ELECTRONICALLY FILED
6/4/2026 10:46 AM
01-CV-2026-902511.00
CIRCUIT COURT OF
JEFFERSON COUNTY, ALABAMA
JACQUELINE ANDERSON SMITH, CLERK

IN THE CIRCUIT COURT OF JEFFERSON COUNTY, ALABAMA

NICHOLAS NORMAN, individually and on behalf of all others similarly situated,	]	
Plaintiff,	]	Civil Action No.: _____
v.	]	
	]	JURY TRIAL DEMANDED
THE CITY OF BIRMINGHAM REGIONALWATER d/b/a CENTRAL ALABAMA WATER	]	
Defendant.	]	

COLLECTIVE ACTION COMPLAINT

Plaintiff Nicholas Norman ("Plaintiff"), individually and on behalf of all others similarly situated, brings this collective action under the Alabama Age Discrimination in Employment Act ("AADEA") and the remedies it incorporates by reference, and alleges as follows:

I. NATURE OF THE ACTION

1. This is a collective action for age discrimination brought under the AADEA. The AADEA prohibits employers from discriminating "in employment against a worker 40 years of age and over in hiring, job retention, compensation, or other terms or conditions of employment." Ala. Code § 25-1-21.

2. The AADEA expressly incorporates the remedies, defenses, statutes of limitations, and employment practices authorized by the federal Age Discrimination in Employment Act ("ADEA"): "[a]ny employment practice authorized by the federal Age Discrimination in Employment Act shall also be authorized by this article and the remedies, defenses, and statutes of limitations, under this article shall be the same as those authorized by the federal Age Discrimination in Employment Act." Ala. Code § 25-1-29.

3. Among the practices incorporated into the AADEA is the right to proceed as a collective action through the opt-in mechanism the ADEA borrows from the Fair Labor Standards Act of 1938, § 16(b), 29 U.S.C.A. § 216(b) ("FLSA"), which permits aggrieved employees to sue on behalf of themselves and other "similarly situated" employees who affirmatively opt in. Because the AADEA adopts the ADEA's remedies and practices as a matter of Alabama law — carving out only the administrative-exhaustion requirement — that opt-in collective mechanism is available in this state-court proceeding under the AADEA.

4. On March 13, 2026, Defendant, The City of Birmingham Regional Water d/b/a Central Alabama Water ("Defendant," "Central Alabama Water," or "CAW"), implemented a company-wide reduction in force ("RIF") that disproportionately eliminated employees age 40 and over. The RIF was a centralized, uniform employment practice applied through subjective, nontransparent, and inconsistently applied criteria rather than objective, performance-based standards. Defendant implemented the RIF through a single, integrated decision-making framework spanning multiple business units, a fact confirmed by its own separation disclosures, which identified a single decisional unit and uniform selection criteria applicable across the affected workforce.

5. This action asserts (a) disparate-treatment age discrimination under a pattern-and-practice theory; (b) disparate-impact age discrimination based on specific identifiable employment practices within the RIF; and (c) that Defendant's articulated reason for the RIF is pretextual. A prima facie case of disparate impact requires only a threshold showing of a statistically significant disparity. The statistical disparities documented in Defendant's own disclosures satisfy that threshold and confirm a statistically significant, age-based impact.

II. JURISDICTION AND VENUE

6. This is a civil action arising under the AADEA, Ala. Code §§ 25-1-20 to -29, and the common law of the State of Alabama. This Court is a court of general jurisdiction and has subject-matter jurisdiction over this action. The amount in controversy exceeds the jurisdictional minimum of this Court.

7. This Court has personal jurisdiction over Defendant, which is organized and operates under the laws of the State of Alabama, maintains its principal place of business in Jefferson County, Alabama, and committed the acts and omissions giving rise to this action within the State of Alabama.

8. Venue is proper in this Court under Ala. Code § 6-3-7(a)(1)–(3) because (i) a substantial part of the events or omissions giving rise to Plaintiff's claims — including the planning, approval, and implementation of the March 13, 2026 reduction in force — occurred in Jefferson County, Alabama; (ii) Defendant maintains its principal office and does business by agent in Jefferson County, Alabama; and (iii) Plaintiff resided in Jefferson County, Alabama at the time his claims accrued.

9. Plaintiff asserts only claims arising under the laws of the State of Alabama. Plaintiff asserts no claim under the Constitution, statutes, regulations, or common law of the United States.

10. Without limitation, Plaintiff does not assert, and expressly disclaims, any claim under the federal Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq.; 42 U.S.C. § 1983; Title VII of the Civil Rights Act of 1964; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. ("ERISA"); or any other federal law.

11. The AADEA's remedial provision, Ala. Code § 25-1-29, incorporates by reference certain enforcement procedures of the federal FLSA, including the opt-in collective-action

mechanism of 29 U.S.C. § 216(b). Plaintiff's invocation of that incorporated procedure does not arise under federal law, does not present a federal question, and does not confer jurisdiction on any federal court. The substantive right Plaintiff seeks to vindicate is created exclusively by Alabama law.

12. None of Plaintiff's claims relates to, depends upon, requires the interpretation of, or seeks recovery under any employee benefit plan governed by ERISA. Plaintiff does not seek to recover benefits due under, to enforce or clarify rights under, or to challenge the administration of any such plan. Plaintiff's claims challenge only Defendant's age-based selection of employees for termination in the March 13, 2026, reduction in force and exist independently of, and without reference to, any employee benefit plan.

13. This action is a collective action prosecuted through the opt-in mechanism incorporated by Ala. Code § 25-1-29 and 29 U.S.C. § 216(b). It is not, and is not pleaded as, a class action under Rule 23 of the Alabama Rules of Civil Procedure, Rule 23 of the Federal Rules of Civil Procedure, or any State statute or rule of judicial procedure authorizing one or more representative persons to sue on behalf of a class. This action therefore is not a "class action" within the meaning of the Class Action Fairness Act of 2005, 28 U.S.C. § 1332(d)(1)(B).

14. This action is likewise not a "mass action" within the meaning of 28 U.S.C. § 1332(d)(11). Plaintiff does not propose that the claims of 100 or more persons be tried jointly on the ground that they present common questions of law or fact.

15. Defendant is a governmental entity. It is the regional water board converted and reconstituted under Act 2025-297 (2025 Regular Session); its directors are appointed by the Governor, the Lieutenant Governor, and county and municipal governing bodies, and the Board and its employees are subject to the Alabama Ethics Act. Ala. Code §§ 11-50-300.03, 11-50-

300.05. Because the primary defendant is a governmental entity, the Class Action Fairness Act does not apply to this action. 28 U.S.C. § 1332(d)(5)(A).

16. No other basis for federal subject-matter jurisdiction exists. Plaintiff and Defendant are citizens of the State of Alabama; the parties are not diverse, and Defendant, as an Alabama citizen, may not remove this action on the basis of diversity of citizenship. 28 U.S.C. § 1441(b)(2). The great majority of the persons on whose behalf this action is brought, together with the Defendant, are citizens of Alabama. 28 U.S.C. § 1332(d)(4).

17. Plaintiff does not consent to removal of this action to, or the exercise of jurisdiction by, any federal court, and reserves all rights to seek remand and to recover fees and costs under 28 U.S.C. § 1447(c) in the event of any removal.

III. PARTIES

18. Plaintiff Nicholas Norman is an adult resident of Jefferson County, Alabama, and is over the age of forty (40). Plaintiff's written consent to serve as a representative plaintiff in this collective action is attached hereto as Exhibit A.

19. At all relevant times, Plaintiff was an "employee" as defined by the AADEA, was a member of the class of workers 40 years of age and over protected by the AADEA, and was "similarly situated" to other employees age 40 and over adversely affected by Defendant's March 13, 2026 RIF.

20. Defendant, The City of Birmingham Regional Water d/b/a Central Alabama Water, is a public corporation and employer organized and operating under the laws of the State of Alabama and doing business in Jefferson County, Alabama, with sufficient employees to constitute an "employer" as defined by the AADEA.

21. Defendant is the same continuing public corporation formerly known as the Birmingham Water Works Board. Pursuant to Act 2025-297 (2025 Regular Session), approved May 7, 2025, and effective immediately, the Board was converted to a regional board and was required to amend its certificate of incorporation and to change its name to reflect its regional character. Ala. Code §§ 11-50-300, 11-50-300.02, 11-50-300.04. The conversion did not create a new or separate entity; the Board's powers, rights, obligations, and liabilities continued without interruption, and Defendant remains liable for the acts and omissions alleged in this Complaint.

IV. COLLECTIVE ACTION ALLEGATIONS

A. Legal Basis for Collective Action

22. Plaintiff brings this action on behalf of himself and all other similarly situated employees age 40 and over (the "Collective") pursuant to the collective-action mechanism incorporated into the AADEA from the FLSA.

23. The incorporated ADEA mechanism provides that an action may be maintained "against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated." 29 U.S.C. § 216(b). Employees who wish to join must file written consent with the court.

24. Because the AADEA provides that "[a]ny employment practice authorized by the federal [ADEA] shall also be authorized by this article and the remedies . . . shall be the same as those authorized by the federal [ADEA]," this opt-in procedure is available in this state-court action under the AADEA. The only express carve-out is that "a plaintiff shall not be required to pursue any administrative action or remedy prior to filing suit." No such exhaustion has occurred here, consistent with that provision.

25. This collective-action mechanism promotes judicial economy, reduces duplicative litigation, and allows similarly situated workers to pursue related claims in a single action.

B. Similarly Situated Employees

26. The Collective consists of all employees age 40 and over who were adversely affected by Defendant's March 13, 2026 RIF. Plaintiff is similarly situated to the Collective because (a) Defendant applied the same centralized decision-making process and the same specific employment practices — subjective managerial discretion exercised without any disclosed, objective, or validated standard — to all RIF selections across multiple business units; (b) all affected employees were subject to the same stated justification of "organizational restructuring"; and (c) all affected employees suffered the same type of harm — termination or adverse reassignment — as a result of practices that disproportionately targeted employees age 40 and over. Because a single, integrated decision-making framework governed all selections, the entire affected workforce constitutes a single, properly aggregated decisional unit for statistical purposes.

27. The number of employees in the Collective exceeds 40, rendering joinder impracticable and making collective treatment the most efficient means of resolving common claims. The scale of the RIF — which, on information and belief, affected employees across multiple decisional units beyond the single unit disclosed to Plaintiff — provides a statistically reliable population from which the significance of age-based disparities can be established with confidence.

28. The Collective is defined as all employees of Defendant who (a) were age 40 or older as of March 13, 2026; (b) were terminated, displaced, or otherwise adversely affected as part of Defendant's March 13, 2026 RIF; and (c) file written consent to join this action.

C. Common Questions

29. Common questions of law and fact warranting collective treatment include (a) whether Defendant's RIF constituted a single, centralized employment practice applied uniformly across the Collective such that the entire affected workforce is the proper decisional unit for statistical analysis; (b) whether specific practices within the RIF — including reliance on unvalidated subjective discretion, the absence of any disclosed objective selection criteria, and the absence of adverse-impact screening — caused a statistically significant disparate impact on employees age 40 and over; (c) whether the statistical disparities reflected in Defendant's own disclosures establish a prima facie case; (d) whether Defendant's stated justification of ‘organizational restructuring” is pretextual; (e) whether Defendant intended to discriminate against older workers in designing and implementing the RIF; (f) whether Defendant can satisfy the reasonable-factor-other-than-age defense, including the extent to which Defendant assessed the adverse impact of its selection criteria on older workers before implementing the RIF; (g) whether the purported releases are valid and enforceable under Alabama law; and (h) whether the separation agreement’s purported waiver of employees’ individual monetary relief in any proceeding brought on their behalf is enforceable under Alabama law.

30. Plaintiff's claims are typical of the Collective’s claims. Plaintiff will fairly and adequately protect the interests of the Collective, and Plaintiff's counsel is experienced in age-discrimination collective and class litigation.

V. FACTUAL ALLEGATIONS

A. Plaintiff's Employment and Qualifications

31. Plaintiff began his employment with Defendant in 2013 and held a management-level position at all relevant times.

32. At the time of his termination, Plaintiff was over the age of 40, was qualified for his position, and had performed his job duties satisfactorily throughout his tenure.

33. Plaintiff had no outstanding disciplinary actions, and Defendant had expressed no formal performance concerns regarding Plaintiff's work.

B. March 13, 2026, Reduction in Force

34. On March 13, 2026, Defendant's Chief Executive Officer, Jeffrey F. Thompson, transmitted a "Position Elimination Notification" letter informing Plaintiff that his "position with Central Alabama Water is being eliminated as part of an organizational restructuring designed to align operational costs with the current needs of the business." Plaintiff's employment was terminated effective that same day. The termination letter expressly stated: "There is no provision to appeal this termination of employment."

35. On information and belief, Plaintiff's termination was part of a larger reduction in force carried out by Defendant on or about March 13, 2026, that affected employees across multiple decisional units and business groups beyond the single unit disclosed in the disclosures provided to Plaintiff.

36. Employees were selected for termination through a centralized process. Defendant did not implement objective, measurable criteria — such as performance rankings, scoring systems, or standardized evaluations — to guide selection decisions.

37. Defendant's selection process relied instead on subjective managerial discretion, unguided by transparent or consistently applied standards.

38. Employees age 40 and over comprised a substantial majority of those terminated. Younger employees, including those with less seniority and experience, were retained or reassigned.

39. Plaintiff's duties were not eliminated; they were redistributed among remaining employees, several of whom were younger than Plaintiff.

C. Specific Employment Practices, Statistical Evidence, and Evidence of Pretext

40. Defendant's March 13, 2026, RIF was not the result of neutral, objective workforce planning, but instead was implemented through specific, identifiable employment practices that disproportionately impacted employees age 40 and over.

41. These practices included, but were not limited to, (a) reliance on unvalidated, subjective managerial discretion to select employees for separation; (b) the absence of any standardized, documented, objective, or consistently applied selection criteria; and (c) the failure to conduct any adverse-impact analysis or corrective screening prior to implementation of the RIF.

42. Defendant did not disclose any substantive factor governing who was selected for separation; the only stated "eligibility factor" was that an employee was "selected for involuntary separation" — a circular description that identifies no actual criterion. On information and belief, in the absence of any disclosed, validated, or uniformly applied standard, selections were made through unguided subjective judgment that permitted age-correlated assumptions to influence outcomes.

43. Defendant has characterized the terminations as part of an "organizational restructuring" and coded them as a "reduction in force." These labels do not reflect the existence of any objective, uniformly applied selection methodology and instead mask a centralized, discretionary decision-making process that lacked transparency and accountability.

44. Defendant's own separation documentation confirms that the RIF was administered as a centralized employment action affecting multiple business units pursuant to a single decision-making framework, rather than independent, localized decisions. Where a single decision-making

process applies across multiple departments or job categories, that entire affected population constitutes the appropriate decisional unit for purposes of adverse-impact analysis. Disaggregating the data by department or job title would misrepresent the statistical picture by obscuring the cumulative pattern of age-based disparities that the centralized process produced.

45. As part of the RIF, Defendant provided employees with separation disclosures, including an addendum (the "Addendum") purporting to identify the decisional unit, the job titles and ages of employees selected for termination, and the job titles and ages of employees not selected.

46. Independently, Defendant is required to prepare, maintain, and publish detailed workforce, staffing, and compensation records, including statistical reports stating the number of employees and annual staffing reports stating, for each position, a job description, the number of incumbents, and the average annual compensation paid. Ala. Code § 11-50-300.07(a)(7), (8), (9). These reports are required to be furnished to state legislators and the Department of Examiners of Public Accounts and to be posted on a public website maintained by Defendant. Ala. Code § 11-50-300.07(d).

47. By reason of these requirements, Defendant possesses, and at all relevant times possessed, records sufficient to establish the age and compensation composition of its workforce before and after the RIF, had contemporaneous knowledge of that composition and impact, and cannot disclaim the existence or availability of those records; any failure to preserve or produce them warrants appropriate evidentiary relief, including an adverse inference.

48. The Addendum and Defendant’s own records demonstrate that employees age 40 and over comprised a disproportionately large share of those selected for termination when compared to younger employees within the same decisional units and job classifications.

49. The Addendum provided to Plaintiff contains the specific age and job-title data necessary to quantify the disparity. In the decisional unit disclosed — labeled "Executive/CRO" — Defendant selected 43 employees for separation and retained 188. Of those selected, 33 employees, or 76.7 percent, were age 40 or older. Of those retained, 108 employees, or 57.4 percent, were age 40 or older. The selection rate for employees age 40 and over was 23.4 percent (33 of 141), compared to 11.1 percent for employees under 40 (10 of 90) — a selection rate for older workers approximately 2.1 times that for younger workers.

50. Applying Fisher's Exact Test, the probability that this disparity arose by chance is approximately 2.4 percent — well below the five percent threshold recognized as evidence of statistical significance. Measured as an odds ratio, the odds of being selected were 2.44 times greater for employees age 40 and over than for younger employees. These findings derive entirely from Defendant's own disclosures and are set forth in the accompanying statistical analysis attached as Exhibit B. A disparity this unlikely to have arisen by chance is competent evidence both that age was a determinant of who was selected and that the identified practices caused a cognizable disparate impact on employees age 40 and over.

51. On information and belief, the Addendum provided to Plaintiff covers only the "Executive/CRO" decisional unit and accounts for only the 43 employees selected within that single unit and does not account for employees affected by the RIF in any other decisional unit or business group.

52. Plaintiff is informed and believes that Defendant maintained data for all other decisional units and business groups included within the March 13, 2026, separation program, and that statistical analysis of the complete data across all units will reveal aggregate age-based disparities of even greater magnitude and significance than the partial data already available.

53. Defendant's failure to conduct any adverse-impact analysis prior to implementing the RIF further demonstrates that Defendant either knew or recklessly disregarded the discriminatory effects of its selection process. The extent to which an employer assessed the adverse impact of its practices on older workers is relevant to whether a reasonable-factor-other-than-age defense is available.

54. An employer of Defendant's size and sophistication that routinely manages a workforce of more than 400 employees acts unreasonably when it implements a company-wide reduction without first assessing its age-based impact. The statistical results documented in Defendant's own records — which would have been apparent had Defendant conducted even a basic pre-RIF adverse-impact review — confirm that this failure was unreasonable.

55. Defendant's proffered justification of "organizational restructuring" is pretextual. Plaintiff's duties were not eliminated following his termination but were redistributed to remaining employees, including younger employees.

56. Defendant's own separation agreement states that terminated employees remain eligible to reapply for employment with Defendant for open roles for which they are qualified, further undermining any claim that positions were genuinely eliminated.

57. The absence of objective criteria, the failure to conduct adverse-impact testing, the redistribution of duties to younger employees, and the statistically significant age-based disparities reflected in Defendant's own records collectively demonstrate that Defendant's stated rationale is not the true reason for the terminations.

58. Defendant has identified no validated, objective standard governing the selections. An unguided, subjective selection process of this kind, applied without any disclosed or uniformly applied criteria, has no demonstrated relationship to the requirements of the positions and permits

stereotypical assumptions about older workers to influence outcomes. The resulting age-based disparities, drawn from Defendant's own records, are consistent with such assumptions having operated in practice.

59. On March 13, 2026, simultaneously with the termination notification letter and the separation and general release agreement, Defendant presented Plaintiff and other terminated employees with a pre-printed form titled "Letter of Intent" directed to Human Resources, bearing the subject line "Retirement," and stating: "It is my intention to retire from Central Alabama Water effective, March 13, 2026." This form was offered to employees eligible for retirement at the same moment they were informed of their involuntary termination and handed a general release agreement.

60. Presenting a voluntary retirement document simultaneously with an involuntary termination notice and a general release, under conditions of immediate income loss and without opportunity for deliberation, constitutes a further coercive element of the separation process.

61. A signed retirement letter could be used by Defendant to characterize an involuntary termination as a voluntary retirement, to defeat reinstatement claims, and to affect retirement-benefit calculations.

62. The simultaneous presentation of a termination letter, a separation and release agreement, and a retirement-intent form on the same day — with no provision for appeal and immediate loss of employment — is characteristic of a process designed to maximize pressure on employees to surrender their legal rights without adequate time or information.

D. The Separation Agreement and Its Coercive Conditions

63. In connection with the RIF, Defendant presented Plaintiff and other terminated employees with a Separation and General Release Agreement (the "Separation Agreement") contemporaneously with, or immediately following, the termination of their employment on March 13, 2026.

64. The Separation Agreement offered Plaintiff and similarly situated employees eight weeks of regular base pay, calculated on a 40-hour work week, paid in four consecutive biweekly installments following a seven-day waiting period after signature, forfeitable if the employee timely revoked the agreement or failed to return it by April 27, 2026. Eight weeks of base pay for an employee with thirteen years of service is modest relative to Plaintiff's tenure and represents limited consideration for a broad and comprehensive release of all claims against dozens of Released Parties.

65. The circumstances under which the Separation Agreement was presented were inherently coercive, including (a) the immediate, same-day loss of employment and income; (b) the express statement in both the termination letter and the Separation Agreement that there was no provision to appeal the termination decision; (c) the significant disparity in bargaining power between Defendant and the affected employees; (d) the simultaneous presentation of a retirement-intent form creating additional pressure on eligible employees; and (e) provisions purporting to impose sweeping financial consequences on employees who challenge the agreement.

66. Although the Separation Agreement references a 45-day consideration period and a 7-day revocation period, the surrounding circumstances — including the immediate termination of employment, the loss of income, and the simultaneous presentation of multiple documents requiring review and decision — undermined any meaningful opportunity for employees to make

a knowing and voluntary decision. The agreement further provides that employees who sign before the 45-day period expires "knowingly and voluntarily waive[] the remainder of the Consideration Period," a provision that encourages premature execution.

67. Section 4(f)(v) of the Separation Agreement required Plaintiff and other terminated employees to affirmatively represent, as a condition of signing and receiving severance, that there was “no pending claim against the Company or any Released Party for unlawful discrimination, retaliation, harassment, sexual harassment, abuse, assault, alleged criminal conduct, or other alleged unlawful employment practices or conduct whether or not filed in a court or government agency proceeding, in an alternative dispute resolution forum, or through the Company's internal complaint process.”

68. This required any employee who consulted an attorney, filed or considered filing a charge, or had any pending claim or complaint to either make a potentially false representation under economic duress or forgo severance entirely.

69. Section 5 of the Separation Agreement — titled “Binding Agreement and Promise Not to Sue” — imposes expansive fee-shifting obligations on any employee who pursues a claim, requiring the employee to pay “all of the Company's costs and expenses (including reasonable attorneys’ fees) related to the defense of any such lawsuit or arbitration or any Released Party's efforts to enforce the terms of this Agreement.” This obligation extends to the costs and fees of any of the numerous “Released Parties” — encompassing Defendant's subsidiaries, affiliates, agents, employees, officers, directors, shareholders, members, managers, employee benefit plans, fiduciaries, insurers, successors, and assigns.

70. The breadth of this provision operates as a severe and disproportionate financial deterrent to any employee who considers asserting rights, and its narrow carve-out for “claims

challenging the knowing and voluntary nature of the release" does not cure that deterrent effect, because it does not extend to the underlying age-discrimination claims themselves.

71. The Separation Agreement's severability provision is structured to preserve its punitive, non-release terms even if the release of age-discrimination claims is invalidated. Section 8 provides that "should any part of the Separation Agreement except the release of claims be found to be void or unenforceable by a court of competent jurisdiction, that determination will not affect the remainder of the Separation Agreement," and that the court "shall interpret and reform the invalid or unenforceable provision." By expressly excepting the release of claims from this saving-and-reformation mechanism, Defendant singled the release out for treatment unlike every other provision — a structure calculated to ensure that, even if the release is held invalid, the promise not to sue and the broad fee-shifting clause survive.

72. That Defendant drafted its severability clause to insulate its deterrent provisions from an invalid release is itself probative that Defendant anticipated the release might not withstand scrutiny.

73. Section 9 of the Separation Agreement — titled "Protected Rights" — purports to preserve employees' right to file charges with government agencies while stripping them of individual monetary recovery, stating that the employee waives "the right to recover any individual relief (including any backpay, frontpay, reinstatement or other legal or equitable relief) in any charge, complaint, whistleblowing activity, or lawsuit or other proceeding including any class or collective action, whether brought by Employee or on Employee's behalf by any third party except where such a waiver is prohibited." This provision purports to bar Plaintiff and similarly situated employees from recovering back pay, front pay, or reinstatement even where age discrimination is established in a proceeding they did not initiate, including this collective action.

VI. INVALIDITY OF THE PURPORTED RELEASES UNDER ALABAMA LAW

74. Plaintiff realleges and incorporates each of the foregoing paragraphs as if fully set forth herein.

75. Under Alabama law, a release is a contract and is as binding on the parties as any other contract. A release may nonetheless be set aside or rescinded for fraud, accident, or mistake, and a release obtained by fraud is void. A party induced to enter into a contract by material misrepresentations may, acting with reasonable promptness upon discovery, rescind the contract in its entirety. The releases Defendant obtained in connection with the RIF are void, voidable, and unenforceable on each of the independent grounds set forth below, and bar none of the claims asserted in this Complaint.

76. ***Lack and failure of consideration.*** The Separation Agreement is not supported by valid or adequate consideration. The eight weeks of base pay offered in exchange for a comprehensive release of all claims against dozens of Released Parties consisted, in whole or in part, of amounts to which the affected employees were already entitled under Defendant's existing policies and the terms of their employment, and was illusory and inadequate to support relinquishment of the rights the release purports to waive. Under Alabama law, the performance of, or a promise to perform, a preexisting legal duty does not constitute valid consideration.

77. ***Fraud and misrepresentation.*** Under Ala. Code § 6-5-101, misrepresentations of a material fact made willfully to deceive, recklessly without knowledge, or by mistake and innocently, and acted upon by the opposite party, constitute legal fraud. In procuring the releases, Defendant represented to the affected employees that the RIF, and their selection for termination, resulted from neutral, age-independent “organizational restructuring.” That representation was false and concerned a material existing fact — the actual basis for Defendant's selection decisions

— because age was in fact a determining factor. The affected employees reasonably relied on the representation in agreeing to execute the releases and forgo their claims and were damaged as a proximate result. That any such misrepresentation may have been made innocently or by mistake does not diminish its legal effect, for under Alabama law an innocent misrepresentation is as much a legal fraud as an intentional one, and the good faith of the party making it is immaterial where the other party acted upon it to its detriment.

78. ***Duress and overreaching.*** Defendant obtained the releases through economic duress and overreaching. Defendant terminated employees and presented the Separation Agreement on the same day, declared that there was no right to appeal, presented a retirement-intent form simultaneously, and conditioned any severance on prompt execution, all while the affected employees faced immediate loss of income. The parties' bargaining positions were grossly unequal, and the affected employees had no meaningful opportunity to negotiate the agreement's terms.

79. ***Unconscionability.*** The releases are both procedurally and substantively unconscionable. Each was a contract of adhesion drafted solely by Defendant and presented to employees lacking comparable knowledge, bargaining power, and meaningful choice. Substantively, the agreement extracts a broad waiver of rights in exchange for minimal consideration while imposing the Section 5 fee-shifting obligation exposing employees to the defense and enforcement costs of dozens of Released Parties, the Section 9 forfeiture of individual monetary relief, and a Section 8 severability clause engineered to preserve those punitive terms even if the release fails — terms unreasonably favorable to Defendant.

80. ***Absence of a knowing and voluntary waiver; construction against the drafter.*** A waiver of legal rights is effective under Alabama law only when made knowingly and voluntarily.

The affected employees did not knowingly and voluntarily waive the rights asserted here, having been denied adequate information, time, and opportunity to understand the rights they were purportedly surrendering — including because Defendant's disclosures were incomplete, covering only a single decisional unit, and because multiple documents requiring review and decision were presented at once under conditions of immediate income loss, with provisions encouraging premature execution and an embedded representation disclaiming any pre-existing claim. Any ambiguity in the agreement must be construed against Defendant as the drafter.

81. ***Public policy.*** Enforcement of the releases to bar these claims would contravene the public policy of the State of Alabama, including the policy embodied in the AADEA prohibiting age discrimination in employment. In particular, the Section 9 provision purporting to strip employees of individual monetary relief in any collective or representative proceeding brought on their behalf operates to defeat that public policy and is void and unenforceable. A contractual provision that operates to defeat the public policy of this State is void and unenforceable.

82. For each of the foregoing independent reasons, the releases are void, voidable, and unenforceable and present no bar to the claims asserted in this Complaint. Plaintiff, acting with reasonable promptness upon discovery of the age-based basis for the RIF, seeks avoidance of the releases in their entirety. To the extent any Plaintiff or opt-in plaintiff received severance consideration, Plaintiff stands ready to address such amounts by setoff against any recovery, or as the Court may otherwise direct, without thereby ratifying or validating the release.

VII. COUNTS

COUNT I
Disparate-Treatment Age Discrimination (AADEA)

83. Plaintiff realleges and incorporates each of the foregoing paragraphs as if fully set forth herein.

84. Plaintiff was a member of the protected class (age 40 and over), was qualified for his position, and suffered an adverse employment action (termination) as part of the March 13, 2026, RIF.

85. Plaintiff's duties were not eliminated after his termination; they were redistributed to remaining employees, including employees younger than Plaintiff.

86. Defendant's stated reason for Plaintiff's termination and the RIF was "organizational restructuring." That reason is pretextual.

87. Facts supporting pretext and discriminatory intent include, but are not limited to, (a) the disproportionate selection of employees age 40 and over, as confirmed by Defendant's own disclosures, showing a statistically significant disparity ($p \approx 0.024$) and an odds ratio of 2.44; (b) the retention or reassignment of younger, less experienced employees; (c) the absence of any objective, documented, or disclosed selection criteria; (d) Defendant's reliance on unguided subjective managerial discretion, which permits age to influence selection; (e) the disconnect between the stated cost-driven rationale and the age-skewed pattern of selections; (f) the redistribution of Plaintiff's duties to younger employees without eliminating those functions; (g) the consistent pattern of age-based disparate outcomes across multiple business units; and (h) the simultaneous presentation of a retirement-intent form alongside the involuntary termination and separation agreement. A statistical disparity sufficiently improbable to have arisen by chance is

competent to prove intentional age discrimination and to support the inference that such discrimination was Defendant's standard operating procedure.

88. Defendant's conduct was willful, intentional, and in reckless disregard of Plaintiff's and the Collective's rights under the AADEA.

89. Defendant violated the AADEA by discharging Plaintiff and similarly situated employees because of their age.

COUNT II
Disparate-Impact Age Discrimination (AADEA)

90. Plaintiff realleges and incorporates each of the foregoing paragraphs as if fully set forth herein.

91. Plaintiff brings this claim for disparate-impact age discrimination under the AADEA and the practices, remedies, and defenses incorporated thereunder. A prima facie case requires a threshold showing of a statistically significant disparity caused by an identified employment practice; there is no requirement that a disparity exceed any minimum magnitude before it is cognizable. Plaintiff isolates the specific employment practices responsible for the observed disparities and does not rely on a generalized policy.

92. ***Decisional unit.*** Because Defendant implemented the RIF through a single, centralized decision-making framework spanning multiple business units, the appropriate decisional unit is the entire affected workforce, not individual departments or job titles in isolation. Disaggregating the data would obscure the cumulative age-based disparities Defendant's uniform process produced. Properly aggregated, the statistical disparities are highly significant.

93. ***Identified practices.*** The specific practices that caused the disparate impact are (a) reliance on unvalidated, subjective managerial discretion unconstrained by any objective standard; (b) the use of a selection process for which Defendant disclosed no substantive, validated, or job-

related criteria; (c) the failure to apply uniform, documented criteria across departments; and (d) the failure to conduct adverse-impact analysis or corrective screening before implementing the RIF.

94. ***Statistical showing.*** In the Executive/CRO decisional unit alone, 43 employees were selected and 188 retained. Of the 43 selected, 33 (76.7 percent) were age 40 or older; of the 188 retained, 108 (57.4 percent) were age 40 or older. The selection rate for employees age 40 and over was 23.4 percent (33 of 141), compared to 11.1 percent for employees under 40 (10 of 90) — approximately 2.1 times the rate. Applying Fisher's Exact Test, the probability the disparity arose by chance is approximately 2.4 percent, well below the five percent threshold recognized as statistically significant; the odds of being selected were 2.44 times greater for employees age 40 and over. These findings rest entirely on Defendant's own disclosures and reflect only partial data; analysis of the complete dataset is expected to reveal disparities of even greater significance.

95. ***The reasonable-factor-other-than-age defense cannot be satisfied.*** Defendant has not identified any factor, reasonable or otherwise, that governed the selections: neither its termination notices nor its disclosures identify any substantive criterion, stating only that affected employees were "selected for involuntary separation." An employer that has disclosed no factor at all cannot carry its burden of showing the challenged practice was based on a reasonable factor other than age, and an employer is expected to assess the adverse impact of its criteria on older workers. To the extent Defendant relied on unguided subjective discretion, such discretion bears no demonstrated relationship to the requirements of the positions, was not uniformly or transparently applied, and operated to permit age to influence outcomes.

96. Defendant's failure to conduct any pre-RIF adverse-impact analysis is independently relevant to the reasonableness inquiry. The statistically significant disparities in

Defendant's own records would have been apparent had Defendant conducted even a basic review, and its failure to do so is itself evidence that its process was not a reasonable factor other than age.

97. Defendant violated the AADEA by implementing employment practices that caused a disparate impact on the Collective without justification based on a reasonable factor other than age.

COUNT III
Pattern or Practice of Age Discrimination (AADEA)

98. Plaintiff realleges and incorporates each of the foregoing paragraphs as if fully set forth herein.

99. Defendant engaged in a pattern or practice of age discrimination by systematically designing and implementing the RIF in a manner that disproportionately eliminated employees age 40 and over. The consistent, across-department nature of the disparate impact — produced by a single, centralized decision-making framework applied uniformly across the affected workforce — demonstrates that discrimination against older workers was Defendant's standard operating procedure, not an isolated or accidental deviation.

100. To establish a pattern or practice, a plaintiff must show that discrimination was the defendant's standard operating procedure, and statistical proof of a gross and improbable disparity is competent to make that showing. Within the Executive/CRO decisional unit, employees age 40 and over were selected at more than twice the rate of younger employees, yielding an odds ratio of 2.44; of the 43 employees selected, 33 were age 40 or older, whereas approximately 26.3 would be expected had selection been age-neutral — a disparity of more than two standard deviations ($z \approx 2.11$) from the expected value. Disparities of two to three standard deviations support the inference that the result did not occur by chance.

101. Combined with the anecdotal evidence of retained younger employees performing the same or similar duties as terminated older employees, this pattern establishes that discrimination against older workers was the standard operating procedure of the RIF. Defendant thereby violated the AADEA.

VIII. OPT-IN CONSENT AND NOTICE TO THE COLLECTIVE

102. Pursuant to the opt-in collective-action provisions incorporated into the AADEA, Plaintiff hereby consents in writing to serve as a plaintiff in this collective action. Plaintiff's written consent is attached as Exhibit A.

103. Plaintiff requests that this Court authorize prompt notice to all potential members of the Collective of (a) the pendency of this action; (b) their right to opt in by filing written consent; and (c) the effect of the statute of limitations on their claims. Because the limitations period runs individually for each potential member until written consent is filed, prompt court-authorized notice is necessary to protect their rights.

104. Plaintiff requests that the limitations period be equitably tolled for potential Collective members from the date this Complaint is filed until court-authorized notice is transmitted and the opt-in period closes.

IX. DAMAGES

105. As a direct and proximate result of Defendant's unlawful conduct, Plaintiff and the Collective have suffered lost wages and employee benefits, past and future, and other pecuniary losses.

106. Plaintiff seeks all remedies available under the AADEA and the remedies it incorporates from the federal ADEA, including back pay, lost benefits, liquidated damages for willful violations, reinstatement or front pay, and reasonable attorneys' fees and costs.

107. Plaintiff is not required to exhaust any administrative remedy or file a charge with any administrative agency prior to filing this action.

X. PRAYER FOR RELIEF

WHEREFORE, Plaintiff, individually and on behalf of the Collective, respectfully requests that this Court:

(a) Authorize this action to proceed as a collective action under the opt-in mechanism incorporated by the AADEA, and order court-authorized notice to all similarly situated employees age 40 and over;

(b) Enter a declaratory judgment that Defendant's conduct violated the AADEA;

(c) Enter a declaratory judgment that any severance agreement, release, covenant not to sue, or waiver obtained in connection with the March 13, 2026, RIF — including any purported waiver of individual monetary relief in collective or representative proceedings — is void, voidable, and unenforceable under Alabama law and does not bar Plaintiff or similarly situated employees from participating in this action or recovering full relief;

(d) Equitably toll the limitations period for all potential Collective members from the date of filing until the close of the opt-in period;

(e) Award back pay and front pay, or reinstatement in lieu of front pay, for Plaintiff and all Collective members;

(f) Award liquidated damages equal to lost wages and benefits for willful violations, as provided under the AADEA and the remedies it incorporates;

(g) Award reasonable attorneys' fees and costs;

(h) Order injunctive relief requiring Defendant to implement objective, age-neutral, and validated criteria for all future employment decisions, including any future reductions in force, and to conduct pre-implementation adverse-impact analysis before any future company-wide RIF;

(i) Order Defendant to produce the workforce, staffing, and compensation records it is required to maintain and publish under Ala. Code § 11-50-300.07 for all units affected by the March 13, 2026, separation program;

(j) Award pre- and post-judgment interest as provided by law;

(k) Grant a trial by struck jury on all issues so triable; and

(l) Grant such other and further relief as the Court deems just and proper.

Respectfully submitted,

/s/ Roderick T. Cooks
Roderick T. Cooks
Lee D. Winston
Bethany Mae Logan
Counsel for Plaintiff Nicholas Norman and the Proposed Collective

OF COUNSEL:
Winston Cooks, LLC
420 20th Street, N., Suite 2200
Birmingham, AL 35203
Tel: 205-482-5174
Fax: 205-278-5876
rcooks@winstoncooks.com
lwinston@winstoncooks.com
bneal@winstoncooks.com

Defendant's Address:
The City of Birmingham Regional Water d/b/a Central Alabama Water
c/o Jeffrey F. Thompson, Registered Agent
3600 First Avenue North
Birmingham, Alabama 35222-1210