm Bureau Defendants' sole discretion. <u>See</u>, e.g., Exhibit "1," at p. 2, ¶¶ F J; Exhibit "2," at p. 2, ¶¶ F and J; and Exhibit "5" at p. 3, Leadership, No. 1 (rating Agency Managers on how effectively they establish and pursue Agency goals and objectives consistent with those of "the Company") and at p. 7 (indicating Agency Manager is contractually responsible for being "governed by 'Company' guidelines and instructions contained in 'the Company' rate books, manuals and underwriting guidelines"; for abiding "by the rules of 'all other authorized companies'"; and for adjusting claims and performing all other services for policyholders "in a manner consistent with the guidelines and instructions promulgated by 'the Company' and/or contained in 'the Company' Agents' Manual"). The same agreements reserved the Farm Bureau Defendants' right to terminate Varner and the other misclassified employees. <u>See</u>, e.g., Exhibits "1" and "2" at pp. 4-5, ¶ 5. The Farm Bureau Defendants continues to utilize these practices with regard to Agency Managers throughout the state of South Carolina.

35. The relationships between the Farm Bureau entities are permanent and longstanding.

36. The Farm Bureau entities operate subject to common management, supervision and control. <u>See, e.g.</u>, Exhibits "22" and "23" (illustrating common management, supervision and control of advertising and of use of Facebook and other social media forums; indicating that Heather Cooper, Corporate Communications Coordinator, and Susan Merrill, Director of Marketing are advertising and social media contacts for all Farm Bureau Defendants and their agency force).

37. Varner and other misclassified Agency Managers' day-to-day experience was that South Carolina Farm Bureau (a/k/a "Farm Bureau Insurance of South Carolina") was their employer. They, along with supervisors and agents, were considered to be working for "South

Carolina Farm Bureau" (a/k/a "Farm Bureau Insurance of South Carolina"). <u>See</u>, <u>e.g.</u> Exhibits "8" – "21." All six Farm Bureau Defendants managed Varner and other misclassified Agency Managers concerning all lines of Farm Bureau insurance sold, including all South Carolina Farm Bureau lines as well as casualty and life lines sold by South Carolina Farm Bureau Insurance Company, South Carolina Farm Bureau Mutual Insurance Company, Palmetto Casualty Insurance Company, Southern Farm Bureau Casualty Insurance Company, and Southern Farm Bureau Life Insurance Company. The Farm Bureau Defendants still continues these practices with regard to its Agency Managers.

38. All six Farm Bureau Defendants paid Varner and other misclassified Agency Managers (and continues to pay other misclassified Agency Managers). During part of Varner's tenure with the Farm Bureau Defendants, the six Farm Bureau Defendants supplied him and other Agency Managers (both past and current) with facilities, computers and office supplies which he and other Agency Managers similarly situated used for all of their work for Farm Bureau, including soliciting, selling and servicing policies issued by each of the Farm Bureau companies. See, e.g., Exhibit "4," at p. 3, ¶¶ d, e, and f. During other parts of Varner's tenure with the Farm Bureau Defendants, the Farm Bureau Defendants required him and other Agency Managers similarly situated to rent their office spaces from their specific County Farm Bureau entities and to pay for utilities and secretaries. See Exhibit "3," at ¶ 1 and Exhibit "4." Varner's District Manager and Tom Ryan, the Associate State Sales Director, negotiated the rent Varner and the others had to pay with the Farm Bureau Federation.

39. The Farm Bureau Defendants set "service fees" for Varner and for other similarly situated Agency Managers. The "service fees" were actually the operating budgets for the county

offices. They also required members of their agency force to pay other fees – for example, a portion of the overall cost of their social media forum, "Hearsay Social." <u>See</u> Exhibit "23" at p. 5.

FLSA COVERAGE

40. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

41. Varner brings this Complaint as a collective and class action, alleging violations of the

FLSA on behalf of himself and all similarly situated individuals. The putative class is defined as:

All individuals who, through a contract or agreement with any of the Farm Bureau entities, perform or performed as Agency Managers for any of the Farm Bureau entities and who were classified by the Farm Bureau entities (or, rather, misclassified by the Farm Bureau entities) as "independent contractors" anywhere in the state of South Carolina at any time from the date that is three years preceding the commencement of this action through the close of the Court-determined opt-in period and who file a consent to join in this action.

The putative class also includes Varner, and he reserves the right to modify this definition prior to conditional certification of the putative class.

42. Varner, along with current and former misclassified Agency Managers of the

Farm Bureau Defendants, are similarly situated in that they have or had substantially similar job requirements and pay provisions and are or were subject to the Farm Bureau Defendants' common practices, policies and/or plans controlling their daily job functions.

43. At all material times, all six Farm Bureau Defendants were employers within the meaning of the FLSA. See 26 U.S.C. § 3121(h) and 29 U.S.C. § 203(d).

44. The six Farm Bureau Defendants controlled the nature, pay structure, and employment relationship with Varner and all Agency Managers similarly situated.

45. The six Farm Bureau Defendants have and/or had the authority to hire and fire Agency Managers and the authority to direct, supervise and manage the work of Agency Managers. During part of Varner's tenure as an Agency Manager with the Farm Bureau Defendants, Oconee County Farm Bureau paid salaries or wages to his secretaries (and, likewise, other County Farm Bureau entities paid salaries or wages to other Agency Mangers' secretaries). During this period of time, the Farm Bureau Defendants had the authority to sign on the companies' checking accounts, including payroll accounts. The Farm Bureau Defendants also had the authority to make decisions regarding Varner's and similarly situated Agency Managers' compensation and capital expenditures. The Farm Bureau Defendants' State Office set Varner's and the other Agency Managers' compensation at any time.

46. Additionally, the Farm Bureau Defendants were responsible for the day-to-day affairs of all of the Farm Bureau agencies. In particular, they were responsible for determining whether they complied with the FLSA.

47. As such, the Farm Bureau Defendants acted directly or indirectly in the interest of the employment of Varner and other Agency Managers (both former and current) as their employers, which make them liable under the FLSA.

48. Furthermore, at all material times, the Farm Bureau Defendants constituted an integrated enterprise engaged in interstate commerce or in the production of goods or services for interstate commerce because they have or have had employees engaged in interstate commerce.

49. Each of the six Farm Bureau Defendants acted in related activities performed through a unified operation and common control for a common business purpose (i.e., to solicit, sell and service insurance policies to customers in South Carolina under the Farm Bureau aegis).

50. The Farm Bureau Defendants have had, and continue to have, annual gross volumes of sales made or done of not less than 500,000.00. See 29 U.S.C. 203(s)(1).

COLLECTIVE ACTION ALLEGATIONS

51. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

52. Varner brings this action pursuant to the FLSA, 29 U.S.C. § 216(b) (and other applicable statutes, laws and common law) on his own behalf and on behalf of the putative class described hereinabove.

53. Varner does not bring this action on behalf of any executive, administrative or professional employee exempt from coverage under the FLSA.

54. A collective action under the FLSA is appropriate because, under 29 U.S.C. § 216(b), the Agency Managers described are "similarly situated" to Varner. The employees on behalf of whom Varner brings this collective action are similarly situated because they have been or are employed in the same or similar positions; they were or are subject to the same or similar wrongful and unlawful practices, policies and/or plans; and their claims are based upon the same legal theories.

55. Varner estimates that the collective class, including both current and former Agency Managers over the relevant period, will include well over 40 members. The precise number of collective class members should be readily available from a review of the Farm Bureau Defendants' records and from input received from the collective class members as part of the notice and "opt-in" process provided by 29 U.S.C. § 216(b).

56. Varner's and the putative class members' entitlement to overtime pay, except for the amounts, are identical and depend on one uniform factual question regarding whether, as a matter of economic reality, Varner and the putative class members are or

were reliant on the Farm Bureau Defendants to earn a living or are or were in business for themselves.

57. Similarly, the classification status of Varner and the putative class members involve an identical legal question regarding whether the Farm Bureau Defendants' Agency Managers acted as employees, and not independent contractors, such that the Defendants owed (and owe) them a minimum wage, overtime and record-keeping obligations under the FLSA.

58. Varner and the putative class members share the same interest in that the outcome of this action will determine whether they were (or are) either independent contractors or employees under the FLSA. Because the facts in each case are similar, if not altogether identical, the factual assessment and legal standards lend themselves to a collective action.

CLASS ACTION ALLEGATIONS

59. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

60. Varner also brings this action, pursuant to Rule 23 of the Federal Rules of Civil Procedure, on behalf of a putative class defined hereinabove. Varner reserves the right to amend the putative class definition as necessary.

61. The Farm Bureau Defendants regularly permitted and required Varner and members of the putative class to work more than 40 hours per week without overtime compensation.

62. Upon information and belief, the Farm Bureau Defendants knew that Varner and all similarly situated individuals performed work that required overtime pay.

63. The Farm Bureau Defendants have operated under a scheme to deprive the misclassified Agency Managers of overtime compensation by failing to properly compensate them for all time worked.

64. The Farm Bureau Defendants' conduct, as set forth in this Complaint, was willful and has caused significant damage to Varner and all similarly situated individuals.

65. Varner shares the same interests as the putative class members and will be entitled to overtime compensation, liquidated damages, punitive damages, reasonable attorney's fees, costs of prosecution of this action, and pre- and post-judgment interest owed to him under nearly identical factual and legal standards as the remainder of the putative class.

66. The putative class meets the numerosity requirement of Rule 23(a)(1) because, during the relevant time period, the Farm Bureau Defendants employed a number of persons in all or nearly all counties in South Carolina who were all subjected to working as Agency Managers, in excess of forty hours per work week, without being paid overtime pay. The precise number of class members should be readily available from a review of the Farm Bureau Defendants' records and from input received from the putative class members.

67. The putative class meets the commonality requirement of Rule 23(a)(2) because, during the relevant period, the Farm Bureau Defendants engaged in a common course of conduct and practices that violated (and continue to violate) the legal rights of Varner and the putative class members. Any individual question Varner's claims present will be far less central to this litigation than the numerous and material questions of law and fact common to the class, including but not limited to: whether Varner and the other

putative class members, as a matter of economic reality, were or are reliant on the Farm Bureau Defendants to earn a living or were or are self-reliant and independent; whether Varner's and the other putative class members' work was an integral part of the Farm Bureau Defendants' businesses of soliciting, selling and servicing insurance policies; whether Varner's and the other putative class members' managerial skills affected their opportunity for profit or loss; how Varner's and the other putative class members' investments into the businesses compared to the Farm Bureau Defendants' investments into the businesses; whether the relationships between the parties (Varner and the putative class members on one hand and the Farm Bureau Defendants on the other hand) were (and are) indefinite and on-going or whether they were fixed and project-based as typical of independent contractors; and the nature and degree of the Farm Bureau Defendants' control over the Agency Managers.

68. The statuses of all individuals similarly situated to Varner raise an identical legal question: whether the Farm Bureau Defendants' Agency Managers acted as independent contractors or employees to whom the Farm Bureau Defendants owed, owe or would owe a minimum wage, overtime, and record-keeping obligations under the FLSA.

69. The putative class meets the typicality requirement of Rule 23(a)(3) because Varner and the putative class members were all employed by the Farm Bureau Defendants pursuant to Agency Manager Contracts and Office Management Agreements and performed their services without receiving overtime wages owed for their work.

70. The putative class meets the fair and adequate protection requirement of Rule 23(a)(4) because there is no apparent conflict of interest between Varner and the putative class members, and because counsel for Varner is knowledgeable and experienced in the

field of employment law, can and will fairly and competently represent the interests of all class members, and has and will commit the human and financial resources necessary to adequately represent all class members. Furthermore, counsel for Varner has conducted significant investigation as to potential claims and parties in this case.

71. The putative class meets the predominance requirement of Rule 23(b)(3) because issues common to the class predominate over any questions affecting only individual members including but not limited to whether the Farm Bureau Defendants' Agency Managers were (and are) improperly classified as independent contractors and whether the Farm Bureau Defendants, through their employment policies and practices, exercised control over the manner in which the class members worked.

72. The putative class meets the superiority requirement of Rule 23(b)(3) because allowing the parties to resolve their controversy through a class action would permit a large number of similarly-situated persons to prosecute common claims in a single forum simultaneously, efficiently, and without the unnecessary duplication of evidence, effort or expense that numerous individual actions would require.

73. Even if each class member could afford to litigate a separate suit, this Court should not require the filing and prosecution of possibly one hundred or more identical actions, given the material similarity of the putative class members' claims. Separate lawsuits of the legal and factual issues raised by the Farm Bureau Defendants' conduct and practices would cause unavoidable delay, a significant duplication of efforts, and a waste of resources. Alternatively, allowing the claims to proceed by way of a single class action would permit the efficient supervision of the putative class members' claims and would

create significate economies of scale for the Court and all parties involved, resulting in uniform, binding adjudication of all issues.

74. This action can be efficiently and effectively managed by sending the same FLSA opt-in notice to all employees similarly situated.

75. The Farm Bureau Defendants are liable under the FLSA for failing to properly compensate Varner and the other putative class members. Those similarly situated are known to the Farm Bureau Defendants and are readily identifiable through the Farm Bureau Defendants' records.

FACTS

76. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

77. Varner and all similarly situated individuals have all been victimized by the Farm Bureau Defendants' common policies and plans to violate their rights under the FLSA by refusing or failing to keep proper records and denying them proper overtime compensation.

78. The Farm Bureau Defendants operate an integrated business enterprise of soliciting, selling and servicing insurance and insurance-related products and services including auto insurance, homeowner's insurance, renter's insurance, manufactured home insurance, farm & ranch insurance, property insurance, health insurance and life insurance.

79. Varner and the other putative class members were (and are), as a matter of economic reality, reliant upon the Farm Bureau Defendants to earn a living. They were neither self-reliant nor independent.

80. Varner's and the other putative class members' work was (and is) an integral part of the Farm Bureau Defendants' businesses. Their services were integrated into the

Farm Bureau Defendants' business operations of soliciting, selling and servicing insurance products, which is consistent with an employee classification and not an independent contractor classification. See, e.g., Exhibit "1" at p. 1, \P 2.B and Exhibit "2" at p. 1, \P 2.B.

81. Varner's and the other putative class members' investments into the Farm Bureau Defendants' Agencies was (and is) miniscule compared to the Farm Bureau Defendants' investments. <u>See</u>, <u>e.g.</u>, Exhibit "23" at p. 5 (representing that "The State Office" and "the Life Company" pay 2/3 of the overall cost of "Hearsay Social"). The Farm Bureau Defendants' investments in the infrastructure designed to underwrite, administer and pay claims of insurance products sold by Varner and other putative class members far exceed any investment by them.

82. Varner and other putative class members had or have indefinite, lengthy and ongoing working relationships with the Farm Bureau Defendants and received (and/or continue to receive) promotions and advanced (and/or continue to advance) along career paths as is typical for employees. For instance, Varner has worked for the Farm Bureau Defendants since 1994. <u>See</u> Exhibit "19." He began as an Agent in Anderson County in 1994. He served in that capacity until he was promoted to Associate Manager in Anderson County where he remained in that capacity until Bill Sloan's retirement on December 31, 2010. On January 1, 2011, Varner became Agency Manager in Oconee County (see Exhibits "1" and "2"), and he remained in that capacity until the termination on April 30, 2017.

83. The Farm Bureau Defendants' practice has been to hire, train, promote and retain their insurance agents and Agency Managers for numerous years. For instance, according to their LinkedIn and/or Facebook profiles,:

a. Robert Bozard has worked for the Farm Bureau Defendants since January, 2005. <u>See</u> Exhibit "9." He worked as an insurance agent for the Farm Bureau Defendants for 10 ½ years. <u>See</u> Exhibit "9." He advanced to and has worked as an Agency Manager for the Farm Bureau Defendants for the last 3 years. <u>See</u> Exhibit "9."

b. David Sullivan has worked for the Farm Bureau Defendants for nearly 13 years. <u>See</u> Exhibit "10." He began as an insurance agent and advanced to an Agency Manager. <u>See</u> Exhibit "10."

c. George Winn has worked for the Farm Bureau Defendants for nearly 7 years. <u>See</u> Exhibit "11." After working as an insurance agent for 6 years and 8 months, he advanced to the position of an Agency Manager. <u>See</u> Exhibit "11."

d. Ashley Creel has worked for the Farm Bureau Defendants as an Agency Manager for 13 years. <u>See</u> Exhibit "12."

e. Bryson Herron has worked for the Farm Bureau Defendants as an Agency Manager for 20 years. <u>See</u> Exhibit "13."

f. Randall Johnson has worked for the Farm Bureau Defendants for 19 years. <u>See</u> Exhibit "13." He began as an insurance agent and advanced to the position of Agency Manager. <u>See</u> Exhibit "14."

g. Richard Kemp has worked as an Agency Manager for the Farm Bureau Defendants for 15 years. <u>See</u> Exhibit "15."

h. Daniel Kopp has worked for the Farm Bureau Defendants for nearly 9 years. <u>See</u> Exhibit "16." He initially served as an insurance agent but was subsequently promoted to an Associate Agency Manager. <u>See</u> Exhibit "16."

i. Tommy Morin has worked for the Farm Bureau Defendants for 19 years.

j. Byron Sheppard has worked for the Farm Bureau Defendants for 30 years.

k. Lee Wilkins has worked for the Farm Bureau Defendants for 5 years. <u>See</u> Exhibit "24."

See also Exhibit "20" (indicating that John Felder has worked for the Farm Bureau

Defendants for 41 years, first as a Supervisor Adjuster and subsequently as a District

Claims Manager) and Exhibit "21" (indicating that Rick Lamar has worked for the Farm Bureau Defendants for more than 40 years).

84. The Farm Bureau Defendants expected and encouraged "continuous service" by Varner and other putative class members which is typical of employment relationships and not independent contractor relationships. This is evidenced, *inter alia*, by the fact that they tied their compensation to Varner and other putative class members to "length of continuous service as Agency Manager." <u>See</u> Exhibits "1" and "2" at p. 6. Their expectations were and are that Agency Managers work for them for more than 5 years. <u>See, e.g.</u>, Exhibits "1" and "2" at p. 6 (providing 0% percentage of qualifying commissions to be paid for continuous length of service of less than 5 years and 50%+ for continuous length of service of at least 5 years)

85. Varner and other putative class members worked exclusively for the Farm Bureau Defendants for years and even decades. <u>See, e.g.</u>, Exhibit "19."

86. The primary job duties of Varner and the putative class members include and/or included:

- providing creative selling, professional counseling, and prompt and skillful service essential to the creation and maintenance of successful multiple-line companies and agencies" for the Farm Bureau Defendants;
- personally soliciting and servicing all lines of business that the Farm Bureau companies offer;
- soliciting and servicing all lines of business that the Farm Bureau companies offer through Farm Bureau-appointed agents;
- assisting Farm Bureau-appointed agents for proficiency in the sale and service of the Farm Bureau Defendants' insurance lines;
- assigning accounts to agents as prescribed by the Farm Bureau Defendants' rules and guidelines; and

• submitting to government by the Farm Bureau Defendants' guidelines and instructions contained in its rate books, manuals, and underwriting guidelines.

<u>See</u>, <u>e.g.</u>, Exhibits "1," "2" and "5." Some putative class members were required to adjust claims in the manners detailed in the Farm Bureau Defendants' guidelines, instructions, and Agents' Manuals.

87. Varner and the other putative class members solicited, sold and serviced, personally and through Farm Bureau-appointed agents, insurance policies exclusively from the Farm Bureau Defendants. They were prohibited from soliciting, selling and/or servicing insurance from other companies while working for the Farm Bureau Defendants unless they obtained prior written consent and authorization to do so. <u>See, e.g.</u>, Exhibits "1" and "2" at p. 2, ¶ 2.E.

88. Alternatively, the Farm Bureau Defendants limited and controlled the policies, products, and services Varner and the other putative class members could solicit, sell and/or service, personally or through Farm Bureau-appointed agents.

89. Varner and the other putative class members were required to consider and treat any money they received or collected as the Farm Bureau Defendants' property and were required to remit all such money "at once" to the Farm Bureau Defendants' State Office without deduction for commission, payment or claim of any kind. <u>See, e.g.</u>, Exhibits "1" and "2" at p. 1, para. 2.C. Alternatively, Farm Bureau customers made payments directly to the Farm Bureau Defendants for purchased services and products. They did not pay Varner or others similarly situated for the services and products they offered.

90. Varner and the other putative class members were (and are) prohibited from representing any insurance company, other than a Farm Bureau insurance company, unless

they first obtained the Farm Bureau Defendants' written consent to do so. <u>See</u>, <u>e.g.</u>, Exhibits "1" and "2," at p. 2, ¶ E.

91. The Farm Bureau Defendants prohibited Varner and the other putative class members from claiming any right to any of the books of business they wrote for the Farm Bureau Defendants and expressly stated that the entire books of business written by their Agency Managers, together with all rights of renewal or expiration thereof, "shall be and remain the sole and exclusive property of the [Farm Bureau] Companies." <u>See, e.g.,</u> Exhibits "1" and "2," at p. 2, ¶ L.

92. Varner and the other putative class members were required to surrender their entire books of business to the Farm Bureau Defendants upon their termination or departure, whether voluntary or involuntary, from the Farm Bureau Defendants. See, e.g., Exhibits "1" and "2," at pp. 2-3, ¶ L.

93. The Farm Bureau Defendants claimed ownership of and prohibited Varner and other putative class members from claiming ownership of or any right to any information regarding persons to whom they sold or serviced insurance including "all information, names, addresses and ages of policy holders and contract holders." <u>See, e.g.</u>, Exhibits "1" and "2," at pp. 2-3, ¶ L.

94. The Farm Bureau Defendants claimed ownership of and prohibited Varner and other putative class members from claiming ownership of or any right to "all information on any media form, including, but not limited to, memoranda, computer tapes, computer disks, computer printouts or manually produced records" whether furnished by Farm Bureau or purchased by Varner and the other putative class members. <u>See, e.g.</u>, Exhibits "1" and "2," at pp. 2-3, ¶ L. The Farm Bureau Defendants claimed sole and exclusive

ownership and right to such information and things and prohibited Varner and other putative class members from copying, duplicating or reproducing any such information or thing without its prior written consent. See, e.g., Exhibits "1" and "2," at pp. 2-3, ¶L. They also required Varner and the other putative class members to surrender all such items at the time of their separation from the Farm Bureau Defendants (even if Varner and/or the putative class members had themselves purchased the items or information). See, e.g., Exhibits "1" and "2," at pp. 2-3, ¶L.

95. The Farm Bureau Defendants required Varner and others similarly situated to pay commissions to their predecessors for prior they rendered to Farm Bureau. See, e.g., Exhibits "1" and "2," at p. 3, ¶ M.

96. The Farm Bureau Defendants required Varner and other putative class members to authorize it to print their names and to utilize their electronic signatures on various insurance documents.

97. The Farm Bureau Defendants expressly limited the authority of Varner and other putative class members in a number of ways as detailed in its Agency Manager's Contracts and in its advertising and social media policies. <u>See, e.g.</u>, Exhibits "1," "2," "22," and "23."

98. The Farm Bureau Defendants controlled the manner and method of payment to Varner and other putative class members. For example, they retained "the right to withhold payment of any or all compensation due hereunder for a period of time sufficient to give the [Farm Bureau] Companies the opportunity to determine the existence and amount of any indebtedness due, or claimed to be due, from You [Varner and other putative class members] to the Companies, to any Farm Bureau organization, or to other companies." See, e.g., Exhibits "1" and "2," at p. 4, ¶ 4A. Likewise, they refused to recognize commissions as due and payable to Varner and other putative class members on any policy until said policy was issued and delivered to the insured and they received the first premium in their home office. See, e.g., Exhibit "1" and "2," at p. 1, ¶ C. They also reserved unto themselves the exclusive rights to fix the new and renewal commissions and to change those commissions unilaterally and at any time upon their issuance of commission schedules. See, e.g., Exhibits "1" and "2," at p. 7, ¶ 7.

99. The Farm Bureau Defendants controlled the hiring, firing, assignment or reassignment, and commission rates of Varner and other similarly situated misclassified Agency Managers. <u>See</u> Exhibits "1" and "2." They prohibited them from assigning any of their rights to third parties. <u>See</u> Exhibits "1" and "2," at p. 4, ¶ 4B.

100. The Farm Bureau Defendants set and/or closely monitored and effectively controlled the work, holiday and vacation schedules for Varner and other similarly situated misclassified insurance Agency Managers. They required them submit to regular evaluations where they were evaluated on production, leadership, manpower, agency development and performance, communication and business management. <u>See, e.g.</u>, Exhibit "5." They also required them to follow State Office schedules for holidays. <u>See, e.g.</u>, Exhibit "8," at pp. 3 (announcing closure of all offices for Independence Day), pp. 5-6 (announcing closure of all offices for Memorial Day), p. 15 (announcing closure of offices for New Year's Day), p. 17 (announcing closure of offices in observance of Christmas), and p. 18 (announcing closure of offices in observance of Thanksgiving).

101. The Farm Bureau Defendants subjected Varner and other similarly situated Agency Managers to annual or bi-annual evaluations. <u>See</u>, <u>e.g.</u>, Exhibit "5." The evaluation reports are

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 29 of 53

clearly indicative of an employee classification and not an independent contractor classification. For example, the stated primary purpose for the evaluations is to aid the Farm Bureau Defendants in producing high performance in their Agency Managers as they strive to meet individual and corporate goals. See, e.g., Exhibit "5" at p. 2.

102. The Farm Bureau Defendants keep personnel records on their Agency Mangers and keep reports of their evaluations in their files. <u>See, e.g.</u>, Exhibit "5" at p. 2.

103. Additionally, the Farm Bureau Defendants regularly evaluate and grade each Agency Manager on his or her:

- establishment and pursuance of agency goals and objectives consistent with their own goals and objectives;
- ability to promote empowerment of responsibilities and accountability to their Agents;
- provision of "praise, recognition, and rewards for effective Agent and Agency performance;
- ability to "consistently and actively recruit[s] qualified candidates and maintain[s] a full staff of skilled Agents;"
- effectiveness in providing "technical one-on-one training while instilling basic sales skills with Agents;"
- development and integration of "effective marketing strategies within the community including the utilization of the social media to accomplish established County Agency and Company goals and objectives;"
- ability to help Agents develop goals to monitor progress with helpful input;
- provision of regular skill development of feedback to Agents;
- monitoring of Account Review Numbers and Quality;
- achievement of established property and casualty goals and objectives;
- achievement of established life and County Agency goals and objectives;
- provision to Agents of "the necessary tools and support to meet their expectations including a professional work environment;"

- development of Agency teamwork;
- ability to effectively resolve conflicts within their Agencies;
- effectiveness in listening to Agents' concerns and in providing effective and helpful solutions; and
- ability to monitor the financial status of his/her insurance account agents and County Farm Bureau at all times.

See, e.g. Exhibit "5."

104. The Farm Bureau Defendants retained the right to discipline Agency Managers for not following their company rules. <u>See</u>, <u>e.g.</u>, Exhibit "22," at p. 7 (advising that violations of Defendants' Advertising Policy and Social Media Policy & Guidelines could result into sanctions including termination).

105. The Farm Bureau Defendants tracked the days and time their Agency Managers worked. They set and/or controlled work hours and/or required their Agency Managers to sign out when leaving their offices.

106. Farm Bureau instructed their Agency Managers regarding when, where and how they were to perform their work. They required their Agency Managers to conduct a certain number of reviews per year.

107. Another example of the control the Farm Bureau Defendants exercised (and/or exercises) over Varner and other putative class members is seen in their audit authority. They required Varner and other putative class members to provide them with access to their books, accounts and financial records. See Exhibits "1" and "2," at p. 4, \P 4D.

108. The Farm Bureau Defendants also exercised control over Varner and the other putative class members by requiring them to operate their agencies as limited liability companies and by prohibiting them from having more than one sole member. See, e.g., Exhibits "1" and "2," at pp. 7-8, \P 8.

109. The Farm Bureau Defendants required Varner and other putative class members to meet their sales quotas. <u>See, e.g.</u>, Exhibits "1" and "2," at p. 4, ¶¶ 5-6.

110. The Farm Bureau Defendants required Varner and other putative class members to take continuing education on business ethics and other topics through its company-based system, "Farm Bureau Tech."

111. The Farm Bureau Defendants required Varner and other putative class members to enter into non-compete and/or non-solicitation agreements which are typical in employment relationships but not in independent contractor relationships. See Exhibits "1" and "2," at pp. 6-7, \P H.

112. The Farm Bureau Defendants required Varner and other putative class members to adhere to their codes of conduct and their requirements regarding work times, office locations, dress code, mandatory production reports, monthly Agency Manager meetings, quarterly district meetings, and state meetings. They determined the location of branch offices from which many of the putative class members worked and provided the physical facilities, requirements and tools for their work and regulated their behavior in their facilities. <u>See, e.g.</u>, Exhibit "4."

113. The Farm Bureau Defendants monitored computer usage (including information stored, deletions, website usage, search history, and email correspondence) by Varner and other putative class members and retained authority to block websites at their own discretion. <u>See, e.g.</u>, Exhibit "22" at p. 7 (cautioning agency force that it should have no expectation of privacy and reserving the right to monitor use and to remove content).

114. The Farm Bureau Defendants controlled signage, advertising and promotions utilized by Varner and other putative class members. <u>See, e.g.</u>, Exhibit "22." If Varner and/or the others wished to advertise and/or market, they were required to have their advertisements and/or marketing materials approved by the Farm Bureau Defendants. <u>See</u>, <u>e.g.</u>, Exhibit "22." The Farm Bureau Defendants also controlled their agency force's use of social media. <u>See</u>, <u>e.g.</u>, Exhibits "22" and "23."

115. Similarly, the Farm Bureau Defendants provided the templates to be used on all Agency Mangers' business cards. They also either issued business cards to the Agency Managers or required them to buy business cards through their State Office. All Agency Managers were required to purchase or utilize business cards which identified them as Agency Managers for Farm Bureau and contained the Farm Bureau name and logo. All Agency Managers were also provided with Farm Bureau email addresses which they were required to use.

116. The Farm Bureau Defendants retained the right to unilaterally fire their Agency Managers without their consent, authorization or approval.

117. The Farm Bureau Defendants required Varner and other similarly situated Agency Managers to comply with their document retention policies and requirements.

118. The Farm Bureau Defendants required its Agency Managers to operate as limited liability companies. <u>See, e.g.</u>, Exhibits "1" and "2," at pp. 7-8, \P 8. They required their Agency Managers to notify them in writing within 10 days of any change in their legal statuses. <u>See</u> Exhibits "1" and "2," at p. 3, \P N.

119. The Farm Bureau Defendants required their Agency Mangers to sell and collect Farm Bureau Federation Memberships to customers as a prerequisite to selling them

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 33 of 53

insurance products and/or services. They required them to call customers to collect past due federation memberships for them.

120. In order to have Facebook business pages, Varner and the other similarly situated Agency Mangers were required to pay and subscribe to "Hearsay," a Farm Bureau program that controlled postings. <u>See</u> Exhibit "23."

121. The Farm Bureau Defendants required Varner and other similarly situated Agency Managers to purchase and/or use their errors and omissions insurance. They were prohibited from obtaining errors and omissions coverage from their competitors.

122. Varner and other misclassified Agency Managers frequently and routinely worked over 8-hour work days and over 40 hours per week for each of the Defendants, South Carolina Farm Bureau Insurance Company, South Carolina Farm Bureau Mutual Insurance Company, Palmetto Casualty Insurance Company, Oconee County Farm Bureau, Southern Farm Bureau Casualty Insurance Company, and Southern Farm Bureau Life Insurance Company.

123. Varner and other misclassified Agency Managers are and/or were nonexempt employees.

124. The Farm Bureau Defendants illegally and/or wrongfully classified their insurance agents, including Varner, as independent contractors (see, e.g., Exhibits "1" and "2"); however, they were actually employees as that term is defined by the FSLA and relevant case law.

125. The Farm Bureau Defendants' mischaracterization of Varner and other similarly situated insurance Agency Managers as independent contractors, the concealment or non-disclosure of the true nature of the relationship between them and these Agency Managers, and the attendant deprivation of substantial rights and benefits of employment, including the refusal

to pay overtime wages as required by the FSLA, are part of an on-going unlawful practice by the Farm Bureau Defendants which this Court should enjoin.

CAUSES OF ACTION AGAINST SOUTH CAROLINA <u>FARM BUREAU INSURANCE COMPANY</u>

COUNT I - VIOLATION OF 29 U.S.C. § 207

126. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

127. SCFB's practice of failing to pay Varner and other Agency Mangers similarly situated at a time-and-a-half rate of pay for hours in excess of 40 hours per workweek violates the FLSA. See 29 U.S.C. § 207(a)(1).

128. None of the exemptions provided by the FLSA regulating the duty of employers to pay overtime at a rate of not less than one and one-half times the regular rate at which its employees are employed are applicable to SCFB or Varner and other similarly situated Agency Mangers.

129. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SCFB's violations of 29 U.S.C. § 207.

COUNT II - WILLFULNESS

130. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

131. SCFB's failure to pay Varner and other similarly situated Agency Managers overtime as required by the FLSA was willful and was not based on good faith and reasonable belief that its conduct complied with the FSLA.

132. SCFB was aware of the FLSA's requirement that all non-exempt employees be paid time-and-a-half their regular rate of pay for all hours worked in excess of 40 hours in a workweek. It was aware that it failed to adhere to that requirement.

133. SCFB was aware of the specific job duties of its Agency Managers and was aware that those duties did not fit within any exemption to the FLSA's requirement for overtime pay.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 35 of 53

134. SCFB knew that the position of insurance Agency Manager, as the job was intended and was performed by Varner and other similarly situated Agency Managers, was consistent with an employment relationship under the FLSA and controlling case law and that it was improper to classify (or, rather, misclassify) its Agency Managers as independent contractors.

135. SCFB knew or showed reckless disregard for the proper classification of the Varner and other similarly situated Agency Managers when it classified them as exempt independent contractors.

136. SCFB willfully misclassified the positions of Varner and other similarly situated Agency Managers as exempt.

137. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SCFB's willful violations of the FLSA.

COUNT III - LIQUIDATED DAMAGES

138. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

139. SCFB acted in bad faith when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

140. SCFB knew or should have known that it was violating the FLSA when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

141. Accordingly, Varner and the other putative class members are entitled to recover double or liquidated damages from SCFB.

COUNT IV - PUNITIVE DAMAGES

142. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

143. SCFB's action in failing to properly pay Varner and the other similarly situated Agency Mangers for their overtime work was willful, wanton, reckless and grossly negligent.

144. Varner and the other similarly situated Agency Mangers suffered damages as a result of SCFB's willful, wanton, reckless and grossly negligent failure to properly pay them the overtime pay due them.

145. Accordingly, Varner and the other putative class members are entitled to punitive damages from SCFB.

COUNT V - DECLARATIONS ANDATTORNEY'S FEES

146. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

147. Varner and other similarly situated Agency Managers are entitled to a judicial declaration that they were and/or are employees of SCFB. They are entitled to a judicial declaration that they were not and are not independent contractors despite SCFB's misclassifying them as such. They are entitled to judicial declarations that SCFB's acts, policies, practices and procedures complained of herein violated provisions of the FLSA.

148. Varner and others similarly situated are entitled to recover their unpaid overtime compensation.

149. Varner and others similarly situated are entitled to additional amounts equal to their unpaid overtime compensation as liquidated damages. <u>See</u> 29 U.S.C. § 216(b).

150. Varner and others similarly situated are entitled to recover punitive damages.

151. Varner and others similarly situated are entitled to recover their attorney's fees and costs. See 29 U.S.C. § 216(b).

152. Varner and others similarly situated are entitled to pre- and post-judgment interest.

CAUSES OF ACTION AGAINST SOUTH CAROLINA FARM BUREAU MUTUAL INSURANCE COMPANY

COUNT I - VIOLATION OF 29 U.S.C. § 207

153. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 37 of 53

154. SCFBM's practice of failing to pay Varner and other Agency Mangers similarly situated at a time-and-a-half rate of pay for hours in excess of 40 hours per workweek violates the FLSA. See 29 U.S.C. § 207(a)(1).

155. None of the exemptions provided by the FLSA regulating the duty of employers to pay overtime at a rate of not less than one and one-half times the regular rate at which its employees are employed are applicable to SCFBM or Varner and other similarly situated Agency Mangers.

156. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SCFBM's violations of 29 U.S.C. § 207.

COUNT II - WILLFULNESS

157. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

158. SCFBM's failure to pay Varner and other similarly situated Agency Managers overtime as required by the FLSA was willful and was not based on good faith and reasonable belief that its conduct complied with the FSLA.

159. SCFBM was aware of the FLSA's requirement that all non-exempt employees be paid time-and-a-half their regular rate of pay for all hours worked in excess of 40 hours in a workweek. It was aware that it failed to adhere to that requirement.

160. SCFBM was aware of the specific job duties of its Agency Managers and was aware that those duties did not fit within any exemption to the FLSA's requirement for overtime pay.

161. SCFBM knew that the position of insurance Agency Manager, as the job was intended and was performed by Varner and other similarly situated Agency Managers, was consistent with an employment relationship under the FLSA and controlling case law and that it was improper to classify (or, rather, misclassify) its Agency Managers as independent contractors. 162. SCFBM knew or showed reckless disregard for the proper classification of the Varner and other similarly situated Agency Managers when it classified them as exempt independent contractors.

163. SCFBM willfully misclassified the positions of Varner and other similarly situated Agency Managers as exempt.

164. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SCFBM's willful violations of the FLSA.

COUNT III - LIQUIDATED DAMAGES

165. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

166. SCFBM acted in bad faith when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

167. SCFBM knew or should have known that it was violating the FLSA when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

168. Accordingly, Varner and the other putative class members are entitled to recover double or liquidated damages from SCFBM.

COUNT IV - PUNITIVE DAMAGES

169. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

170. SCFBM's action in failing to properly pay Varner and the other similarly situated Agency Mangers for their overtime work was willful, wanton, reckless and grossly negligent.

171. Varner and the other similarly situated Agency Mangers suffered damages as a result of SCFBM's willful, wanton, reckless and grossly negligent failure to properly pay them the overtime pay due them.

172. Accordingly, Varner and the other putative class members are entitled to punitive damages from SCFBM.

COUNT V - DECLARATIONS ANDATTORNEY'S FEES

173. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

174. Varner and other similarly situated Agency Managers are entitled to a judicial declaration that they were and/or are employees of SCFBM. They are entitled to a judicial declaration that they were not and are not independent contractors despite SCFBM's misclassifying them as such. They are entitled to judicial declarations that SCFBM's acts, policies, practices and procedures complained of herein violated provisions of the FLSA.

175. Varner and others similarly situated are entitled to recover their unpaid overtime compensation.

176. Varner and others similarly situated are entitled to additional amounts equal to their unpaid overtime compensation as liquidated damages. <u>See</u> 29 U.S.C. § 216(b).

177. Varner and others similarly situated are entitled to recover punitive damages.

178. Varner and others similarly situated are entitled to recover their attorney's fees and costs. See 29 U.S.C. § 216(b).

179. Varner and others similarly situated are entitled to pre- and post-judgment interest.

CAUSES OF ACTION AGAINST PALMETTO CASUALTY INSURANCE COMPANY

COUNT I - VIOLATION OF 29 U.S.C. § 207

180. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

181. PCI's practice of failing to pay Varner and other Agency Mangers similarly situated at a time-and-a-half rate of pay for hours in excess of 40 hours per workweek violates the FLSA. See 29 U.S.C. § 207(a)(1).

182. None of the exemptions provided by the FLSA regulating the duty of employers to pay overtime at a rate of not less than one and one-half times the regular rate at which its employees are employed are applicable to PCI or Varner and other similarly situated Agency Mangers.

183. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of PCI's violations of 29 U.S.C. § 207.

COUNT II - WILLFULNESS

184. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

185. PCI's failure to pay Varner and other similarly situated Agency Managers overtime as required by the FLSA was willful and was not based on good faith and reasonable belief that its conduct complied with the FSLA.

186. PCI was aware of the FLSA's requirement that all non-exempt employees be paid time-and-a-half their regular rate of pay for all hours worked in excess of 40 hours in a workweek. It was aware that it failed to adhere to that requirement.

187. PCI was aware of the specific job duties of its Agency Managers and was aware that those duties did not fit within any exemption to the FLSA's requirement for overtime pay.

188. PCI knew that the position of insurance Agency Manager, as the job was intended and was performed by Varner and other similarly situated Agency Managers, was consistent with an employment relationship under the FLSA and controlling case law and that it was improper to classify (or, rather, misclassify) its Agency Managers as independent contractors.

189. PCI knew or showed reckless disregard for the proper classification of the Varner and other similarly situated Agency Managers when it classified them as exempt independent contractors. 190. PCI willfully misclassified the positions of Varner and other similarly situated Agency Managers as exempt.

191. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of PCI's willful violations of the FLSA.

COUNT III - LIQUIDATED DAMAGES

192. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

193. PCI acted in bad faith when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

194. PCI knew or should have known that it was violating the FLSA when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

195. Accordingly, Varner and the other putative class members are entitled to recover double or liquidated damages from PCI.

COUNT IV - PUNITIVE DAMAGES

196. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

197. PCI's action in failing to properly pay Varner and the other similarly situated Agency Mangers for their overtime work was willful, wanton, reckless and grossly negligent.

198. Varner and the other similarly situated Agency Mangers suffered damages as a result of PCI's willful, wanton, reckless and grossly negligent failure to properly pay them the overtime pay due them.

199. Accordingly, Varner and the other putative class members are entitled to punitive damages from PCI.

COUNT V - DECLARATIONS ANDATTORNEY'S FEES

200. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 42 of 53

201. Varner and other similarly situated Agency Managers are entitled to a judicial declaration that they were and/or are employees of PCI. They are entitled to a judicial declaration that they were not and are not independent contractors despite PCI's misclassifying them as such. They are entitled to judicial declarations that PCI's acts, policies, practices and procedures complained of herein violated provisions of the FLSA.

202. Varner and others similarly situated are entitled to recover their unpaid overtime compensation.

203. Varner and others similarly situated are entitled to additional amounts equal to their unpaid overtime compensation as liquidated damages. <u>See</u> 29 U.S.C. § 216(b).

204. Varner and others similarly situated are entitled to recover punitive damages.

205. Varner and others similarly situated are entitled to recover their attorney's fees and costs. See 29 U.S.C. § 216(b).

206. Varner and others similarly situated are entitled to pre- and post-judgment interest.

CAUSES OF ACTION AGAINST OCONEE COUNTY FARM BUREAU

COUNT I - VIOLATION OF 29 U.S.C. § 207

207. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

208. OCFB's practice of failing to pay Varner and other Agency Mangers similarly situated at a time-and-a-half rate of pay for hours in excess of 40 hours per workweek violates the FLSA. See 29 U.S.C. § 207(a)(1).

209. None of the exemptions provided by the FLSA regulating the duty of employers to pay overtime at a rate of not less than one and one-half times the regular rate at which its employees are employed are applicable to OCFB or Varner and other similarly situated Agency Mangers.

210. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of OCFB's violations of 29 U.S.C. § 207.

COUNT II - WILLFULNESS

211. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

212. OCFB's failure to pay Varner and other similarly situated Agency Managers overtime as required by the FLSA was willful and was not based on good faith and reasonable belief that its conduct complied with the FSLA.

213. OCFB was aware of the FLSA's requirement that all non-exempt employees be paid time-and-a-half their regular rate of pay for all hours worked in excess of 40 hours in a workweek. It was aware that it failed to adhere to that requirement.

214. OFBC was aware of the specific job duties of its Agency Managers and was aware that those duties did not fit within any exemption to the FLSA's requirement for overtime pay.

215. OCFB knew that the position of insurance Agency Manager, as the job was intended and was performed by Varner and other similarly situated Agency Managers, was consistent with an employment relationship under the FLSA and controlling case law and that it was improper to classify (or, rather, misclassify) its Agency Managers as independent contractors.

216. OCFB knew or showed reckless disregard for the proper classification of the Varner and other similarly situated Agency Managers when it classified them as exempt independent contractors.

217. OCFB willfully misclassified the positions of Varner and other similarly situated Agency Managers as exempt.

218. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of OCFB's willful violations of the FLSA.

COUNT III - LIQUIDATED DAMAGES

219. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

220. OCFB acted in bad faith when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

221. OCFB knew or should have known that it was violating the FLSA when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

222. Accordingly, Varner and the other putative class members are entitled to recover double or liquidated damages from OCFB.

COUNT IV - PUNITIVE DAMAGES

223. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

224. OCFB's action in failing to properly pay Varner and the other similarly situated Agency Mangers for their overtime work was willful, wanton, reckless and grossly negligent.

225. Varner and the other similarly situated Agency Mangers suffered damages as a result of OCFB's willful, wanton, reckless and grossly negligent failure to properly pay them the overtime pay due them.

226. Accordingly, Varner and the other putative class members are entitled to punitive damages from OCFB.

COUNT V - DECLARATIONS ANDATTORNEY'S FEES

227. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

228. Varner and other similarly situated Agency Managers are entitled to a judicial declaration that they were and/or are employees of OCFB. They are entitled to a judicial declaration that they were not and are not independent contractors despite OCFB's misclassifying

them as such. They are entitled to judicial declarations that OCFB's acts, policies, practices and procedures complained of herein violated provisions of the FLSA.

229. Varner and others similarly situated are entitled to recover their unpaid overtime compensation.

230. Varner and others similarly situated are entitled to additional amounts equal to their unpaid overtime compensation as liquidated damages. <u>See</u> 29 U.S.C. § 216(b).

231. Varner and others similarly situated are entitled to recover punitive damages.

232. Varner and others similarly situated are entitled to recover their attorney's fees and costs. See 29 U.S.C. § 216(b).

233. Varner and others similarly situated are entitled to pre- and post-judgment interest.

CAUSES OF ACTION AGAINST SOUTHERN FARM BUREAU CASUALTY INSURANCE COMPANY

COUNT I - VIOLATION OF 29 U.S.C. § 207

234. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

235. SFBC's practice of failing to pay Varner and other Agency Mangers similarly situated at a time-and-a-half rate of pay for hours in excess of 40 hours per workweek violates the FLSA. See 29 U.S.C. § 207(a)(1).

236. None of the exemptions provided by the FLSA regulating the duty of employers to pay overtime at a rate of not less than one and one-half times the regular rate at which its employees are employed are applicable to SFBC or Varner and other similarly situated Agency Mangers.

237. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SFBC's violations of 29 U.S.C. § 207.

COUNT II - WILLFULNESS

238. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 46 of 53

239. SFBC's failure to pay Varner and other similarly situated Agency Managers overtime as required by the FLSA was willful and was not based on good faith and reasonable belief that its conduct complied with the FSLA.

240. SFBC was aware of the FLSA's requirement that all non-exempt employees be paid time-and-a-half their regular rate of pay for all hours worked in excess of 40 hours in a workweek. It was aware that it failed to adhere to that requirement.

241. SFBC was aware of the specific job duties of its Agency Managers and was aware that those duties did not fit within any exemption to the FLSA's requirement for overtime pay.

242. SFBC knew that the position of insurance Agency Manager, as the job was intended and was performed by Varner and other similarly situated Agency Managers, was consistent with an employment relationship under the FLSA and controlling case law and that it was improper to classify (or, rather, misclassify) its Agency Managers as independent contractors.

243. SFBC knew or showed reckless disregard for the proper classification of the Varner and other similarly situated Agency Managers when it classified them as exempt independent contractors.

244. SFBC willfully misclassified the positions of Varner and other similarly situated Agency Managers as exempt.

245. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SFBC's willful violations of the FLSA.

COUNT III - LIQUIDATED DAMAGES

246. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

247. SFBC acted in bad faith when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

248. SFBC knew or should have known that it was violating the FLSA when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

249. Accordingly, Varner and the other putative class members are entitled to recover double or liquidated damages from SFBC.

COUNT IV - PUNITIVE DAMAGES

250. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

251. SFBC's action in failing to properly pay Varner and the other similarly situated Agency Mangers for their overtime work was willful, wanton, reckless and grossly negligent.

252. Varner and the other similarly situated Agency Mangers suffered damages as a result of SFBC's willful, wanton, reckless and grossly negligent failure to properly pay them the overtime pay due them.

253. Accordingly, Varner and the other putative class members are entitled to punitive damages from SFBC.

COUNT V - DECLARATIONS ANDATTORNEY'S FEES

254. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

255. Varner and other similarly situated Agency Managers are entitled to a judicial declaration that they were and/or are employees of SFBC. They are entitled to a judicial declaration that they were not and are not independent contractors despite SFBC's misclassifying them as such. They are entitled to judicial declarations that SFBC's acts, policies, practices and procedures complained of herein violated provisions of the FLSA.

256. Varner and others similarly situated are entitled to recover their unpaid overtime compensation.

257. Varner and others similarly situated are entitled to additional amounts equal to their unpaid overtime compensation as liquidated damages. <u>See</u> 29 U.S.C. § 216(b).

258. Varner and others similarly situated are entitled to recover punitive damages.

259. Varner and others similarly situated are entitled to recover their attorney's fees and costs. See 29 U.S.C. § 216(b).

260. Varner and others similarly situated are entitled to pre- and post-judgment interest.

CAUSES OF ACTION AGAINST SOUTHERN FARM BUREAU LIFE INSURANCE COMPANY

COUNT I - VIOLATION OF 29 U.S.C. § 207

261. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

262. SFBL's practice of failing to pay Varner and other Agency Mangers similarly situated at a time-and-a-half rate of pay for hours in excess of 40 hours per workweek violates the FLSA. See 29 U.S.C. § 207(a)(1).

263. None of the exemptions provided by the FLSA regulating the duty of employers to pay overtime at a rate of not less than one and one-half times the regular rate at which its employees are employed are applicable to SFBL or Varner and other similarly situated Agency Mangers.

264. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SFBL's violations of 29 U.S.C. § 207.

COUNT II - WILLFULNESS

265. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

266. SFBL's failure to pay Varner and other similarly situated Agency Managers overtime as required by the FLSA was willful and was not based on good faith and reasonable belief that its conduct complied with the FSLA.

3:18-cv-02098-TLW Date Filed 07/30/18 Entry Number 1 Page 49 of 53

267. SFBL was aware of the FLSA's requirement that all non-exempt employees be paid time-and-a-half their regular rate of pay for all hours worked in excess of 40 hours in a workweek. It was aware that it failed to adhere to that requirement.

268. SFBL was aware of the specific job duties of its Agency Managers and was aware that those duties did not fit within any exemption to the FLSA's requirement for overtime pay.

269. SFBL knew that the position of insurance Agency Manager, as the job was intended and was performed by Varner and other similarly situated Agency Managers, was consistent with an employment relationship under the FLSA and controlling case law and that it was improper to classify (or, rather, misclassify) its Agency Managers as independent contractors.

270. SFBL knew or showed reckless disregard for the proper classification of the Varner and other similarly situated Agency Managers when it classified them as exempt independent contractors.

271. SFBL willfully misclassified the positions of Varner and other similarly situated Agency Managers as exempt.

272. Varner and others similarly situated were damaged in an amount to be proved at trial as a result of SFBL's willful violations of the FLSA.

COUNT III - LIQUIDATED DAMAGES

273. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

274. SFBL acted in bad faith when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

275. SFBL knew or should have known that it was violating the FLSA when it failed to properly pay Varner and other similarly situated Agency Managers for their overtime work.

276. Accordingly, Varner and the other putative class members are entitled to recover double or liquidated damages from SFBL.

COUNT IV - PUNITIVE DAMAGES

277. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

278. SFBL's action in failing to properly pay Varner and the other similarly situated

Agency Mangers for their overtime work was willful, wanton, reckless and grossly negligent.

279. Varner and the other similarly situated Agency Mangers suffered damages as a result of SFBL's willful, wanton, reckless and grossly negligent failure to properly pay them the overtime pay due them.

280. Accordingly, Varner and the other putative class members are entitled to punitive damages from SFBL.

COUNT V - DECLARATIONS ANDATTORNEY'S FEES

281. The foregoing paragraphs are incorporated herein as if set forth in their entirety.

282. Varner and other similarly situated Agency Managers are entitled to a judicial declaration that they were and/or are employees of SFBL. They are entitled to a judicial declaration that they were not and are not independent contractors despite SFBL's misclassifying them as such. They are entitled to judicial declarations that SFBL's acts, policies, practices and procedures complained of herein violated provisions of the FLSA.

283. Varner and others similarly situated are entitled to recover their unpaid overtime compensation.

284. Varner and others similarly situated are entitled to additional amounts equal to their unpaid overtime compensation as liquidated damages. <u>See</u> 29 U.S.C. § 216(b).

285. Varner and others similarly situated are entitled to recover punitive damages.

286. Varner and others similarly situated are entitled to recover their attorney's fees and

costs. See 29 U.S.C. § 216(b).

287. Varner and others similarly situated are entitled to pre- and post-judgment interest.

PRAYER FOR RELIEF

288. For these reasons, Varner respectfully requests the following relief for himself and

on behalf of all members of the Class Action, and all other similarly situated individuals:

a. That the Court certify the putative class named in this Complaint as an opt-in collective and class action under 29 U.S.C. § 216(b) and Rule 23 of the Federal Rules of Civil Procedure and enter an order allowing this action to proceed as a collective and class action under said authorities;

b. That the Court declare the rights and duties of the parties consistent with the relief sought herein;

c. That the Court issue a declaratory judgment that each Defendant's acts, policies, practices, and procedures complained of herein violated provisions of the FLSA;

d. That the Court enjoin the Defendants from committing further violation of the FLSA;

e. That the Court award Varner and the other putative class members overtime compensation for all hours worked over 40 hours in a workweek at the applicable time-and-a-half rate;

f. That the Court award Varner and the other putative class members equal amounts of all owed wages as liquidated damages as allowed under the FLSA;

g. That the Court award Varner and the other putative class members an appropriate amount of punitive damages;

h. That the Court award Varner and the other putative class members reasonable attorney's fees, costs, pre-judgment interest, post-judgment interest and expenses;

i. That the Court award appropriate incentive awards for any class representatives; and,

j. That the Court award Varner and the putative class members such additional relief as the interests of justice may require.

(SIGNATURE PAGE FOLLOWS)

RESPECTFULLY SUBMITTED,

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June 30th, 2018.

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: <u>Farm Bureau Insurance Agency Manager Sues Over Potential Wage Violations</u>