EQUAL EMPLOYMENT OF COMMISSION	PORTUNIT	Y	
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JAIME PICCOLO,		:	
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	Claimant,	:	
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EQUINOX HOLDINGS, INC,		:	
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	Respondent	:	
	-	-X	

EEOC Charge No.:

SUPPLEMENT TO CLASS ACTION CHARGE OF DISCRIMINATION

Claimant Jaime Piccolo ("Claimant"), submits the following supplement in support of her class action charge of discrimination and retaliation against Respondent Equinox Holdings, Inc. ("Equinox" or the "Company").¹

PRELIMINARY STATEMENT

1. It would not be an understatement to say that Equinox's workplace culture is uniquely and ubiquitously misogynistic and anti-women. Indeed, over and over again, Equinox's female employees – particularly mothers – are subjected to egregious discrimination and sexual harassment, including sexual assault, and, like clockwork, Equinox turns a blind eye to this unlawful conduct and retaliates against those who are brave enough to report it.

Ms. Piccolo, one of the Company's longest tenured and most successful
employees, experienced this environment firsthand. From the very start of her employment, Ms.
Piccolo – the Company's former Senior Director of Corporate Accounts – was subjected to
blatant acts of sexual harassment at the hands of multiple people from her hiring manager all the

¹ It is Claimant's understanding that the EEOC is already conducting a nationwide investigation into discrimination at Equinox based on childcare responsibilities.

way up to Gary Browne, Equinox's Senior Vice President, Revenue, along with at least a half a dozen other male managers and executives.

3. The sexual harassment included, among many other things: (i) unwanted sexual touching and messages, including texts stating, "let's fuck like crazy" and "slide your pussy on top of my face;" (ii) leering at and commenting on Ms. Piccolo's "big boobs;" (iii) asking whether Ms. Piccolo had ever engaged in a "threesome," and, if so, with whom; (iv) asking Ms. Piccolo with whom she was sleeping; (v) asking Ms. Piccolo how many men with whom she had sex; (vi) commenting on their perception that Ms. Piccolo's ex-husband had a lot of money, and, therefore, that they should not have to pay her; (vii) asking Ms. Piccolo to try on lingerie in their presence; (viii) diminishing Ms. Piccolo's business acumen and telling her that she should focus on closing out sales with male clients because she should be able to do so based on her sexuality alone; and (ix) pressuring Ms. Piccolo to go to a strip club.

4. Things were made only worse for Ms. Piccolo because she is a mother of two young children. Indeed, Mr. Browne habitually and emphatically expressed deep contempt for Ms. Piccolo's role as a mother to her two young children. This came to a head at the end of 2020 and early 2021, when Mr. Browne denied Ms. Piccolo's reasonable requests to work from home part time to care for her children and address their needs.

5. For example, Mr. Browne repeatedly communicated that Ms. Piccolo was not allowed to request scheduling or remote work accommodations when schools were closed and childcare options were non-existent.

6. Mr. Browne even attempted to discipline Ms. Piccolo for purportedly failing to appear "in person" at clubs despite the fact that there was no legitimate reason for her to be

physically in clubs as often as Mr. Browne demanded, and it had never been a requirement for Ms. Piccolo to have an inflexible, in-person schedule.

7. Notwithstanding her need to care for her children, Ms. Piccolo performed excellently throughout the pandemic. Nevertheless, Mr. Browne singled out Ms. Piccolo and cut her compensation from 75% to 50% without legitimate basis. When Ms. Piccolo protested that she had children to care for, Mr. Browne revealed his discriminatory animus: "Don't you ever bring your children into this. I don't ever want to hear about your children."

8. As a result of Mr. Browne's refusal to appropriately accommodate Ms. Piccolo's childcare needs, both she and her daughters suffered significant emotional distress and severe associated harms. Ms. Piccolo confided in Scott Freimauer, Senior Director, Global Corporate Sales, with respect to the tremendous damage that Mr. Browne's discriminatory conduct was causing her children. Still, no remedial action was taken.

9. Equinox cannot claim that it was unaware of the unlawful conduct described herein, as the evidence will demonstrate unequivocally that the problems at Equinox stem from a misogynistic "bro-culture" that has repeatedly turned a blind eye to the mistreatment of women.

10. Take, for example, Jed Prisby, who sent the text messages referenced above. Long before these sexually harassing text messages were sent, Mr. Prisby, who was a Senior Director of Club Operations, was the subject of another sexual harassment complaint. No remedial action was taken, and Mr. Prisby continued to sexually harass Ms. Piccolo.

11. Another manager who sexually harassed Ms. Piccolo is Brian DeCato. Mr. DeCato has been the subject of numerous sexual harassment complaints and at least two sexual harassment lawsuits. In a 2015 lawsuit, Mr. DeCato was alleged to have fired an employee for complaining about sexual harassment while insinuating that the victim was to blame for the

sexual advances at issue. Nevertheless, according to a second lawsuit filed in 2019, Equinox continued to employ Mr. DeCato while he sexually harassed and/or assaulted half a dozen other women at Equinox, including sexually harassing Ms. Piccolo. Many of Mr. DeCato's victims were terminated or forced out. However, Mr. DeCato – who engaged openly in this behavior at Company events and even admitted some of the sexual harassment during a purported "investigation" – was not meaningfully reprimanded. When Mr. DeCato finally "resigned" many months later, he was lauded in an email and given a significant severance.

12. Equinox's apathetic response to Mr. DeCato's conduct is eerily similar to the way that the Company treated Ms. Piccolo's own complaints of discrimination. Indeed, on December 15, 2021, Ms. Piccolo, through counsel, put Equinox – which already knew much of what is alleged herein – additionally on notice of almost everything alleged herein. Upon information and belief, neither Equinox nor its outside counsel interviewed a single harasser identified herein until at least January 10, 2022, almost an entire month later. During that time, the harassers who still work for the Company, including Mr. Browne and Gianfranco Pozzolini, the Executive Vice President of Operations and Member Experience, continued to perform their jobs without modification. The same is true to this day.

13. The examples are myriad. On January 1, 2020, Alison Sadel (former Equinox National Account Executive) and Megan DiDomenico (former Equinox Senior Regional Sales Manager) filed suit against the Company alleging pay, gender, pregnancy and familial status (caregiver) discrimination. Among other allegations, Ms. Sadel alleged that Mr. Browne and Regional Manager John Greco repeatedly stated, "what is it with all the account executives getting pregnant," implying that it was a problem for the Company and that pregnant women could not perform their duties.

14. Relatedly, on November 16, 2021, Ms. Piccolo received a text message from Jeremy Reese, an African American and the former Director of Leadership at Equinox. In the text message, Mr. Reese revealed that he had a meeting scheduled with the Company's outside attorneys in connection with the lawsuit brought by Ms. Sader and Ms. DiDomenico. He wrote, "lol I dunno why they want me!! I don't lie!" – an obvious acknowledgment that Ms. Sader's and Ms. DiDomenico's legal claims are meritorious.

15. The former Head of Equinox's spa business, Nicole Vitale, alleged in a federal lawsuit that "she heard sales teams routinely went to strip clubs and charged the costs to Equinox, that Equinox's chairman once asked a manager to collect the phone numbers of certain attractive females [and] that an employee was once given a birthday cake in the shape of a female buttocks."²

16. Lexi Fischer, a former Equinox Corporate Sales Manager, suffered a discriminatory failure to promote and was constructively discharged as a result of the harassment she endured at the hands of Mr. Browne. As a result of the Equinox-induced trauma suffered by Ms. Fischer, she was out of work for almost two years.

17. Connie Bermudez, an older female former Account Executive in the Washington,D.C. area, was constructively discharged after Mr. Browne's conduct caused her to become physically ill and develop detrimental health conditions.

18. Maria Fuenmayor, a gay mother of two and former Account Executive within the Northeast Region, and one of the highest performing Account Executives at the Company, was also discriminatorily denied a promotion and constructively discharged.

² Ms. Vitale's claims were dismissed in part on the basis that she was not personally subjected to these activities, a legal deficiency that does not present in Ms. Piccolo's case.

19. Among the very few women who have been promoted within Mr. Browne's organizational structure was Sharie Wilson, the African American former Regional Sales Director for the East Region. She was discriminatorily demoted after only two years of consistently positive performance without any prior warnings or write-ups.

20. Similarly, in 2021, Equinox brought in a consultant, Maura Barkley, who was ostensibly hired to advocate for women and gender equality in the workplace. Ms. Barkley was promptly terminated after she observed a "bro-culture" at Equinox.

21. All of this conduct is directly at odds with Equinox's public statements pertaining to diversity and inclusion. Indeed, in August 2019, it was reported that Steven Ross, who is the majority owner of Related Companies, which owns Equinox, held a fundraising for then-President Donald J. Trump, and charged participants \$100,000 to have their picture taken with the President. In response to the ensuing controversy, Harvey Spevak, the Executive Chairman and Managing Partner of Equinox, issued a statement in which he claimed that Equinox has a "culture based on equality, diversity, inclusivity, integrity, empathy and mutual respect. A community where everyone is welcome." Obviously, as described herein, that simply is not true.

22. To the contrary, it is absolutely abhorrent that Equinox either: (i) has deluded itself into believing that countless women are simply lying about their experiences; or (ii) simply does not care whether its female employees are sexually harassed and assaulted.

23. Whatever the case, the mistreatment of women at Equinox must come to an end, and a good place to start would be at the top because the leadership at Equinox is almost exclusive dominated by men. Starting with Harvey Spevak, the Executive Chairman and Managing Partner of Equinox, virtually all of the Company's critical executive functions are run by men, including, *inter alia*: (i) President, Scott DeRue; (ii) former President and current Senior

Advisor, Scott Rosen; (iii) Co-President and Chief Design Officer, Jeff Weinhaus; (iv) Executive Vice President of Operations and Member Experience, Gianfranco Pozzolini; (v) Executive Vice President and Chief People Officer, David Ard; (vi) Executive Vice President and Chief Marketing Officer, Peter Giorgi; (vii) Executive Vice President and Chief Technology Officer, Eswar Veluri; (viii) Executive Vice President and Chief Financial Officer, David Phillips; and (ix) Senior Vice President of Revenue, Gary Browne. In fact, with the exception of the Company's Chief Legal Officer, Yen Chu, every Executive Vice President and President is a man.

FACTUAL ALLEGATIONS

I. <u>MS. PICCOLO'S EXCEPTIONAL PERFORMANCE AT EQUINOX</u>

24. Prior to her unlawful termination, Ms. Piccolo was one of Equinox's longest tenured and most loyal employees.

25. Ms. Piccolo joined Equinox in April 2002 and has dedicated nearly 20 years of her life to building the Company.

26. When Ms. Piccolo joined Equinox, the Company had only a handful of clubs and was a fraction of the business that it is today.

27. Ms. Piccolo played a substantial role in the Company's growth and success and worked tirelessly to develop thousands of lucrative relationships over the years.

28. She has also cultivated brand loyalty to Equinox by serving as a corporate ambassador to Fortune 500 companies, law firms and banks, along with countless technology, real estate and financial services companies.

29. Ms. Piccolo's tremendous success is evidenced by her once-seemingly-limitless career trajectory at Equinox.

30. When she joined the Company in 2002, Ms. Piccolo held the role of Membership Advisor at the Company's East 43rd Street location.

31. Within six months, Equinox promoted her to the position of Sales Manager at the same location, after which she was promoted to an Account Executive position at Equinox's Wall Street location.

32. Ms. Piccolo was asked to "change the culture" at the Wall Street location and essentially rescue it from the economic malaise of the immediate post-September 11, 2001 period. She did just that.

33. Following her success at the Wall Street location, Equinox entrusted Ms. Piccolo to open up locations nationwide and she eventually developed an Accounts Executive team to scale the Company's growth.

34. Over the next nearly two decades, Ms. Piccolo worked her way up in the organization and, in June 2019, was ultimately promoted to the position of Senior Director of Corporate Accounts, one of the top sales positions at the Company.

35. Among her other responsibilities while employed by Equinox, Ms. Piccolo managed the sales performance of more than 100 Equinox club locations in the New York City, Chicago, Los Angeles, San Francisco, Texas, D.C., Boston, Toronto, Vancouver and London areas.

36. Ms. Piccolo also oversaw Account Executives at each location, delivered training and built comprehensive strategies to ensure the achievement of target objectives.

37. In connection with her responsibilities, Ms. Piccolo was entrusted by the Company's senior leadership to support struggling clubs, conduct in-depth audits to evaluate operations and deliver targeted feedback to promote the profitability of the clubs.

38. At the same time, Ms. Piccolo oversaw the deployment of a wide range of training and promotional programs conducted at the senior-leadership level.

39. Ms. Piccolo also spearheaded the rollout and launch of more than 50 new, highend pre-sales fitness clubs.

40. She further identified opportunities for new business through referrals and business-to-business partnerships and personally spearheaded the establishment of countless critical agreements and relationships. Indeed, Ms. Piccolo developed over 1,000 partnerships, including with J.P. Morgan, Citibank, Latham & Watkins, Skadden Arps, Cravath, Swain and Moore, PWC, Deloitte, Ernst & Young, ESPN, Fox, CNN, CBS, NBC, Netflix, Viacom, Conde Nast, Google, Facebook, Twitter, CBRE, Douglas Elliman, Lululemon, Coach, LVMH and Saks Fifth Avenue, among many, many others.

41. These relationships ultimately resulted in more than 60,000 new corporate memberships per year.

42. In connection with these and other accomplishments, Ms. Piccolo led multiple internal cross-functional teams involving marketing, media, operating, legal and procurement.

43. As a result of Ms. Piccolo's outstanding performance, she has received multiple awards and recognitions by the Company, including, in 2012, the "Amazing Amazing" award. The Amazing Amazing award recognized employees who "live the brand" and exemplify leadership, innovation, revenue and results. Ms. Piccolo was so highly regarded that she also was selected to lead and pitch Equinox's Corporate Omni Strategy Programming, which included the SoulCycle at home bike and Equinox+, both of which were and continue to be critical revenue generators during the pandemic.

44. Simply put, it is no exaggeration to say that Ms. Piccolo has been among the Company's most valuable employees, and, as a direct a result of her hard work and under her leadership, corporate sales (according to Mr. Browne) did not miss plan once over the span of approximately 15 years.

II. MS. PICCOLO IS SUBJECTED TO EGREGIOUS GENDER DISCRIMINATION AND SEXUAL HARASSMENT STARTING FROM THE VERY BEGINNING OF <u>HER EMPLOYMENT</u>

45. Ms. Piccolo's success is even more impressive given the environment she was forced to navigate throughout her tenure at Equinox. Indeed, it would not be an understatement to say that Equinox's workplace culture was ubiquitously misogynistic and anti-women.

46. To begin, the leadership at Equinox is almost exclusive dominated by men. Starting with Harvey Spevak, the Executive Chairman and Managing Partner of Equinox, virtually all of the Company's critical executive functions are run by men, including, *inter alia*: (i) President, Scott DeRue; (ii) former President and current Senior Advisor, Scott Rosen; (iii) Co-President and Chief Design Officer, Jeff Weinhaus; (iv) Executive Vice President of Operations and Member Experience, Gianfranco Pozzolini; (v) Executive Vice President and Chief People Officer, David Ard; (vi) Executive Vice President and Chief Marketing Officer, Peter Giorgi; (vii) Executive Vice President and Chief Financial Officer, David Phillips; and (ix) Senior Vice President of Revenue, Gary Browne.

47. With the exception of the Company's Chief Legal Officer, Yen Chu, every Executive Vice President and President is a man.

48. This fact provides context for the sexually harassing environment in which Ms. Piccolo was forced to work.

49. It is also in contrast to the Company's disingenuous assertions that more than half of its employees are women. While that may be true at junior levels, it is clearly not true at the leadership level.

50. From the very start of her employment, Ms. Piccolo was subject to a barrage of sexual harassment that continued until her unlawful termination. Early in her career at Equinox, Ms. Piccolo was sexually harassed by her hiring manager, Phil Ledesma, who on multiple occasions attempted to "make out" with Ms. Piccolo after coercing her into taking rides with him.

51. Likewise, Mark Wood, then a Regional Vice President of Operations at the Company, repeatedly asked out Ms. Piccolo and attempted to kiss her. He also subjected her to unwanted touching and, on numerous occasions, showed up to her home unsolicited in the hopes that she would relent and have sex with him (she did not).

52. The misogynistic culture at Equinox was so prevalent that as the years went on, even men junior to Ms. Piccolo were free to sexually harass her with impunity. Various Managers and Regional Sales Directors, including, *inter alia*: (i) Nick Aliferis, Vice President for the Northeast Region; (ii) John Greco, Regional Sales Director for the Wallstreet area; (iii) Scott Placona, Regional Director; and (iv) Brian DeCato, Regional Director.

53. Yet another Regional Sales Manager – now a recently-terminated Senior Director of Club Operations – Jed Prisby, also egregiously sexually harassed Ms. Piccolo. Mr. Prisby would regularly tell Ms. Piccolo that he wanted to "fuck" her and sent her numerous "dick pics" over the years. In addition, Mr. Prisby would take every opportunity to rub up against Ms. Piccolo in a sexual manner when the two were out together at Equinox events.

54. Mr. Prisby's egregious sexual harassment included the following text messages:

Then come over, let's fuck like crazy which we never have but always wanted to, and chips fall where they fall
That's where I'm at.
Slide your pussy on top of my face. Along time coming. Taste you. Please you
I'll stop if you don't wabt that.
You're crazy

55. To be clear, at no time did Ms. Piccolo want to "fuck," or otherwise have a romantic relationship with, Mr. Prisby.

56. Upon information and belief, Mr. Prisby was terminated on December 13, 2021, after it was discovered that he was sleeping with one of his direct reports. Unfortunately, this termination is a classic "too little too late" situation, as Mr. Prisby had previously been the subject of a sexual harassment complaint that the Company essentially ignored – and after which he continued to sexually harass Ms. Piccolo.

57. The conduct of the aforementioned individuals is unfortunate and unlawful, but not surprising given the conduct of the Company's senior leadership.

58. To be certain, Ms. Piccolo was regularly sexually harassed by members of the Company's executive team, including, *inter alia*, Mr. Pozzolini and Mr. Browne, who engaged in the following conduct:

• Staring at Ms. Piccolo's breasts and repeatedly stating that they were distracted because Ms. Piccolo's "boobs are so big."

- Repeatedly asking whether Ms. Piccolo had ever engaged in a "threesome," and, if so, with whom.
- Constantly asking Ms. Piccolo with whom she was sleeping.
- Routinely asking Ms. Piccolo how many men with whom she had sex.
- Regularly commenting on their perceived notion that Ms. Piccolo's ex-husband had a lot of money, and, therefore, that they should not have to pay her.
- Asking Ms. Piccolo to try on lingerie in their presence.
- Diminishing Ms. Piccolo's business acumen and telling her that she should focus on closing out sales with male clients because she should be able to do so based on her sexuality alone.

59. Mr. Browne also referred to Ms. Piccolo as his "work wife" and routinely commented upon what Ms. Piccolo was wearing, which he did not do to the men with whom he worked.

60. To be clear, this sexually harassing conduct was not sporadic, but rather was part and parcel to Ms. Piccolo's daily work environment.

61. For his part, Mr. Holmes also engaged in sexually inappropriate workplace behavior, including, *inter alia*, pressuring her to join him at a strip club (Ms. Piccolo left shortly after they arrived). He also slept with his own assistant and other subordinates and persistently asked Ms. Piccolo to disclose the number of men with whom she had sex. He also constantly and inappropriately commented on the tightness, length and necklines of Ms. Piccolo's clothes.

62. In addition to the foregoing, Ms. Piccolo's accomplishments went unrecognized while similarly situated but less deserving men were lauded for her work. Mr. Browne in particular routinely belittled and chastised Ms. Piccolo in front of her subordinates.

63. The irony of this was not lost on Ms. Piccolo, who was falsely accused of being "mean" and "too aggressive" – misogynistic pejoratives that would never have been used to describe a male colleague.

64. Ms. Piccolo was also left in the dark with respect to important decisions, including, for example, the decision to promote Scott Freimauer to the position of Senior Director, Global Corporate Sales, in June 2021. Notwithstanding the fact that Ms. Piccolo would be reporting to Mr. Freimauer – a discriminatory layering, as he replaced Ms. Piccolo's female colleague, Eilis Fyda – she was not even told in advance that he would be coming in to head the Corporate Sales Division.

65. Finally, Ms. Piccolo's gender has become an increasing problem for Equinox as she has grown older. Equinox has a fixation on youth and youthful appearance among its publicfacing employees and Ms. Piccolo's termination is consistent with the Company's pattern and practice of promoting older employees less frequently, and terminating them more often, than their younger counterparts. This pattern is embodied in Mr. Browne's hiring practices, as he has sought over the years to hire primarily young women into his organization. As these younger employees joined Equinox, Ms. Piccolo was pushed out of various decision-making roles and peer-to-peer weekly meetings. At the time Ms. Piccolo's role was purportedly eliminated, Mr. Browne had just hired four younger account executives and was looking to hire several more. It was also apparent that if Mr. Browne valued Ms. Piccolo at all, he did so for her looks, as he would treat her even more poorly when she experienced weight gain and would comment about how Ms. Piccolo did not work out in order to embarrass her.

III. MS. PICCOLO IS SUBJECTED TO DISCRIMINATION BASED ON HER STATUS AS A CAREGIVER TO HER TWO CHILDREN

66. Mr. Browne also habitually and emphatically expressed deep contempt for Ms. Piccolo's role as a mother to her two young children.

67. This came to a head at the end of 2020 and early 2021 when Mr. Browne denied Ms. Piccolo's reasonable requests to work from home part time to care for her children and address their needs.

68. For example, Mr. Browne repeatedly communicated that Ms. Piccolo was not allowed to request scheduling or remote work accommodations when schools were physically closed and childcare options were non-existent.

69. Mr. Browne even attempted to discipline Ms. Piccolo for purportedly failing to appear "in person" at clubs despite the fact that there was no legitimate reason for her to be physically in clubs as often as Mr. Browne demanded, and it had never been a requirement for Ms. Piccolo to have an inflexible, in-person schedule.

70. In fact, she did not even have a desk or office at the Company's offices at Hudson Yards due to the nature of her role. Indeed, the crux of her role was to work with third-party business. It was a sales job, not an office job.

71. Moreover, notwithstanding her need to care for her children, Ms. Piccolo performed excellently throughout the pandemic.

72. During 2020, she effectively led the entire Corporate Sales department on a reduced salary and largely without the support of her team, the majority of which had been furloughed.

73. Nevertheless, Mr. Browne singled out Ms. Piccolo (among those who were not furloughed) and cut her compensation from 75% to 50% without legitimate basis.

74. When Ms. Piccolo protested that she had children to care for, Mr. Browne

revealed his discriminatory animus: "Don't you ever bring your children into this. I don't ever

want to hear about your children."

75. As a result of Mr. Browne's refusal to appropriately accommodate Ms. Piccolo's

childcare needs - even after she raised the issue with Human Resources - both she and her

daughters suffered significant emotional distress and associated harms. Ms. Piccolo confided in

Mr. Freimauer with respect to these matters, and still no remedial action was taken.

IV. MANY OTHER WOMEN HAVE BEEN SUBJECTED TO AND/OR OBSERVED MISOGYNY AT EQUINOX

76. Ms. Piccolo is hardly the only victim of the Company's institutional animus

towards equality for women and, in particular, mothers. By way of example only:

- On January 1, 2020, Alison Sadel (former Equinox National Account Executive) and Megan DiDomenico (former Equinox Senior Regional Sales Manager) filed suit against the Company alleging pay, gender, pregnancy and familial status (caregiver) discrimination. Among other allegations, Ms. Sadel alleged that Messrs. Browne and Greco repeatedly stated, "what is it with all the account executives getting pregnant," implying that it was a problem for the Company and that pregnant women could not perform their duties.
 - Relatedly, on November 16, 2021, Ms. Piccolo received a text message from Jeremy Reese, an African American and the former Director of Leadership at Equinox. In the text message, Mr. Reese revealed that he had a meeting scheduled with the Company's outside attorneys in connection with the lawsuit brought by Ms. Sader and Ms. DiDomenico. He wrote, "lol I dunno why they want me!! I don't lie!" an obvious acknowledgment that Ms. Sader's and Ms. DiDomenico's legal claims are meritorious.
- The former Head of Equinox's spa business, Nicole Vitale, alleged in a federal lawsuit that "she heard sales teams routinely went to strip clubs and charged the costs to Equinox, that Equinox's chairman once asked a manager to collect the phone

numbers of certain attractive females [and] that an employee was once given a birthday cake in the shape of a female buttocks."³

- Lexi Fischer, a former Equinox Corporate Sales Manager, suffered a discriminatory failure to promote and was constructively discharged as a result of the harassment she endured at the hands of Mr. Browne. As a result of the Equinoxinduced trauma suffered by Ms. Fischer, she was out of work for almost two years.
- Connie Bermudez, an older female former Account Executive in the Washington, D.C. area, was constructively discharged after Mr. Browne's conduct caused her to become physically ill and develop detrimental health conditions.
- Maria Fuenmayor, a gay mother of two and former Account Executive within the Northeast Region, and one of the highest performing Account Executives at the Company, was also discriminatorily denied a promotion and was constructively discharged.
- Among the very few women who have been promoted within Mr. Browne's organizational structure was Sharie Wilson, the African American former Regional Sales Director for the East Region. She was discriminatorily demoted after only two years of consistently positive performance without any prior warnings or write-ups.
- Similarly, in 2021 Equinox brought in a consultant, Maura Barkley, who was ostensibly hired to advocate for women and gender equality in the workplace. Ms. Barkley was promptly terminated after she observed a "bro-culture" at Equinox.
- Even when women have served as the Company's purported CEO, Mr. Spevak has retained control over virtually all significant aspects of the management of Equinox.
- 77. Suffice it to say, Equinox is a very bad environment for women.

³ Ms. Vitale's claims were dismissed in part on the basis that she was not personally subjected to these activities, a legal deficiency that does not present in Ms. Piccolo's case.

V. MS. PICCOLO IS DISCRIMINATORILY AND RETALIATORILY <u>TERMINATED</u>

78. There can be no legitimate question that Ms. Piccolo's performance remained outstanding throughout 2021.

79. To this point, in the Spring of 2021, Mr. Rosen went out of his way to tell Ms. Piccolo that she would "retire" at Equinox. Meanwhile, Mr. Freimauer, up until the date of her termination, repeatedly praised Ms. Piccolo both verbally and in writing throughout the year, including, *inter alia*, text messages in which he wrote: (i) "I'm so proud of you!!! Wow"; (ii) "You deserve this bonus so badly"; (iii) "I couldn't be prouder of you over the last 3 days"; (iv) "I'm so proud of your calls today"; (v) "You are beyond a winner!"; (vi) "Nothing to worry about. You need to trust me"; (vii) "Very much team Piccolo"; (viii) "Never never never . . . You aren't going anywhere!!!!"; and (ix) "You did a fantastic job!"

80. Despite these recent accolades, on November 9, 2021, Ms. Piccolo was summarily terminated under the pretextual guise of a position elimination. In reality, Ms. Piccolo's termination was the result of her gender and childcare responsibilities, as well as concerns she raised about Equinox's relationship with Gympass.

81. For context, Gympass is a third-party company that sells tiered membership plans that give members access to a variety of gyms, studios, fitness classes and well-being applications.

82. At its core, Gympass is a competitor of Equinox, as it provides its members access to thousands of non-Equinox options for physical fitness and wellness. Moreover, Gympass competes with Equinox for corporate clients that subsidize their employees' memberships to physical fitness and wellness providers.

83. Nevertheless, in 2021, reeling from the financial impact of the pandemic, Equinox (through Mr. Browne) developed a relationship with Gympass pursuant to which Gympass (for an upfront payment) would be permitted to add Equinox as an option to its members in certain areas.

84. As a result of this disastrous decision, various important corporate clients,

including, inter alia, Bank of America, Bank of New York and UBS, ceased working directly

with Equinox and began working through Gympass.

85. Other companies were also naturally more likely to work through Gympass given

that Equinox was now offered as an option to Gympass members. Moreover, ordinary non-

corporate consumers could begin accessing Equinox through Gympass, rather than directly.

86. The Gympass relationship presents a whole host of long-term problems that were

apparently ignored by leadership in the hopes of a short-term revenue boost.

- First, in areas where Equinox is offered as an option for Gympass members, Equinox reports each new Gympass member as a "member" of Equinox. However, the Gympass members are not Equinox "members" in any real sense of the term. For starters, the vast majority of Gympass members never even use Equinox. This is a real problem because Equinox is heavily dependent on usage to generate revenue beyond annual membership fees through the sale of branded products, additional classes, personal training, *etc.* Thus, while Equinox has seen a substantial boost in "members," there is no corresponding boost in usage-related revenue.
- Second, permitting members to enroll through Gympass creates an extremely tenuous membership base, even for those who use Equinox. To the extent that the Equinox/Gympass relationship comes to an end, Equinox will automatically lose a substantial percentage of its "membership," all of whom will remain members of Gympass – an Equinox competitor.
- Third, as a result of the Gympass relationship, Equinox has lost, and stands to lose even more, substantial direct revenue from corporate clients who are now reimbursing employees for

Gympass memberships rather than Equinox memberships. The shifting of this revenue is a significant problem, even if Gympass pays some amount to Equinox for the right to offer its gyms, because, as described above, a substantial percentage of the membership is now built on a house of cards.

• Fourth, in many instances Equinox has lost the ability to control the branding of wellness events that it organizes for corporate clients, who now want to work with Gympass in addition to (or instead of) Equinox in connection with such events.

87. Beginning in January 2021, Ms. Piccolo began repeatedly questioning the Gympass relationship, and, aside from being told, in sum and substance, "not to stir the pot" because "Gympass has so much cash they could help bring us public," she could not get any straight answers.

88. To make matters worse, she was directed to lie to prospective clients. By way of example, when Morgan Stanley made a Request for Proposal ("RFP"), both Equinox and Gympass were on the short list for the business.

89. Ms. Piccolo was directed by Mr. Browne (in the presence of Mr. Giorgi and Mr. Freimauer) to lie to Morgan Stanley during Equinox's presentation and state that Equinox did not have a relationship with Gympass, but, rather, that Equinox had only agreed to set up a pilot with Gympass and that the Company had no plans to expand it.

90. Also prior to the RFP, Mr. Rosen told Ms. Piccolo that Equinox was not renewing the Gympass relationship. Whether he knew it or not, this turned out to be false, as the relationship with Gympass has continued to grow.

91. To that end, on Friday, November 5, 2021, Ms. Piccolo received a report that indicated a tremendous volume of new "members" through Gympass. However, it was apparent from the report that the overwhelming majority of these "members" had never stepped foot in an Equinox.

92. Ms. Piccolo again raised her concerns about the Gympass relationship, as well as this report, to Mr. Freimauer.

93. In response, Mr. Freimauer told Ms. Piccolo not to say anything because the program would help the Company go public. In other words, the misleading "membership" numbers and short-term influx of cash from Gympass would make Equinox's fundamentals and financials look far better than they are.

94. The aforementioned Morgan Stanley presentation occurred on November 8, 2021.Ms. Piccolo was terminated the very next day.