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7 *Attorneys for Plaintiff Mark Schobinger,*  
 8 *on behalf of himself and all others*  
 9 *similarly situated*

10 **UNITED STATES DISTRICT COURT**  
 11 **NORTHERN DISTRICT OF CALIFORNIA**  
 12 **SAN FRANCISCO DIVISION**

13 MARK SCHOBINGER, on behalf of himself  
 14 and all others similarly situated,

15 Plaintiff,

16 v.

17 TWITTER, INC. and X CORP.,  
 18

19 Defendants  
 20

Case No. 3:23-cv-3007

**CLASS ACTION COMPLAINT AND  
 JURY DEMAND**

1. BREACH OF CONTRACT
2. PROMISSORY ESTOPPEL

1 **I. INTRODUCTION**

2 1. Plaintiff Mark Schobinger files this Class Action Complaint against Defendants  
3 Twitter, Inc. and X Corp. (collectively “Twitter”), on his own behalf and on behalf of other  
4 current and former Twitter employees who were employed by the Company as of January 1,  
5 2023, and who have not been paid their annual bonus for 2022. Plaintiff brings claims for breach  
6 of contract and promissory estoppel.  
7

8 2. As described further below, Twitter has an employee cash performance bonus  
9 plan (“PBP” or “Bonus Plan”) that is paid out annually. Each year, the company has an overall  
10 target for the bonus plan, and employees each have a calculated amount of bonus (which is based  
11 on a percentage of their base salary) they will receive if the company pays bonus out at the target  
12 amount. Traditionally, individuals covered by the bonus plan who are employed by the company  
13 at the time bonuses are paid out (typically in March) receive their annual bonus for the prior year.  
14

15 3. In the months leading up to Elon Musk’s acquisition of Twitter in October 2022,  
16 the company’s executives, including former Chief Financial Officer, Ned Segal, repeatedly  
17 promised Plaintiff and the company’s other employees that 2022 bonuses would be paid out at  
18 fifty percent (50%) of target. This promise was repeated following Musk’s acquisition. Plaintiff  
19 and other Twitter employees relied upon the promise that they would receive their 2022 bonus  
20 when choosing to remain employed by Twitter following Musk’s acquisition of the company  
21 and/or deciding to forgo other employment opportunities.  
22

23 4. However, despite Twitter’s promises that it would pay 2022 bonuses at fifty  
24 percent (50%) of target, Twitter refused to pay employees who remained employed by the  
25 company in the first quarter of 2023, any bonus.  
26

27 5. Plaintiff files this action, bringing claims for breach of contract and promissory  
28 estoppel, on behalf of himself and other current and former Twitter employees who were  
employed in the first quarter of 2023 but did not receive their bonus.

1 **II. PARTIES**

2 6. Plaintiff Mark Schobinger is an adult resident of Round Rock, Texas. As such, he  
3 is a citizen of Texas. He was employed by Twitter as Senior Director, Compensation, from  
4 February 11, 2019, until May 26, 2023. Plaintiff was originally responsible for overseeing  
5 executive and incentive compensation when he was hired by Twitter. In November 2022, he  
6 assumed responsibility for all employee compensation for the company globally.  
7

8 7. Plaintiff brings this lawsuit as a Rule 23 class action on behalf of all individuals  
9 who were employed by Twitter in the first quarter of 2023 and were covered by Twitter’s Bonus  
10 Plan but did not receive their annual bonus for 2022.

11 8. Defendant Twitter, Inc. (“Twitter”) is a Delaware corporation, headquartered in  
12 San Francisco, California. As such, it is a citizen of Delaware and California.

13 9. Defendant X Corp. is a Nevada corporation, headquartered in San Francisco,  
14 California. As such, it is a citizen of Nevada and California.

15 10. In or about March 2023, Twitter merged with X Corp., and as a result Twitter and  
16 X Corp. are a single entity. X Corp. has successor liability for Twitter’s unlawful acts.

17 **III. JURISDICTION**

18 11. This Court has jurisdiction over this proceeding pursuant to 28 U.S.C.  
19 § 1332(d)(2). Plaintiff and Defendants are citizens of different states, and the matter in  
20 controversy for the class exceeds \$5 million.

21 12. This Court has personal jurisdiction over Defendants, as they are headquartered in  
22 this District and conduct substantial business operations in this District.  
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1 **IV. STATEMENT OF FACTS**

2 13. Twitter is a social media company that previously employed thousands of people  
3 across the United States.

4 14. Twitter has an employee cash performance bonus plan (“PBP” or “Bonus Plan”)  
5 that is paid out annually (typically in March) for the prior year. Each year, the company has an  
6 overall target for the bonus plan, and employees each have a calculated amount of bonus they  
7 will receive (based on their base pay) if the company pays out the target amount.  
8

9 15. Throughout the year, Twitter funds the Bonus Plan based upon a target amount.  
10 Historically, the company has paid out at least 50% of the target each year. Traditionally,  
11 employees who were separated based upon job elimination, prior to the payout date, were paid  
12 one hundred percent (100%) of their targeted bonus.

13 16. In April 2022, it was announced that multi-billionaire Elon Musk would be  
14 purchasing the company.

15 17. Following this announcement, many employees raised concerns regarding the  
16 company’s policies following this anticipated acquisition, including concerns about their  
17 compensation and annual bonus.

18 18. In order to allay employees’ concerns and try to prevent them from leaving  
19 Twitter to work at other companies, Twitter made various promises to employees.

20 19. One of the promises was that employees would receive their annual bonus for  
21 2022 under the company’s Bonus Plan.

22 20. Both before and after Musk’s acquisition was completed in October 2022,  
23 Twitter’s management continuously promised the company’s employees, including Plaintiff, that  
24 their annual bonus for 2022 would be paid under the Bonus Plan.

25 21. For example, during an all-hands meeting in the months leading up to Musk’s  
26 acquisition being completed in October 2022, Twitter’s former Chief Financial Officer, Ned  
27

1 Segal, informed the company's employees, including Plaintiff, that 2022 bonuses under the  
2 Bonus Plan would be paid out at fifty percent (50%) of target.

3 22. Twitter's actions throughout 2022 reinforced the promise conveyed by Segal and  
4 its other management employees that employees, including Plaintiff, would be paid their annual  
5 bonus at fifty percent (50%) of target.

6 23. Specifically, consistent with its past practice and the promises made by  
7 management to its employees, Twitter did in fact fund the Bonus Plan at fifty percent (50%) of  
8 targeted employee bonuses for 2022. The money for employees' annual bonuses under the Bonus  
9 Plan was accounted for by Twitter's financial team and was available to be paid to Twitter's  
10 employees during the first quarter of 2023.

11 24. Plaintiff, like many other Twitter employees, relied on Twitter's promise to pay  
12 his 2022 annual bonus in choosing to remain employed by Twitter following Musk's acquisition  
13 of the company.

14 25. In the months following Musk's acquisition of Twitter, Plaintiff regularly  
15 received calls from recruiters and companies regarding other employment opportunities.  
16 However, Plaintiff turned down these opportunities, secure in the knowledge that Twitter would  
17 pay him his promised 2022 annual bonus during the first quarter of 2023.

18 26. However, rather than pay employees who remained employed by Twitter the  
19 annual bonus promised to them, the company refused to pay any employees their 2022 annual  
20 bonus.

21 27. Based on Twitter's renegeing on various promises it had made to employees,  
22 including its failure to pay promised bonuses, Plaintiff left the company in May 2023.  
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**JURY DEMAND**

Plaintiff requests a trial by jury on the claims asserted here.

WHEREFORE, Plaintiff requests that this Court enter the following relief:

- a. Declare and find that Defendants are liable to Plaintiff and other and other similarly situated Twitter employees for breach of contract and under the doctrine of promissory estoppel;
- b. Certify this case as a class action;
- c. Award compensatory damages, in an amount according to proof;
- d. Award pre- and post-judgment interest; and
- e. Award any other relief to which Plaintiff and other similarly situated Twitter employees may be entitled.

Respectfully submitted,

MARK SCHOBINGER, on behalf of himself and all others similarly situated,

By their attorneys,

/s/ Shannon Liss-Riordan

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# ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Twitter Refused to Pay Employees Annual Bonuses as Promised, Class Action Alleges](#)

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