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Inter-Coast International Training, Inc., d/b/a “Inter-coast Colleges” and Irma Maldonado. Case 31–CA–131805

August 27, 2018

DECISION AND ORDER

BY CHAIRMAN RING AND MEMBERS PEARCE AND
McFERRAN

On April 7, 2016, Administrative Law Judge Lisa D. Thompson issued the attached decision. The Respondent filed exceptions and a supporting brief.

The National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

The judge found, applying the Board’s decisions in *D. R. Horton, Inc.*, 357 NLRB 2277 (2012), enf. denied in relevant part, 737 F.3d 344 (5th Cir. 2013), and *Murphy Oil USA, Inc.*, 361 NLRB 774 (2014), enf. denied in relevant part, 808 F.3d 1013 (5th Cir. 2015), that the Respondent violated Section 8(a)(1) of the Act by maintaining and enforcing a mandatory arbitration agreement in a manner that requires employees, as a condition of employment, to waive their rights to pursue class or collective actions involving employment-related claims in all forums, whether arbitral or judicial.

Recently, the Supreme Court issued a decision in *Epic Systems Corp. v. Lewis*, 584 U.S. ___, 138 S. Ct. 1612 (2018), a consolidated proceeding including review of court decisions below in *Lewis v. Epic Systems Corp.*, 823 F.3d 1147 (7th Cir. 2016), *Morris v. Ernst & Young, LLP*, 834 F.3d 975 (9th Cir. 2016), and *Murphy Oil USA, Inc. v. NLRB*, 808 F.3d 1013 (5th Cir. 2015). *Epic Systems* concerned the issue, common to all three cases, whether employer-employee agreements that contain class- and collective-action waivers and stipulate that employment disputes are to be resolved by individualized arbitration violate the National Labor Relations Act. *Id.* at ___, 138 S. Ct. at 1619–1621, 1632. The Supreme Court held that such employment agreements do not violate this Act and that the agreements must be enforced as written pursuant to the Federal Arbitration Act. *Id.* at ___, 138 S. Ct. at 1619, 1632.

The Board has considered the decision and the record in light of the exceptions and brief. In light of the Supreme Court’s decision in *Epic Systems*, which overrules

the Board’s holding in *Murphy Oil*, we conclude that the complaint must be dismissed.¹

ORDER

The complaint is dismissed.

Dated, Washington, D.C. August 27, 2018

John F. Ring, Chairman

Mark Gaston Pearce, Member

Lauren McFerran, Member

(SEAL) NATIONAL LABOR RELATIONS BOARD

Yaneth Palencia, Esq., for the General Counsel.
Neil C. Evans, Esq. (Law Offices of Neil C. Evans), for the Respondent.

DECISION

STATEMENT OF THE CASE

LISA D. THOMPSON, Administrative Law Judge. This is another case involving issues raised in *D. R. Horton, Inc.*, 357 NLRB 2277 (2012).¹ Pursuant to a charge and amended charge filed by Irma Maldonado (Charging Party or Maldonado) on June 30 and September 5, 2014, respectively, the General Counsel alleges that Inter-coast International Training, Inc., d/b/a Intercoast Colleges (Intercoast or Respondent) violated Section 8(a)(1) of the National Labor Relations Act by: (1) maintaining a mandatory arbitration agreement that requires employees to resolve all employment-related disputes solely through individual arbitration, and (2) seeking to enforce that agreement since January 29, 2014, when it filed a motion to strike a class action lawsuit in state court.²

¹ We therefore find no need to address other issues presented in the case or raised by the Respondent’s exceptions.

² Abbreviations used in this decision are as follows: “Jt. Mot. Stip. Facts” for the parties’ Joint Motion to Transfer Proceedings to Division of Judges and Joint Stipulation of Facts, “Jt. Exh.” for the Joint Exhibits, “GC Exh.” for the General Counsel’s exhibits, “R Exh.” for Respondent’s Exhibits, “GC Br.” for the General Counsel’s brief, and “R Br.” for Respondent’s brief.

³ The original complaint was issued on November 28, 2014, and was subsequently amended on June 26, 2015. The amended complaint appears to allege that certain earlier motions or pleadings that Respondent filed in 2012 and 2013 in response to the class action lawsuit also constituted unlawful enforcement of the arbitration agreement, notwithstanding that they occurred more than six months prior to the charge and amended charge in this proceeding. However, the parties’ stipulation of facts indicates that only the Respondent’s state court motions and pleadings that were filed since January 29, 2014, are at issue.

On November 5, 2015, the parties filed a Joint Motion to Transfer the Case to the Division of Judges and Joint Stipulation of Facts, requesting that the foregoing allegations be decided without a hearing based on the stipulated record. I granted the parties' motion and directed them to submit briefs by December 10, 2015. However, counsel for Respondent requested several extensions of time to file its brief, all of which were granted. Ultimately, the posthearing brief deadline was extended to February 16, 2016.

After carefully considering the stipulated record, the parties' statements of position and their briefs, for the reasons set forth below, I find that Respondent violated the Act as alleged.

FINDINGS OF FACT

I. JURISDICTION

The parties stipulated to, and I make, the following findings of fact as to the nature of Respondents' business and jurisdiction:

1. At all material times, Intercoast has been a private vocational educational institution with an office and place of business in Northridge, California.

2. In conducting its operations during the 12-month period ending October 31, 2014, Respondent derived gross revenues in excess of \$1 million and purchased and received at its Northridge, California facility goods valued in excess of \$5000 directly from points outside the State of California.

3. Accordingly, at all material times, Respondent has been an employer within the meaning of Sections 2(2), (6), and (7) of the Act.

II. ALLEGED UNFAIR LABOR PRACTICES

A. Stipulated Background Facts

1. Since at least March 14, 2012, Respondent's Employee Manual contained an addendum titled, "Employee Acknowledgment and Agreement" (the Agreement). The Agreement included an arbitration provision which, if signed by employees, required them to submit all employment related claims to binding arbitration.³

2. With respect to the arbitration provision, the Agreement reads, in pertinent part:

I also acknowledge that the Company utilizes a system of alternative dispute resolution which involves binding arbitration to resolve all disputes which may arise out of the employment context. Because of the mutual benefit . . . which private binding arbitration can provide both the Company and myself, I and the Company both agree that any claim, dispute, and/or controversy that either party may have against one another . . . which would otherwise require or allow resort to any court or other governmental dispute resolution forum between myself and the Company . . . arising from, related to, or having any relationship or connection whatsoever with my seeking employment with, employment by, or other association with the Company . . . (with the sole exception of claims arising under the National Labor Relations Act which are

brought before the National Labor Relations Board . . .) shall be submitted to and determined exclusively by binding arbitration. I understand and agree that nothing in this agreement shall be construed so as to preclude me from filing any administrative charge with, or from participating in any investigation of a charge conducted by, any government agency . . . however, after I exhaust such administrative process/investigation, I understand and agree that I must pursue any such claims through this binding arbitration procedure . . .⁴

3. The Agreement represents Respondent's current policies, regulations, benefits, and terms and conditions of employment.⁵

4. Between March 14, 2012, and January 15, 2013, Respondent presented the Agreement to its employees, including Charging Party Maldonado. Maldonado and some of the employees signed the Agreement and returned it to Respondent.

5. Since about March 14, 2012, employees who signed the Agreement were bound by the aforementioned arbitration provision.

6. Previously, in or around May 2011, Anthony Nguyen (Nguyen), a non-exempt, former employee of Respondent, filed a complaint in the Superior Court of Los Angeles County Central District on behalf of himself and other similarly situated former non-exempt employees of Respondent.⁶

7. The complaint alleged numerous California Labor Code and the California Business and Professions Code violations for earned, unpaid wages.

8. On May 31, 2012, Respondent filed with the court a Petition to Compel Arbitration, Stay Proceedings and Stay Discovery. In its petition, Respondent sought an order staying the complaint and compelling individual arbitration of all claims against Respondent by all class members who signed arbitration agreements with Respondent, including Charging Party.⁷ In a sworn declaration in support of the petition, Geeta Brown, Respondent's president, stated, "all personnel who commence or continue employment [at Intercoast] are required to comply with the company's alternative dispute resolution policy, which include the mandatory arbitration of employment related claims."⁸

9. On June 7, 2012, Nyugen opposed Intercoast's petition to compel arbitration. Shortly thereafter, on June 14 2012, the court denied Respondent's petition, essentially on the ground that it was premature in the absence of a determination regarding the putative class.⁹

10. On January 3, 2013, Respondent appealed the State court's Order denying its petition to compel arbitration. In its brief, Respondent argued that its Employee Acknowledgment and Agreement required all members of the class who signed the Agreement, including the Charging Party, to individually arbitrate their claims.¹⁰

⁴ GC Exh. 1(o) at Appendix A.

⁵ Id.

⁶ GC Exh. 9.

⁷ GC Exh. 10.

⁸ GC Exh. 10, p. 6.

⁹ GC Exh. 13.

¹⁰ GC Exh. 14.

³ Jt. Mot. ¶12a.

11. On August 21, 2013, the California Court of Appeals, Second Appellate District affirmed the State court's Order denying Respondent's petition to compel arbitration.¹¹

12. On January 29, 2014, Respondent filed a Notice of Motion and Motion to Strike Class Action Allegations from the Class Action Complaint in the Los Angeles County Superior Court.¹²

13. On September 21, 2015, Superior Court Judge Michelle Rosenblatt granted Nguyen's Motion for Class Certification.¹³

14. On October 23, 2015, Respondent filed its Notice of Hearing on its initial Petition to Compel Arbitration and Stay Proceedings.¹⁴

15. At present, Respondent maintains the arbitration provision contained in the Agreement as described in paragraph 2 above.

III. DECISION AND ANALYSIS

A. Whether the Allegations are Barred by Section 10(b)

Before addressing the merits of the arbitration provision in Respondent's Agreement, I must determine whether the amended complaint allegations are time barred under Section 10(b) of the Act. Respondent contends that this case should be dismissed as time barred because the underlying charges were filed more than 6 months after: (1) March 14, 2012, the alleged date the arbitration provision contained in the Agreement was promulgated, (2) May 31, 2012, the date Respondent filed its petition to compel arbitration in state court, and (3) January 2013, when Respondent presented the Agreement to its employee (including Charging Party) and appealed the state court's denial of its petition to compel arbitration.

Respondent's argument is without merit. The Board has long held that an employer commits a continuing violation of the Act *throughout* the period that an unlawful rule or policy is maintained.¹⁵ It is also well established that an agreement entered into outside the 10(b) period may still be found unlawful where it is enforced inside the 10(b) period.¹⁶

In this case, there is no dispute that the mandatory individual arbitration provision was maintained during the 10(b) period. As for enforcement, Respondent's January 29, 2014 Motion to Strike was filed well within 6 months prior to the initial June 30, 2014 charge. Although it was not the first attempt to enforce the provision in the class action suit (or the last), the Board has held that an employer's continued attempts to enforce an unlawful provision within the 10(b) period constitute independent violations.¹⁷ Further, while the motion to strike

did not itself mention anything about the arbitration provision, Respondent's purpose for filing the motion was in essence to strike the class complaint from going forward and compel employees to comply with its mandatory arbitration agreement. In fact, the only reason Respondent filed the motion to strike was because its 2012 petition to compel was rejected by the superior court as premature. Respondent's motion to strike was consistent with, and must be considered in light of, its May 2012 petition to compel arbitration and January 2013 appeal of the superior court order, which specifically argued that the arbitration provision in Respondent's Agreement precludes employees from filing a class action in court and requires them to individually arbitrate their claims.¹⁸ As such, I conclude that the amended complaint allegations are timely.

B. Whether Respondent Violated the Act as Alleged

As indicated above, the issue in this case is whether Respondent violated the Act by maintaining and enforcing its mandatory arbitration provision requiring employees to submit all employment-related disputes solely to individual arbitration. In *D.R. Horton*, 357 NLRB 2277 (2012), the Board held that the employer violated Section 8(a)(1) of the Act when it required its employees, as a condition of employment, to sign an agreement which mandated that all future employment related claims against the company be determined individually by final and binding arbitration.¹⁹ The Board held that the company's mandatory arbitration agreement was unlawful because, inter alia, it required employees to waive their substantive right under the NLRA to pursue concerted (i.e., classwide or collective) legal action in any forum, arbitral or judicial. The Board stopped short of requiring employers to permit both classwide arbitration and classwide suits in a court or administrative forum, finding that "[s]o long as the employer leaves open a judicial forum for class and collective claims, employees' NLRA rights are preserved without requiring the availability of classwide arbitration."²⁰

The Board reaffirmed the relevant holdings and reasoning of *D.R. Horton* in *Murphy Oil USA, Inc.*, 361 NLRB No. 72 (2014), enf. denied in relevant part 808 F.3d 1013 (5th Cir. 2015). The Board in that case found that the employer likewise violated Section 8(a)(1) of the Act by maintaining mandatory individual arbitration agreements. The Board also found that the employer violated 8(a)(1) by seeking to enforce the unlawful agreements by filing a motion in court to dismiss a pending FLSA collective action and compel the plaintiffs to arbitrate their claims individually.

¹¹ GC Exh. 16.

¹² GC Exh. 18.

¹³ GC Exh. 20.

¹⁴ GC Exh. 21.

¹⁵ See, e.g., *Cowabunga, Inc.*, 363 NLRB No. 133, slip op. at 2 (2016), and cases cited there. See also *Lafayette Park Hotel*, 326 NLRB 824, 825 (1998).

¹⁶ See, e.g., *Cowabunga*, above. See also *Teamsters Local 293 (R. L. Lipton Distributing)*, 311 NLRB 538, 539 (1993); *Whiting Milk Corp.*, 145 NLRB 1035, 1037-1038 (1964), enf. denied on other grounds 342 F.2d 8 (1st Cir. 1965).

¹⁷ See *CPS Security (USA), Inc.*, 363 NLRB No. 86, slip op. at 1 fn. 2 (2015) (holding that the fact that the employer initially sought to

enforce its unlawful arbitration policy outside the 10(b) period did not bar the General Counsel's allegation that the employer had unlawfully continued to seek enforcement of the policy inside the 10(b) period).

¹⁸ It is well established that events preceding the 10(b) period are properly considered to lend context to events occurring within the 10(b) period. See *Machinists Lodge 1424 (Bryan Mfg. Co.) v. NLRB*, 362 U.S. 411, 414-429 (1960).

¹⁹ *D.R. Horton*, supra, enf. denied in relevant part 737 F.3d 344, 362 (5th Cir. 2013), petition for rehearing en banc denied No. 12-60031 (5th Cir. 2014).

²⁰ *D.R. Horton*, supra at 16.

Respondent argues that the Board's foregoing decisions should not be followed as Federal and State courts have routinely rejected them and allow for class action/arbitration waivers. However, *D. R. Horton/Murphy Oil* represent current Board precedent that I must follow unless and until it is overruled by the Supreme Court.²¹ While the Supreme Court has increasingly shown great deference to enforcement of arbitration agreements, and has upheld the enforcement of individual arbitration agreement in employment related matters,³²² the Court has not expressly overruled *D. R. Horton/Murphy Oil*.

The Board's decisions in *D. R. Horton/Murphy Oil* are therefore controlling. Further, as discussed below, on the facts presented, they compel a finding that Respondent violated the Act as alleged.

1. Unlawful maintenance of the arbitration agreement

The parties dispute whether the arbitration provision within Respondent's Agreement is a mandatory term and condition of employment. The General Counsel argues that the Agreement is a mandatory term and condition of employment because: (1) the Agreement is silent regarding whether employees may opt in or out, and (2) other record evidence demonstrates that employees were required to comply with the Agreement; specifically, the 2012 sworn declaration by Geeta Brown, Respondent's president, that "all personnel who commence or continue employment [at Intercoast] are required to comply with the company's alternative dispute resolution policy, which include the mandatory arbitration of employment related claims." However, Respondent argues that the Agreement is voluntary because nothing in the Agreement mandates participation in the arbitration policy and only some employees signed the agreement.

I find, for the reasons stated by the General Counsel, that the arbitration provision in Respondent's agreement is a mandatory term and condition of employment. The unexplained fact that only some employees signed the agreement containing the provision means little in light of President Brown's declaration that all employees were required to comply with the provision.

In any event, whether the agreement is mandatory is not dispositive of whether the Agreement violates the Act. As indicated by the General Counsel, following *D. R. Horton* and *Murphy Oil*, the Board addressed this issue in *On Assignment Staffing Services*, 362 NLRB No. 189 (2015). In that case, the

²¹ See *Manor West, Inc.*, 311 NLRB 655, 667 fn. 43 (1993); see also *Waco, Inc.*, 273 NLRB 746, 749 fn. 14 (1984) ("We emphasize that it is a judge's duty to apply established Board precedent which the Supreme Court has not reversed. It is for the Board, not the judge, to determine whether precedent should be varied") (citation omitted).

²² See *AT&T Mobility, LLC v. Concepcion*, 131 S.Ct. 1740, 1749 (2011). In *Concepcion*, the Court emphasized that its cases "place it beyond dispute that the FAA was designed to promote arbitration." The Court explained that the purpose of the FAA is to "ensur[e] that private arbitration agreements are enforced according to its terms." See *Volt Information Sciences, Inc. v. Board of Trustees of Leland Stanford Junior Univ.*, 109 S.Ct. 1248 (1989). Indeed, the Board also acknowledges that the provisions of the FAA evince a "liberal policy favoring arbitration agreements." See *D. R. Horton, Inc.*, supra, slip op. at 8, so long as the agreements do not preclude employees from exercising their substantive rights under Section 7 of the Act. *Id.* at 9.

Board found the employer's arbitration policy violated the Act regardless that it allowed employees to opt out of the agreement. Specifically, the Board made clear that individual arbitration agreements that prevent an employee from engaging in concerted legal activities (i.e., filing class or collective actions in court) must yield to the Act, whether or not they were a condition of employment.²³ Of particular import, the Board noted that, "whether. . . [arbitration agreements] are imposed on employees by employers or whether employees are free to reject them, makes no difference . . . to the legality of such agreements under the NLRA. . ."²⁴

Accordingly, I find that Respondent unlawfully maintained the mandatory individual arbitration provision as alleged.

2. Unlawful enforcement of the arbitration agreement

As indicated above, Respondent sought to enforce the provision by filing its motion to strike. Respondent avers that its motion to strike the class allegations is not the same as its petition to compel arbitration, primarily because it never mentioned the arbitration agreement in its motion to strike as it did in the petition to compel arbitration. As such, Respondent claims that the General Counsel is improperly interpreting its motion to strike as a petition to compel arbitration in an effort to support her untimely complaint allegations. However, as discussed above, the motion to strike is properly considered in light of the previous motions and pleadings, which specifically argued that the class allegations were barred by the arbitration agreement.

Moreover, Respondent clearly again sought to enforce its unlawful mandatory arbitration provision when, on October 23, 2015, it requested a rehearing on its original petition to compel arbitration. In so doing, Respondent admits that its petition directly challenges the class members' right to proceed with their class/collective action in state court.

Accordingly, I find that, by filing both the June 30, 2014 motion and the October 23, 2015 notice, Respondent unlawfully enforced its mandatory arbitration agreement.

CONCLUSIONS OF LAW

1. Respondent, Intercoast Colleges is an employer within the meaning of Section 2(6) and (7) of the Act.

2. Respondent violated Section 8(a)(1) of the Act by maintaining a mandatory arbitration provision in its Employee Manual which required employees to resolve all employment-related disputes exclusively through individual arbitration and, both expressly and in practice, required them to relinquish any right they have to resolve such disputes through joint, collective, or class legal action.

3. Respondent violated Section 8(a)(1) of the Act by seeking to enforce its unlawful arbitration provision by filing a January 30, 2014 motion to strike the class allegations and an October 23, 2015 notice of hearing in California Superior Court which had the effect of compelling arbitration and dismissing all collective and class claims.

REMEDY

Having found that Respondent engaged in certain unfair la-

²³ *On Assignment Staffing*, 362 NLRB slip op. at 7.

²⁴ *Id.*

bor practices, I find that it must be ordered to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act.

The General Counsel seeks reimbursement of Charging Party's litigation expenses within the 10(b) period, including, but not limited to, attorneys' fees, costs and expenses resulting from opposing Respondent's efforts to enforce the arbitration provision in state court since January 30, 2014, including the Respondent's motion to strike. Respondent argues that the remedies sought by the General Counsel are inappropriate and beyond the Board's jurisdiction. However, the Board has rejected such arguments and upheld awards of litigation expenses resulting from an employer's unlawful enforcement actions in State and/or Federal courts.²⁵ Accordingly, I find the General Counsel's request for litigation expenses an appropriate make whole remedy and fully effectuate the purposes of Act. Interest on the amounts due shall be computed in the manner prescribed in *New Horizons*, 283 NLRB 1173 (1987), compounded daily as prescribed in *Kentucky River Medical Center*, 356 NLRB 6 (2010).

The General Counsel also requests an unconditional notice-mailing remedy, i.e., that Respondents be required to mail the notice to their employees regardless of whether Respondents have gone out of business or have closed or ceased providing services at a particular facility. However, the Board considers this to be an extraordinary remedy, and the General Counsel cites no extraordinary circumstances justifying it here.²⁶ The Board has not routinely included this remedy in other cases under *D. R. Horton* and *Murphy Oil* (notwithstanding that it would be a relatively simple matter for respondents to include a copy of the Board's notice when they notify their employees that the unlawful arbitration provision has been rescinded or revised). Accordingly, I decline to order an additional notice-mailing remedy here.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended.²⁷

ORDER

The Respondent, Intercoast Colleges of Northridge, California, its officers, agents, successors, and assigns, shall

²⁵ See *Ralphs Grocery*, 363 NLRB No. 128, slip op. at 3 n. 9 (in finding Respondent's arbitration policy together with its action in filing a motion to compel arbitration in California Superior Court, unlawful, the Board held, "Consistent with our opinion in *Murphy Oil*, we. . . shall order the Respondent to reimburse Charging Party. . . and any other plaintiffs for all reasonable expenses and legal fees, with interest, incurred in opposing the Respondent's unlawful motion to compel individual arbitration in the collective wage-and-hour litigation."). See also *Bill Johnson's Restaurants v. NLRB*, 461 U.S. 731, 747 (1983) ("If a violation is found, the Board may order the employer to reimburse the employees whom he had wrongfully sued for their attorneys' fees and other expenses" as well as "any other proper relief that would effectuate the policies of the Act.").

²⁶ See *J. Picini Flooring*, 356 NLRB 11, 14 (2010).

²⁷ If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

1. Cease and desist from

(a) Maintaining and/or enforcing a mandatory arbitration provision that, either expressly or impliedly, requires employees, as a condition of employment, to waive the right to maintain joint, class, or collective actions in all forums, whether arbitral or judicial.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Rescind or revise the arbitration provision in all of its forms to make it clear to employees that the arbitration provision does not constitute a waiver of their right to maintain employment related joint, class, or collective actions in all forums.

(b) Notify all current and former employees who were required to sign acknowledgements regarding the mandatory arbitration provision in any form that it has been rescinded or revised, and if revised, provide them a copy of the revised provision.

(c) Notify the Superior Court of the State of California, Los Angeles County, Central District in Case BC461585, that it has rescinded or revised the mandatory arbitration provision, and inform the court that it no longer opposes the action on the basis of the arbitration provision.

(d) Reimburse Charging Party Irma Maldonado and any other employees who joined in the state court litigation in Case BC461585 for any attorneys' fees, costs and litigation expenses that they may have incurred in opposing Respondent's efforts to enforce the arbitration provision in that case since January 30, 2014, with interest compounded daily.

(e) Within 14 days after service by the Region, post at all facilities where the arbitration agreement applied, copies of the attached notice marked "Appendix"²⁸ in both English and Spanish. Copies of the notice, on forms provided by the Regional Director for Region 31, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. In addition to physical posting of paper notices, notices shall be distributed electronically, such as by email, posting on an intranet or an internet site, and/or other electronic means, if the Respondent customarily communicates with its employees and former employees by such means. Respondent also shall duplicate and mail, at its own expense, a copy of the notice to all former employees who were required to sign the mandatory arbitration agreement during their employment with Respondent. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. In the event that, during the pendency of these proceedings, Respondent has gone out of business or closed the facility involved in these proceed-

²⁸ If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

ings, Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since December 30, 2013.

(f) Within 21 days after service by the Region, file with the Regional Director for Region 31 a sworn certification of a responsible official on a form provided by the Region attesting to the steps that Respondent has taken to comply.

Dated, Washington, D.C. April 7, 2016

APPENDIX

NOTICE TO EMPLOYEES
POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union

Choose representatives to bargain with us on your behalf

Act together with other employees for your benefit and protection

Choose not to engage in any of these protected activities.

WE WILL NOT maintain or enforce a mandatory arbitration agreement that, expressly or impliedly, requires employees, as a condition of employment, to waive the right to maintain joint, class, or collective actions in all forums, whether arbitral or judicial.

WE WILL NOT in any other manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed you by Section 7 of the Act.

WE WILL rescind or revise the arbitration agreement to make it clear to employees that the agreement does not consti-

tute a waiver of their right to maintain joint, class, or collective actions in all forums.

WE WILL notify employees of the rescinded or revised agreement, including providing them with a copy of the revised agreement or specific notification that the agreement has been rescinded.

WE WILL notify the Superior Court of the State of California, Los Angeles County, Central District in Case BC461585, that we have rescinded or revised the unlawful mandatory arbitration provision, and inform the court that we no longer oppose the action on the basis of the arbitration provision.

WE WILL reimburse Charging Party and any other employees who joined in the state court collective litigation in Case BC461585 for attorneys' fees and litigation expenses they incurred which were directly related to opposing our efforts in that case to enforce the arbitration agreement since January 30, 2014, including our Motion to Strike Class Allegations and/or Deem the Case a Non-Class Complaint, with interest.

INTER-COAST INTERNATIONAL TRAINING, INC., D/B/A
"INTERCOAST COLLEGES"

The Administrative Law Judge's decision can be found at www.nlrb.gov/case/31-CA-131805 or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1015 Half Street, S.E., Washington, D.C. 20570, or by calling (202) 273-1940.

