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9
10 **IN THE UNITED STATES DISTRICT COURT**
11 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

12
13 MAIRI NUNAG-TAÑEDO, INGRID CRUZ,
14 DONNABEL ESCUADRA, ROLANDO
15 PASCUAL, and TOMASA MARI, on behalf
of themselves and other similarly situated
16 individuals,
17 Plaintiffs,
18 v.
19 EAST BATON ROUGE PARISH SCHOOL
20 BOARD, CHARLOTTE D. PLACIDE,
21 MILLIE WILLIAMS, ELIZABETH DURAN
22 SWINFORD, UNIVERSAL PLACEMENT
INTERNATIONAL, INC., LOURDES
23 “LULU” NAVARRO, HOTHHELLO “JACK”
24 NAVARRO, PARS INTERNATIONAL
PLACEMENT AGENCY, EMILIO V.
25 VILLARBA, ROBERT B. SILVERMAN,
and SILVERMAN & ASSOCIATES,
26 Defendants.

Civ.No. _____

COMPLAINT

CLASS ACTION

JURY TRIAL DEMANDED

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1 **I. PRELIMINARY STATEMENT**

2 1. Over the past three school years, more than 350 highly-skilled
3 Filipino teachers have been trafficked into Louisiana through the federal
4 government’s H-1B “specialty occupation” visa program to serve as teachers in
5 public schools. The teachers were systematically defrauded and exploited in the
6 recruitment and hiring process in the Philippines by Defendants, who utilized the
7 promise of a unique opportunity to teach in Louisiana to ensnare teachers in a
8 psychologically coercive and financially ruinous trafficking scheme that subjected
9 the teachers to exorbitant debt and forced labor. Once in the United States, the
10 teachers were further abused and exploited by Defendants, who used a variety of
11 coercive tactics, including abuse of legal process, isolation and segregation, and
12 threats of deportation, to attempt to control the teachers’ actions. When the teachers
13 organized collectively for better conditions, they were victims of severe retaliation.

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17 2. The Plaintiffs in this action are victims of human trafficking and were
18 brought to the United States to work in the East Baton Rouge Parish School
19 District, Recovery School District, Jefferson Parish Public School System, Caddo
20 Public School District, East Carroll Parish School System, Avoyelles Parish School
21 District, Advance Baton Rouge Charter School Association, Madison Parish School
22 District, and Lafourche Parish Public Schools (hereinafter referred to as the
23 “Louisiana School Districts”).

24
25
26 3. Plaintiffs bring this action on behalf of themselves and similarly
27 situated teachers to recover damages and to seek declaratory and injunctive relief
28 against the fraudulent and malicious recruiters (referred to collectively as “Recruiter

1 Defendants”) and legal facilitators (referred to collectively as “Legal Facilitator
2 Defendants”) who the Louisiana School Districts hired, as well as from one of their
3 employers, the East Baton Rouge Parish School Board (“EBRPSB”), and agents of
4 EBRPSB (referred to collectively as “Employer Defendants”), who were aware, or
5 reasonably should have known of the Recruiter Defendants’ egregious conduct, and
6 who took steps to ensure the trafficking scheme was viable.
7

8
9 4. The Louisiana School Districts chose and retained Lourdes “Lulu”
10 Navarro to recruit teachers from the Philippines. The School Districts selected Ms.
11 Navarro despite her prior conviction and imprisonment for defrauding the
12 California Medi-Cal system of more than \$1,000,000, and despite the fact that she
13 had also pled guilty to money laundering in New Jersey. In her role as teacher-
14 recruiter, Lourdes Navarro was given enormous responsibility to recruit and hire
15 teachers for the School Districts. In concert with the other Recruiter Defendants
16 involved in this scheme, Ms. Navarro arranged for the teachers to be interviewed by
17 Louisiana School District representatives, either in person in the Philippines or by
18 videoconference and teleconference. The Recruiter Defendants told the teachers
19 who were selected that they must quickly pay a recruitment fee in cash, which
20 varied from \$5,000 to \$5,500 per teacher. This was an enormous financial
21 investment, representing more than one and a half times the average annual
22 household income in the Philippines. The Recruiter Defendants willfully,
23 maliciously, and fraudulently tricked the teachers into reasonably believing that this
24 fee constituted all or nearly all of their obligations to the Recruiter Defendants,
25 inducing the teachers to liquidate assets, take out loans from family, friends, and/or
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1 public and private lending institutions, and mortgage properties to cover the
2 expense.

3
4 5. Later, after teachers had paid the first fee in cash, the Recruiter
5 Defendants informed the teachers that there would be a second, much larger fee
6 representing thirty percent of their expected annual income in the United States,
7 plus the cost of airfare to the United States. In an act of claimed “generosity,” the
8 Recruiter Defendants required teachers to pay only twenty percent before they left
9 the Philippines; the remaining ten percent was to be collected during the teachers’
10 second year of teaching in the United States. The teachers were surprised by these
11 new costs, which required a titanic financial commitment of \$16,000—five times
12 the average annual household income in the Philippines. But the teachers could not
13 back out, given the first massive fee they had already paid, which the Recruiter
14 Defendants would not refund. The Recruiter Defendants additionally pressured and
15 coerced the teachers into signing contracts promising to pay this new fee, and
16 confiscated the teachers’ passports and visas to ensure that the fee would be paid.
17
18 The Recruiter Defendants also referred teachers to private lending businesses to
19 borrow the money at usurious and exploitative interest rates of between 3 percent
20 and 5 percent per month (which compounded monthly equates to an annual interest
21 rate of 43 percent to 80 percent) because they realized the teachers would not
22 otherwise be able to cover the fee.
23
24
25

26 6. After the teachers arrived in the United States, the Recruiter
27 Defendants orchestrated a system of psychological coercion and intimidation to
28 exert continued control over the teachers, including: filing lawsuits against teachers

1 who complained publicly; isolating teachers from other Filipinos; and threatening
2 deportation or non-renewal of teacher visas.

3 7. Employer Defendants were knowing beneficiaries of the illegal
4 human trafficking scheme perpetrated by Recruiter Defendants, knew or should
5 have known of the scheme, and aided and abetted the scheme by taking steps to
6 ensure its success. Employer Defendants became aware early on of the
7 unconscionable fees being charged, and took steps to ensure the success of
8 Recruiter Defendants' scheme, including submitting false letters to federal
9 immigration officials at the request of the Recruiter Defendants, and reporting to
10 Recruiter Defendants those teachers who voiced complaints about the process or
11 who attempted to circumvent the Recruiter Defendants by applying directly to
12 EBRPSB for employment.

13 8. Plaintiffs assert class action claims for damages under the Trafficking
14 Victims Protection Act, 18 U.S.C. § 1589, *et seq.*; the Racketeer Influenced and
15 Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1961, *et seq.*; and various
16 provisions of applicable state law. Plaintiffs also assert class action claims for
17 damages against the Legal Facilitator Defendants who facilitated the Recruiter
18 Defendants' actions for breach of fiduciary duty and attorney malpractice
19 committed in furtherance of the trafficking scheme. Plaintiffs seek compensatory,
20 declaratory and injunctive relief against the Recruiter Defendants, and a declaration
21 that the illegal contracts coerced by the Recruiter Defendants are null and void.
22 Finally, Plaintiffs assert class action claims against the Employer Defendants for
23 their involvement in this trafficking scheme, and for negligently hiring the Recruiter
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1 Defendants in the first instance.

2 **II. JURISDICTION AND VENUE**

3 9. The Court has jurisdiction over this action pursuant to 28 U.S.C.
4 § 1331 (federal question jurisdiction), 18 U.S.C. § 1595(a) (civil trafficking), 18
5 U.S.C. § 1964(c) (RICO), and 28 U.S.C. § 1332(d) (class action jurisdiction). The
6 Court has supplemental jurisdiction over the state law causes of actions asserted in
7 this Complaint pursuant to 28 U.S.C. § 1367 because the state law claims form part
8 of the same case or controversy as the federal law claims.
9
10

11 10. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b)(2)
12 because a substantial part of the events and omissions giving rise to Plaintiffs’
13 claims occurred in this District.
14

15 11. Venue is also proper in this District pursuant to 18 U.S.C. § 1965(a)
16 because some or all defendants reside, are found, have agents, and/or transact
17 his/her/its affairs in the Central District of California.
18

19 12. Venue is also proper in this District pursuant to 18 U.S.C. § 1965(b)
20 because the ends of justice require that other parties residing in other districts be
21 brought before this Court.
22

23 13. In addition, venue is proper in this District because one of the two
24 principal standardized contracts at issue in this matter specifies that “this agreement
25 shall be enforced within any competent court within the County of Los Angeles,
26 State of California, United States of America.”
27

28 **III. PARTIES**

A. Plaintiffs

1 EBRPSS Teacher Plaintiffs

2 14. Plaintiff Mairi Nunag-Tañedo is a national of the Republic of the
3 Philippines and resides in Louisiana. Ms. Nunag-Tañedo works as a teacher in the
4 East Baton Rouge Parish School System (“EBRPSS”).

5
6 15. Plaintiff Ingrid Cruz is a national of the Republic of the Philippines
7 and resides in Louisiana. Ms. Cruz works as a teacher in EBRPSS.

8
9 16. Plaintiff Donnabel Escudra is a national of the Republic of the
10 Philippines and resides in Louisiana. Ms. Escudra works as a teacher in EBRPSS.

11 17. Throughout this complaint, Plaintiffs Nunag-Tañedo, Cruz, and
12 Escudra are referred to collectively as “EBRPSS Teacher Plaintiffs.”

13 Non-EBRPSS Teacher Plaintiffs

14
15 18. Plaintiff Rolando Pascual is a national of the Republic of the
16 Philippines and resides in Louisiana. Mr. Pascual works as a teacher in the Caddo
17 Public School District, located in the Caddo Parish in Louisiana.

18
19 19. Plaintiff Tomasa Mari is a national of the Republic of the Philippines
20 and resides in Louisiana. Ms. Mari works as a teacher in the Recovery School
21 District, which is a school district administered by the State of Louisiana
22 Department of Education.

23
24 20. Throughout this complaint, Plaintiffs Pascual and Mari are referred to
25 collectively as “Non-EBRPSS Teacher Plaintiffs.”

26 **B. Defendants**

27 Employer Defendants

1 21. Defendant East Baton Rouge Parish School Board (“EBRPSB”) is
2 responsible for the oversight of the East Baton Rouge Parish School System
3 (“EBRPSS”). EBRPSB oversees the operations of EBRPSS, including, *inter alia*,
4 determining the number and location of schools and the number and selection of
5 teachers to work in these schools, as well as promulgating and enforcing local
6 policies and supervising the Superintendent of EBRPSS. EBRPSB is the body
7 corporate for EBRPSS, and has the authority to sue and be sued on behalf of
8 EBRPSS. EBRPSB’s principal place of business at 1050 South Foster Drive, Baton
9 Rouge, Louisiana 70806.

12 22. Defendant Charlotte D. Placide is the former Superintendent for
13 EBRPSS. Placide was Superintendent for EBRPSS from 2004 until June 30, 2009.
14 Placide resides in Louisiana. Placide is sued in her individual capacity, and in her
15 capacity as an agent for EBRPSS.

17 23. Defendant Millie Williams is the Director of Personnel Services for
18 EBRPSS, and held this position throughout the period covered in this Complaint.
19 Williams resides in Louisiana. Williams is sued in her individual capacity, and in
20 her capacity as an agent for EBRPSS.

22 24. Defendant Dr. Elizabeth Duran Swinford is the Associate
23 Superintendent for Human Resources for EBRPSS, and held this position
24 throughout the period covered in this Complaint. Duran Swinford resides in
25 Louisiana. Swinford is sued in her individual capacity, and in her capacity as an
26 agent for EBRPSS.

28 25. Throughout this complaint, Defendants EBRPSS, Placide, Williams,

1 and Duran Swinford are referred to collectively as “Employer Defendants.”

2 26. Throughout this complaint, Defendants Placide, Williams, and Duran
3 Swinford are referred to collectively as “Individual Employer Defendants.”
4

5 Recruiter Defendants

6 27. Defendant Universal Placement International, Inc., (“Universal”) is a
7 corporation organized under the laws of California that maintains its principal place
8 of business in Los Angeles, California, within the Central District of California.
9 Universal is engaged in the business of recruiting teachers from the Philippines for
10 employment in the United States.
11

12 28. Defendant Lourdes “Lulu” Navarro is the owner and President of
13 Universal. Lourdes Navarro resides in Glendale, California, within the Central
14 District of California.
15

16 29. Defendant Hothello “Jack” Navarro is a director of Universal.
17 Hothello Navarro resides in Glendale, California, within the Central District of
18 California.
19

20 30. Defendant PARS International Placement Agency (“PARS”) is a
21 corporation organized under the laws of the Philippines that maintains its principal
22 place of business in Quezon City, which is located in the metropolitan area of
23 Manila, Philippines. PARS is engaged in the business of recruiting teachers from
24 the Philippines for employment in the United States.
25

26 31. Defendant Emilio V. Villarba is registered as the Official
27 Representative of PARS with the Philippines Overseas Employment
28 Administration. Villarba is the owner of PARS. Villarba resides in Quezon City,

1 Philippines. He is the brother of Defendant Lourdes Navarro.

2 32. At all relevant times, Defendant Universal and Defendant PARS
3 failed to treat each other as separate legal entities and acted with disregard to their
4 separate corporate forms, such that it is appropriate to treat Universal and PARS as
5 interchangeable and alter egos for purposes of liability. Specifically, Universal and
6 PARS disregarded their separate legal identities by, *inter alia*:

7
8 a. Defendant Universal and Defendant PARS did not operate at
9 arm's length in their dealings with each other;

10
11 b. Defendant Lourdes Navarro and Universal represented to third
12 parties, including Employer Defendants, that they had an "office" in the Philippines,
13 which was the office of Defendant PARS;

14
15 c. Defendant Villarba and Defendant PARS represented to third
16 parties, including Plaintiffs and other Class Members, that it had an "office" in the
17 United States, which was the office of Defendant Universal;

18
19 d. Defendant Lourdes Navarro distributed business cards which
20 listed both contact information for the Universal office in California and the PARS
21 office in Manila;

22
23 e. Defendant PARS maintained a website which listed its contact
24 information as both the Universal office in California and the PARS office in
25 Manila;

26
27 f. Defendant Villarba and PARS permitted Defendant Lourdes
28 Navarro to determine how much applicants would pay and when the payments
would be due, even for fees that ostensibly were being paid to Defendant PARS

1 only;

2 g. Defendant PARS entered into contracts with Plaintiffs and
3 other Class Members that stated that Class Members would pay fees for certain
4 items to PARS, but when those fees were paid, PARS issued receipts showing
5 payment was made to Defendant Universal; and
6

7 h. Defendant PARS collected money from Plaintiffs and other
8 Class Members in the Philippines and issued receipts from both Defendant PARS
9 and Defendant Universal.
10

11 33. Alternatively, at some or all relevant times, Defendant Lourdes
12 Navarro and Hothello Navarro were agents of Defendant PARS.

13 34. At some or all relevant times, the Recruiter Defendants were agents of
14 Employer Defendants in that they were charged with recruiting Filipino teachers on
15 behalf of the Employer Defendants.
16

17 35. Throughout this Complaint, Defendants Universal, Lourdes Navarro,
18 Hothello Navarro, PARS, and Villarba are referred to collectively as “Recruiter
19 Defendants.”
20

21 Legal Facilitator Defendants

22 36. Defendant Robert B. Silverman is an attorney who maintains his
23 principal offices in Westminster, California, within the Central District of
24 California. Silverman resides in the Central District of California.
25

26 37. Defendant Silverman & Associates is a law office located in
27 Westminster, California, within the Central District of California.
28

38. Throughout this Complaint, Defendants Silverman and Silverman &

1 Associates are referred to collectively as “Legal Facilitator Defendants.”

2 RICO Defendants

3 39. Throughout this Complaint, Recruiter Defendants, Individual
4 Employer Defendants, and Legal Facilitator Defendants are referred to collectively
5 as “RICO Defendants.”
6

7 All Defendants

8 40. Individually and through their agents, associates, attorneys, and/or
9 employees, all Defendants have significant contacts with the Central District of
10 California, and the claims in this case arise in significant part from conduct by the
11 Recruiter Defendants and the Legal Facilitator Defendants that occurred in the
12 Central District of California.
13

14 41. Defendants have been engaged in and continue to engage in ongoing
15 contacts with Plaintiffs and other Class Members, including recruiting, obtaining
16 labor, contracting, seeking to collect on contracts, providing immigration-related
17 services to, transporting, harboring, providing and/or employing Plaintiffs and/or
18 other Class Members.
19
20

21 **IV. CLASS ACTION ALLEGATIONS**

22 42. The Class Representative Plaintiffs bring claims for damages,
23 injunctive and declaratory relief on behalf of themselves and all similarly situated
24 persons pursuant to Rule 23. The Class Representative Plaintiffs bring class claims
25 for actual, punitive and treble damages pursuant to Fed. R. Civ. P. 23(a) and
26 23(b)(3), and class claims for injunctive and declaratory relief pursuant to Fed. R.
27 Civ. P. 23(a) and 23(b)(2).
28

1 43. This action involves a class represented by all Plaintiffs, referred to
2 herein as “the Louisiana Teacher Class,” and a subclass represented by EBRPSS
3 Teacher Plaintiffs, referred to herein as “the EBRPSS Teacher Subclass.”
4

5 **A. Louisiana Teacher Class**

6 44. Class claims for compensatory, treble, and/or punitive damages are
7 brought pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil
8 Procedure. For the purpose of claims for compensatory, treble, and/or punitive
9 damages, the Louisiana Teacher Class is defined as all Filipino nationals who have
10 obtained H-1B visas through Recruiter Defendants and Legal Facilitator Defendants
11 during the period January 1, 2007 through the present, where a Louisiana school
12 district or Louisiana school system executed the H-1B visa petition on behalf of the
13 visa-holder.
14
15

16 45. Class claims for injunctive and declaratory relief are brought pursuant
17 to Rules 23(a) and 23(b)(2) of the Federal Rules of Civil Procedure. For the
18 purpose of claims for injunctive and declaratory relief, the Louisiana Teacher Class
19 is defined as all Filipino nationals who have obtained or will obtain non-immigrant
20 or immigrant visas through any of the Recruiter Defendants and/or Legal Facilitator
21 Defendants for employment at school districts or school systems in Louisiana.
22

23 46. The Louisiana Teacher Class seeks relief from Recruiter Defendants
24 and Legal Facilitator Defendants only.
25

26 Rule 23(a)

27 47. Only the Recruiter Defendants and Legal Facilitator Defendants know
28 the precise number of individuals in the Louisiana Teacher Class, but upon

1 information and belief the class includes over 350 individuals. The Louisiana
2 Teacher Class is so numerous that joinder of all members of the Louisiana Teacher
3 Class is impracticable.

4
5 48. This action involves questions of law common to the Louisiana
6 Teacher Class, including:

7 a. Whether Recruiter Defendants' and Legal Facilitator
8 Defendants' conduct as set forth in the First Claim for Relief violated the forced
9 labor and trafficking provisions of the TVPA (18 U.S.C. §§ 1589, 1590, 1592,
10 1594(a), and/or 1594(b));

11
12 b. Whether Recruiter Defendants' and Legal Facilitator
13 Defendants' conduct as set forth in the Second Claim for Relief violated RICO
14 Sections 1962(c) and 1962(d);

15
16 c. Whether Recruiter Defendants' conduct as set forth in the
17 Third Claim for Relief violated the Employment Agency and Job Services Act (Cal.
18 Civ. Code § 1812.508);

19
20 d. Whether Recruiter Defendants' conduct as set forth in the
21 Fourth Claim for Relief violated the California Unfair Business Practices Act (Cal.
22 Business and Professional Code § 17200);

23
24 e. Whether Recruiter Defendants' conduct as set forth in the Fifth
25 Claim for Relief constituted fraud;

26
27 f. Whether contracts entered into between Louisiana Teacher
28 Class members and Defendant Universal and Defendant PARS are void because
they were the result of undue influence, as set forth in the Sixth Claim for Relief;

1 g. Whether contracts entered into between Louisiana Teacher
2 Class members and Defendant Universal and Defendant PARS are void because
3 they are illegal, as set forth in the Seventh Claim for Relief;
4

5 h. Whether fees collected by Defendant Universal and Defendant
6 PARS that were not pursuant to any written contract were illegal, as set forth in the
7 Eighth Claim for Relief;
8

9 i. Whether Legal Facilitator Defendants' conduct as set forth in
10 the Ninth Claim for Relief constituted a breach of a fiduciary duty;

11 j. Whether Legal Facilitator Defendants' conduct as set forth in
12 the Tenth Claim for Relief constituted legal malpractice;

13 k. The nature of damages available to Plaintiffs and other Class
14 Members, including the applicability of compensatory, treble, and/or punitive
15 damages; and
16

17 l. Whether and what kinds of injunctive relief are appropriate.
18

19 49. This action involves questions of fact common to the class, including:

20 a. Whether Recruiter Defendants and Legal Facilitator
21 Defendants threatened Plaintiffs and other Louisiana Teachers Class members with
22 serious financial harm and/or abuse of legal process to obtain Plaintiffs' and other
23 Louisiana Teachers Class members' labor or services;

24 b. Whether Recruiter Defendants and Legal Facilitator
25 Defendants recruited, harbored, transported, obtained and/or provided Plaintiffs and
26 other Louisiana Teachers Class members for the purpose of subjecting them to
27 forced labor;
28

1 c. Whether Recruiter Defendants and Legal Facilitator
2 Defendants conducted one or more enterprises through a pattern of racketeering
3 activity;

4
5 d. Whether Recruiter Defendants and Legal Facilitator
6 Defendants committed or agreed to commit the predicate racketeering acts
7 identified in the Second Claim for Relief; and

8
9 e. The source and amount of Plaintiffs' and other Class Members'
10 damages.

11 50. The claims of the Plaintiffs asserted in the First through Tenth Claims
12 for Relief are typical of the claims of the Louisiana Teachers Class.

13 51. The Plaintiffs will fairly and adequately protect the interests of the
14 Louisiana Teachers Class.

15
16 52. Plaintiffs have retained counsel who are experienced in handling class
17 action litigation on behalf of immigrant workers like Plaintiffs and are prepared to
18 advance costs necessary to litigate this action.

19
20 Rule 23(b)(2)

21 53. Recruiter Defendants and Legal Facilitator Defendants have acted or
22 refused to act on grounds that apply generally to the Louisiana Teacher Class, so
23 that declaratory relief and final injunctive relief are appropriate with respect to the
24 Louisiana Teacher Class as a whole. Recruiter Defendants' and Legal Facilitator
25 Defendants' actions and inactions include, *inter alia*:

26
27 a. Illegally enforcing contracts that are the result of undue
28 influence and coercion, as set forth in the Sixth Claim for Relief;

1 b. Illegally enforcing contractual terms that are illegal, as set forth
2 in the Seventh Claim for Relief;

3 c. Illegally collecting fees prohibited under the law, as set forth in
4 the Eighth Claim for Relief; and

5 d. Illegally forcing Louisiana Teacher Class members to pay for
6 fees in the H-1B visa process that are the sole obligation of the employer /
7 petitioner, as set forth in the Ninth and Tenth Claims for Relief.
8

9
10 54. The Louisiana Teacher Class seeks to enjoin enforcement of the
11 contracts and the collection of further fees as set forth in the Seventh through Ninth
12 Claims for Relief.

13 55. The Louisiana Teacher Class also seeks to enjoin each Recruiter
14 Defendant and each Legal Facilitator Defendant from engaging in the unlawful acts
15 described in this Complaint in the future.
16

17 Rule 23(b)(3)

18 56. Common questions of law and fact relevant to the First through Tenth
19 Claims for Relief, as identified above, predominate over any pertinent questions
20 involving only individual members.
21

22 57. A class action is superior to other available methods of adjudicating
23 the claims set forth in the First through Tenth Claims for Relief because, *inter alia*:

24 a. Common issues of law and fact, as identified in part above,
25 substantially diminish the interest of class members in individually controlling the
26 prosecution of separate actions;
27

28 b. The Louisiana Teacher Class members are foreign nationals

1 who are in substantial debt, lack the means and/or resources to secure individual
2 legal assistance, and are often unaware of their rights to prosecute these claims;

3 c. No member of the Louisiana Teacher Class has already
4 commenced litigation to determine the questions presented. The only litigation
5 bearing on issues raised in this case are:

6 i. Baseless lawsuits filed by Defendant Universal against a
7 few Louisiana Teacher Class members, which constitute an abuse of legal process
8 in furtherance of Recruiter Defendants' trafficking scheme, as described below; and
9

10 ii. An administrative hearing at the Louisiana Workforce
11 Commission, which via opinion dated April 14, 2010 concluded that Defendant
12 Universal was not properly licensed under the Louisiana Private Employment
13 Services Law, but did not rule on the validity of the contracts themselves, finding
14 this was outside of its jurisdictional mandate; and
15

16 d. A class action can be managed with efficiency and without
17 undue difficulty because Defendants have systematically and regularly committed
18 the violations complained of herein and have used standardized recruitment and
19 record-keeping practices throughout the time period at issue.
20

21
22 **B. EBRPSS Teacher Subclass**

23 58. Class claims for compensatory, treble, and/or punitive damages are
24 brought pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil
25 Procedure. For the purpose of claims for compensatory, treble, and/or punitive
26 damages, the EBRPSS Teacher Subclass is defined as all Filipino nationals (i) who
27 have obtained H-1B visas through Recruiter Defendants and Legal Facilitator
28

1 Defendants during the period from January 1, 2007 through the present, and (ii)
2 whose H-1B visa petition was executed by an agent of EBRPSS for employment at
3 EBRPSS.
4

5 59. Class claims for injunctive and declaratory relief are brought pursuant
6 to Rules 23(a) and 23(b)(2) of the Federal Rules of Civil Procedure. For the
7 purpose of claims for injunctive and declaratory relief, the EBRPSS Teacher
8 Subclass is defined as all foreign nationals who have obtained or will obtain
9 immigrant or non-immigrant visas for employment at EBRPSS.
10

11 60. The EBRPSS Teacher Subclass seeks relief from all Defendants.

12 Rule 23(a)

13 61. Only the Recruiter Defendants, Legal Facilitator Defendants, and
14 Employer Defendants know the precise number of individuals in the EBRPSS
15 Teacher Subclass, but upon information and belief the class includes over 200
16 individuals. The EBRPSS Teacher Subclass is so numerous that joinder of all
17 members of the EBRPSS Teacher Subclass is impracticable.
18
19

20 62. The questions of law common to the EBRPSS Teacher Subclass are
21 the same as the questions of law identified for the Louisiana Teacher Class in ¶ 48,
22 *supra*. In addition, the following questions of law are unique and common to the
23 EBRPSS Teacher Subclass:
24

25 a. Whether Individual Employer Defendants' conduct as set forth
26 in the Second Claim for Relief violated RICO Sections 1962(c) and 1962(d);

27 b. Whether Employer Defendants knowingly benefited from
28 participation in the venture with Recruiter Defendants and Legal Facilitator

1 Defendants that deprived Plaintiffs and other EBRPSS Teacher Subclass members
2 of their right to be free from forced labor, as set forth in the Twelfth Claim for
3 Relief;

4
5 c. Whether Employer Defendants knew or should have known
6 that such venture engaged in a violation of Chapter 77 of Title 18 of the United
7 States Code, as set forth in the Twelfth Claim for Relief;

8
9 d. Whether Recruiter Defendants and Legal Facilitator
10 Defendants were agents of the Employer Defendants; and

11
12 e. Whether Defendant EBRPSS's conduct as set forth in the
13 Thirteenth Claim for Relief constituted negligent hiring.

14
15 63. This action involves all the questions of fact common to the class
16 identified for the Louisiana Teacher Class in ¶ 49, *supra*.

17
18 64. The claims of EBRPSS Teacher Subclass asserted in the Second,
19 Eleventh, and Twelfth Claims for Relief are typical of the claims of the EBRPSS
20 Teacher Subclass.

21
22 65. The EBRPSS Teacher Subclass Representative Plaintiffs Nunag-
23 Tañedo, Cruz, and Escuadra will fairly and adequately protect the interests of the
24 EBRPSS Teacher Subclass.

25
26 66. Plaintiffs have retained counsel who are experienced in handling class
27 action litigation on behalf of immigrant workers like Plaintiffs and are prepared to
28 advance costs necessary to litigate this action.

Rule 23(b)(2)

a. Employer Defendants have acted or refused to act on grounds

1 that apply generally to the EBRPSS Teacher Subclass, so that declaratory relief and
2 final injunctive relief are appropriate with respect to the EBRPSS Teacher Subclass
3 as a whole. Employer Defendants' actions and inactions include, *inter alia*:
4 illegally requiring EBRPSS Teacher Subclass members to pay visa processing fees
5 that are the legal obligation of the petitioner for the H-1B visa, not the beneficiary.
6

7 67. The EBRPSS Teacher Subclass seeks to enjoin Employer Defendants
8 from engaging in the unlawful acts described in this Complaint in the future.
9

10 Rule 23(b)(3)

11 68. Common questions of law and fact relevant to the Second, Eleventh,
12 and Twelfth Claims for Relief, as identified above, predominate over any pertinent
13 questions involving only individual members.
14

15 69. A class action is superior to other available methods of adjudicating
16 the claims set forth in the Second, Eleventh, and Twelfth Claims for Relief because,
17 *inter alia*:

18 a. Common issues of law and fact, as identified in part above,
19 substantially diminish the interest of class members in individually controlling the
20 prosecution of separate actions;
21

22 b. The EBRPSS Teacher Subclass members are foreign nationals
23 who are in substantial debt, lack the means and/or resources to secure individual
24 legal assistance, and are often unaware of their rights to prosecute these claims;
25

26 c. No member of the EBRPSS Teacher Subclass has already
27 commenced litigation to determine the questions presented. The only litigation
28 bearing on issues raised in this case are:

1 i. Baseless lawsuits filed by Defendant Universal against a
2 few EBRPSS Subclass members, which constitute an abuse of legal process in
3 furtherance of Recruiter Defendants' trafficking scheme, as described below; and
4

5 ii. An administrative hearing at the Louisiana Workforce
6 Commission, which via opinion dated April 14, 2010 concluded that Defendant
7 Universal was not properly licensed under the Louisiana Private Employment
8 Services Law, but did not rule on the validity of the contracts themselves, finding
9 this was outside of its jurisdictional mandate; and
10

11 d. A class action can be managed with efficiency and without
12 undue difficulty because Defendants have systematically and regularly committed
13 the violations complained of herein and have used standardized recruitment, record-
14 keeping, and, with respect to the Employer Defendants, employment practices
15 throughout the time period at issue.
16

17 **V. STATEMENT OF FACTS**

18 70. Plaintiffs and other members of the Louisiana Teacher Class and the
19 EBRPSS Teacher Subclass (collectively, "Class Members") are teachers and
20 Filipino nationals who were trafficked from the Philippines to the United States by
21 Defendants at various times between 2007 and the present.
22

23 71. Plaintiffs and other Class Members are or were holders of "H-1B
24 visas," which permit foreign nationals with special skills to work for a specified
25 employer in the United States for a period of up to six years.
26

27 72. Recruiter Defendants operated a trafficking scheme to recruit
28 Plaintiffs and other Class Members from the Philippines for work in Louisiana

1 public schools. Defendant Lourdes Navarro primarily ran Recruiter Defendants'
2 operations in the United States, while her brother Defendant Villarba primarily ran
3 Recruiter Defendants' operation in the Philippines.
4

5 73. Defendant Lourdes Navarro traveled periodically to the Philippines in
6 furtherance of Recruiter Defendants' operations.

7 74. Defendant Lourdes Navarro and Defendant Villarba were charged in
8 California with health benefits (Medi-Cal) fraud, grand theft, identity theft, money
9 laundering, forged identification and white collar crime in 2000. Lourdes Navarro
10 pled *nolo contendere* to the charges that she, with others, willfully defrauded more
11 than \$1,000,000 from Medi-Cal, and served time in Orange County Jail for this
12 conviction. A warrant to arrest Villarba was issued, but years later was recalled by
13 the court and the action against Villarba was dismissed. Upon information and
14 belief, Villarba fled the jurisdiction.
15

16 75. Defendant Lourdes Navarro pled guilty to a charge of money
17 laundering in New Jersey in 2003.
18

19 76. EBRPSS and the non-defendant Louisiana School Districts contracted
20 with Recruiter Defendants and Legal Facilitator Defendants to recruit highly skilled
21 teachers from the Philippines, utilizing the H-1B visa process.
22

23 77. EBRPSS had hired teachers through the H-1B visa process in the past,
24 before EBRPSS contracted with Recruiter Defendants and Legal Facilitator
25 Defendants to recruit Plaintiffs and other Class Members.
26

27 **A. Factual Allegations Related to Laws Regulating the Recruitment**
28 **of Philippine Nationals for Employment within Louisiana**

1 1. Regulations of the Philippine Overseas Employment
2 Administration

3 78. In the Philippines, the Philippine Overseas Employment
4 Administration (“POEA”), a government entity, regulates the recruitment of
5 nationals from the Philippines to work abroad.

6 79. The POEA requires any person, partnership, or corporation engaged
7 in the recruitment and placement of workers abroad for a fee, which is charged
8 directly or indirectly to the workers or employers or both, to obtain a license from
9 the POEA.

10 80. The POEA refers to any person, partnership, or corporation, as
11 defined in ¶ 79, *supra*, as a “Private Employment Agency.”

12 81. The POEA’s rules and regulations state that unless otherwise
13 provided, the employer will be responsible for the payment of the visa fee, airfare,
14 POEA processing fee, and Philippine Overseas Workers Welfare Administration
15 membership fee.

16 82. The POEA’s rules and regulations prohibit private employment
17 agencies from charging more than one month’s salary from the workers for whom
18 the agencies acquire overseas employment. Documentation costs including
19 authentication costs may also be charged to the worker. However, the POEA’s
20 rules and regulations provide that no other charges in whatever form, manner, or
21 purpose shall be imposed on or paid by the worker without prior approval from the
22 POEA.

23 2. Federal United States Regulations of the United States
24 Government regarding H-1B Visa Workers
25
26
27

1 83. The Immigration and Nationality Act (“INA”) § 101(a)(15)(H)(i)(b),
2 8 U.S.C. § 1101(a)(15)(H)(i)(b), provides for the admission into the United States
3 of certain temporary workers. These workers are referred to as “H-1B workers,”
4 and “H-1B” designates the type of visa that the worker receives. Provisions related
5 to the administration of the H-1B visa program are found in INA § 214, 8 U.S.C.
6 § 1184, and 8 C.F.R. § 214.2(h) (Department of Homeland Security regulations),
7 and 20 C.F.R. Part 655 (Department of Labor regulations).
8
9

10 84. The process for obtaining an H-1B visa application and process is
11 controlled by the employer, not the worker. The employer must submit a Labor
12 Conditions Application (“LCA”) to the Department of Labor. After the LCA is
13 approved the employer must submit an “I-129 Petition for a Nonimmigrant
14 Worker” to the United States Citizenship and Immigration Services (“USCIS”), a
15 component of the United States Department of Homeland Security. If USCIS
16 approves the petition, the worker may then appear at a designated U.S. Embassy or
17 Consulate for an interview. If the worker passes the interview, the worker will be
18 issued an H-1B visa.
19
20

21 85. As part of the I-129 Petition for a Nonimmigrant Worker, the
22 petitioning employer must also fill out a form entitled “I-129 H-1B Data Collection
23 and Filing Fee Exemption Supplement” (hereinafter referred to as the “H-1B Filing
24 Fee form”) to determine the fee the petitioner must pay to file the petition. The H-
25 1B Filing Fee form provides that, at a minimum, a petitioner must pay a \$320 filing
26 fee and a \$500 anti-fraud fee.
27
28

3. Regulations of the Louisiana Workforce Commission

1 86. The Louisiana Workforce Commission administers the Louisiana
2 Private Employment Services Law, La. R.S. 23:101, *et seq.* (hereinafter referred to
3 as “LPES”).
4

5 87. The LPES provides that any person, company, corporation, or
6 partnership must be licensed by the Louisiana Workforce Commission before it
7 may operate, solicit, or advertise as an employment service within Louisiana.
8

9 88. The LPES provides that any contract between an employment service
10 and an applicant or candidate must first be approved by the Louisiana Workforce
11 Commission.
12

13 89. The LPES provides that any fees charged by an employment service
14 must be based on a schedule of fees as applied to the applicant’s projected first
15 year’s gross earnings.
16

17 90. Regulations implementing the LPES provide that an employment
18 service may not charge or receive a fee from an applicant prior to the actual
19 commencement of work on a job procured by the employment service.
20

21 **B. Factual Allegations Related to the Trafficking Scheme**

22 1. Trafficking Step 1: Employer Defendants Recruiter
23 Defendants, and Legal Facilitator Defendants Agree to a Joint
24 Venture to Recruit Teachers from the Philippines to Teach in
25 Louisiana

26 91. From 2006 to present, Recruiter Defendants advertised their services
27 and the services of Legal Facilitator Defendants to school districts throughout the
28 United States, including Employer Defendants and the non-defendant Louisiana
School Districts. Recruiter Defendants represented themselves as specializing in

1 the recruitment of highly qualified teachers from the Philippines, and placement of
2 these teachers within school districts in the United States. Recruiter Defendants
3 also claimed to specialize in teachers of special education, math, and science.
4

5 92. At all relevant times, Recruiter Defendants were operating as an
6 “employment service” within Louisiana as that term is defined by Section 23:101 of
7 the Louisiana Revised Statutes.
8

9 93. At no time did any Recruiter Defendant become licensed as an
10 employment service, as required by Section 23:104 of the Louisiana Revised
11 Statutes.
12

13 94. Recruiter Defendants informed Employer Defendants that although
14 the school districts would pay the salaries of any teachers they hired, Employer
15 Defendants would not be required to pay any fees for Recruiter Defendants’
16 services. Upon information and belief, Recruiter Defendants made similar
17 representations to the non-defendant Louisiana School Districts, with the exception
18 of the Recovery School District, which paid some fees to Recruiter Defendants.
19 However, the money paid by the Recovery School District was targeted to serve as
20 an incentive to teacher-employees to work in the Recovery School District after
21 Hurricane Katrina; Class Members working at Recovery School District did not
22 receive this incentive money, and were told that some of it was used to pay
23 Recruiter Defendants, instead.
24
25

26 95. Employer Defendants and the non-defendant Louisiana School
27 Districts agreed to utilize the services offered by Recruiter Defendants and Legal
28 Facilitator Defendants to recruit and place teachers within their school districts.

1 Pursuant to this joint venture, Employer Defendants and the non-defendant
2 Louisiana School Districts were to receive, and did knowingly receive, numerous
3 benefits including:

- 4 a. The benefit of having teachers recruited from the Philippines;
- 5 b. The benefit of having Recruiter Defendants and Legal
6 Facilitator Defendants navigate the H-1B visa process; and
- 7 c. The benefit of not being required to pay for any of the fees
8 related to the H-1B visa process or to pay for the procurement of Filipino teachers
9 with H-1B visas.

10
11
12 2. Trafficking Step 2: Employer Defendants Interview Plaintiffs
13 and the Class Members

14 96. Plaintiffs and other Class Members are teachers, and were recruited
15 because they were experienced teachers.

16 97. Plaintiffs and other Class Members learned of the opportunity to teach
17 in the United States through advertisements by Recruiter Defendants placed in
18 Philippine newspapers, and/or through word of mouth from other teachers.

19 98. Plaintiffs and other Class Members presented themselves to Recruiter
20 Defendants to be interviewed for possible teaching positions with Employer
21 Defendants and with some of the non-defendant Louisiana School Districts.

22 99. Representatives of Employer Defendants, including Defendant Duran
23 Swinford, interviewed EBRPSS Teacher Plaintiffs in person in the Philippines or by
24 teleconference and/or videoconference.

25 100. Representatives of the non-defendant Louisiana School Districts
26
27
28

1 interviewed non-EBRPSS Teacher Plaintiffs in person in the Philippines or by
2 teleconference and/or videoconference.

3
4 101. Recruiter Defendants paid or reimbursed all expenses incurred by
5 Employer Defendants and the non-defendant Louisiana School Districts in
6 interviewing Plaintiffs and other Class Members, including airline tickets, hotel
7 reservations, and a *per diem* for those who traveled to the Philippines.

8
9 3. Trafficking Step 3: Recruiter Defendants Charge First
10 Recruitment Fee, but Hide from Class Members an
11 Undisclosed Second Recruitment Fee

12 102. Shortly after the interviews, Recruiter Defendants informed Plaintiffs
13 and other Class Members that they had been selected to teach in the United States.
14 Recruiter Defendants then told Plaintiffs and other Class Members about some, but
15 not all, of the next steps in the recruitment process. In particular, Recruiter
16 Defendants only disclosed that Class Members would need to collect and submit
17 certain documents in support of their H-1B visa application, and that Class
18 Members would have to pay a recruitment fee (hereinafter referred to as the “First
19 Recruitment Fee”).
20

21 103. The First Recruitment Fee typically totaled between \$5,000 to \$5,500
22 per Class Member. The First Recruitment Fee consisted of three parts.

23 a. Recruiter Defendants claimed that part of the First Recruitment
24 Fee was for visa processing (hereinafter referred to as the “Visa Processing Fee”).
25 The Visa Processing Fee typically totaled from \$3,920 to \$4,000, and included a
26 “petition filing” fee of \$320, an “anti-fraud” fee of \$500, a “premium processing”
27 fee of \$1,000, a “mailing” fee of between \$100 and \$180, and a “legal services” fee
28

1 of \$2,000.

2 b. Recruiter Defendants claimed that part of the First Recruitment
3 Fee was for an evaluation of the Class Member's Filipino teaching credentials
4 (hereinafter referred to as the "Credentials Evaluation Fee"). An evaluation of
5 foreign teaching credentials is necessary to obtain the teaching license necessary to
6 teach in a Louisiana public school. The Credential Evaluation Fees typically ranged
7 from \$570 to \$725.
8

9 c. The First Recruitment Fee included an agency fee (the
10 "Agency Fee") that was typically \$1,000, though approximately twenty class
11 members were permitted to pay a lesser amount.
12

13 104. Recruiter Defendants threatened Plaintiffs and other Class Members
14 that if they did not pay the First Recruitment Fee, they would be replaced by other
15 applicants.
16

17 105. For Plaintiffs and other Class Members, who were working as
18 teachers in the Philippines, the First Recruitment Fee of \$5,000 to \$5,500 was very
19 high. According to data from the National Statistics Office of the Republic of the
20 Philippines for 2006, which is the latest year that data is available, a fee of \$5,000
21 to \$5,500 represents more than one and a half times the average annual household
22 income in the Philippines.¹
23

24 106. Plaintiffs and other Class Members had to take out loans from family,
25
26

27 ¹ Average household income in 2006 was 173,000 Philippine Pesos. See National Statistics Office,
28 Philippines, Official Web Site, available at <http://www.census.gov.ph>. On January 1, 2006, the average interbank exchange rate was 1 Philippine Peso to 0.01882 U.S. Dollars. At that rate, \$5,500 is equivalent to 292,242 Philippine Pesos.

1 friends, banking institutions, and/or private lenders to pay the First Recruitment
2 Fee. Some Plaintiffs and other Class Members also needed to liquidate assets to
3 pay the First Recruitment Fee.
4

5 107. Plaintiffs and other Class Members delivered the First Recruitment
6 Fee to the office of Defendant PARS in the Philippines. Plaintiffs and other Class
7 Members were required to pay the First Recruitment Fee in cash. PARS usually
8 issued hand-written receipts that identified the recipient as Defendant Universal.
9

10 108. At this stage in the trafficking process, Recruiter Defendants
11 fraudulently did not disclose to Plaintiffs and other Class Members that they would
12 be required to pay a second and much larger recruitment fee before they would be
13 permitted to leave for the United States.
14

15 a. As described in ¶¶ 118–127, *infra*, Recruiter Defendants later
16 required Plaintiffs and other Class Members to pay three months of their projected
17 salary as teachers in the United States (the “Undisclosed Second Recruitment Fee”),
18 and to pay for their airfare to the United States. Recruiter Defendants collected two
19 months of each Class Member’s projected salary before the Class Member departed
20 from the Philippines, and intended to collect a third month of salary after the
21 teachers were in the United States for one year. Because the school year is typically
22 ten months long, and Plaintiffs and other Class Members would only earn income
23 from their schools for ten months per year, this exorbitant fee was a full 30 percent
24 of one year’s salary.
25
26

27 b. Recruiter Defendants were at all times aware that they would
28 require Plaintiffs and other Class Members to pay this Undisclosed Second

1 Recruitment Fee, and a charge for airfare, before they would return Plaintiffs' and
2 other Class Members' passports and visas to them, and permit them to travel to the
3 United States.

4
5 109. Plaintiffs and other Class Members reasonably relied on Recruiter
6 Defendants' fraudulent omission and reasonably assumed that the First Recruitment
7 Fee they had paid, totaling approximately \$5,000 to \$5,500, would be all or nearly
8 all that they would be charged. Plaintiffs and other Class Members based this
9 reasonable assumption on several grounds, including public information available
10 on the website of the POEA, which states that the maximum fee that may be
11 charged is the equivalent of one month's salary, and the common knowledge in the
12 Philippines about how the foreign worker recruitment process typically operated
13 there.

14
15
16 110. Upon information and belief, after Plaintiffs and other Class Members
17 paid the First Recruitment Fee, Recruiter Defendants, Legal Facilitator Defendants,
18 Employer Defendants, and the non-defendant Louisiana School Districts arranged
19 to send documents from the United States, through electronic mail or facsimile, for
20 Plaintiffs and other Class Members to execute. These documents included a job
21 offer from Employer Defendants or from the non-defendant Louisiana School
22 Districts. The job offers were signed by Plaintiffs and other Class Members in the
23 Philippines, and by Employer Defendants or the non-defendant Louisiana School
24 Districts in the United States.

25
26
27 4. Trafficking Step 4: Recruiter Defendants Seize and Control
28 Documents

1 111. After Plaintiffs and other Class Members received their job offers,
2 Recruiter Defendants informed them that their petitions for an H-1B visa had been
3 preliminarily approved, and that the Plaintiffs and other Class Members would need
4 to be interviewed at the U.S. Embassy to obtain their H-1B visas.
5

6 112. Recruiter Defendants arranged Plaintiffs' and other Class Members'
7 interview schedules at the U.S. Embassy in Manila and charged Plaintiffs and other
8 Class Members for arranging the interviews.
9

10 113. Recruiter Defendants required Plaintiffs and other Class Members to
11 attend a meeting conducted by Defendant Villarba before their interviews at the
12 U.S. Embassy. In these sessions, Villarba instructed the Plaintiffs and other Class
13 Members that if they were asked how the fees and costs for the visas had been paid,
14 that they were to admit that they paid for the certification of their school transcripts
15 only, and they were not to admit that they paid any other fees. Villarba told
16 Plaintiffs and other Class Members that if the U.S. Embassy learned that they had
17 paid any additional fees, the Embassy would not issue their visas, and Plaintiffs and
18 other Class Members would forfeit all the money they had already paid. (Upon
19 information and belief, Plaintiffs and other Class Members were not in fact asked
20 about the payment of fees during their U.S. Embassy interviews.)
21
22

23 114. It is standard practice for an H-1B visa applicant to bring her passport
24 with her to an Embassy interview, and if the interview is successful, to leave her
25 passport at the Embassy with instructions for delivery after the H-1B visa has been
26 inserted into the passport.
27
28

 115. Recruiter Defendants required Plaintiffs and other Class Members to

1 instruct the U.S. Embassy to have their passports delivered directly to Recruiter
2 Defendants' office in the Philippines rather than to Plaintiffs' and other Class
3 Members' home addresses.

4
5 116. Plaintiffs' and other Class Members' visas were approved, and their
6 visas and passports were sent directly to Recruiter Defendants' office in the
7 Philippines.

8
9 117. Recruiter Defendants retained possession of Plaintiffs' and other
10 Class Members' passports and refused to return them to Plaintiffs and other Class
11 Members. Recruiter Defendants stated that Plaintiffs and other Class Members
12 would receive their passports back only after they paid all fees imposed and
13 Recruiter Defendants were ready for Plaintiffs and other Class Members to fly to
14 the United States.

15
16 5. Trafficking Step 5: Recruiter Defendants Announce
17 Previously Undisclosed Second Recruitment Fee (Three
18 Months of Salary to be Earned in United States) and Fee for
Airfare

19 118. After Plaintiffs and other Class Members had already paid the non-
20 refundable First Recruitment Fee of between \$5,000 to \$5,500 in cash, which was
21 well in excess of a year's wages in the Philippines, Recruiter Defendants told
22 Plaintiffs and other Class Members for the first time that they would have to pay a
23 second and much larger recruitment fee, as well as the cost of their airfare to the
24 United States.

25
26 a. Recruiter Defendants explained, orally and through documents
27 they required Plaintiffs and other Class Members to sign, that the Undisclosed
28

1 Second Recruitment Fee would be an amount equal to three months of Plaintiffs’
2 and other Class Members’ expected United States salary.

3 b. Recruiter Defendants explained that Plaintiffs and other Class
4 Members would be required to pay a fee equal to two months of their expected
5 United States salaries before the Recruiter Defendants would return their visas and
6 passports, and before they would be permitted to depart for the United States. The
7 remaining fee (equal to an additional month’s salary) would be collected later, after
8 Plaintiffs and other Class Members had been in the United States for one year.
9

10 c. Recruiter Defendants informed Plaintiffs and other Class
11 Members what their monthly salaries would be, based on a salary schedule that
12 Recruiter Defendants claimed was in effect at the schools where Plaintiffs and other
13 Class Members would be teaching. However, the salary stated by Recruiter
14 Defendants was often inaccurate, and was often higher than the salaries Plaintiffs
15 and other Class Members would actually earn, resulting in many Plaintiffs and other
16 Class Members paying up-front fees equivalent to even more than two-months’
17 worth of their expected salaries.
18

19 d. Teachers at EBRPSS and the non-defendant Louisiana School
20 Districts typically work ten months per school year, and their annual salaries are
21 therefore typically paid over the course of ten months. The Undisclosed Second
22 Recruitment Fee was based on a ten month salary system. Accordingly, the
23 Undisclosed Second Recruitment Fee represented a full 30 percent of the expected
24 annual income of Plaintiffs and other Class Members—20 percent payable before a
25 teacher left the Philippines and the remaining 10 percent payable after the teacher
26
27
28

1 had been in the United States for one year.

2 e. According to Recruiter Defendants' records, Plaintiffs and
3 other Class Members were required to pay from \$6,300 to \$12,000 to cover the 20
4 percent fee due before departing the Philippines. The average charge was \$9,238
5 and the median charge was \$9,400.
6

7 119. Recruiter Defendants also told Plaintiffs and other Class Members
8 that they would have to purchase plane tickets through PARS, and that they were
9 not permitted to purchase their own plane tickets.
10

11 a. The ticket prices charged typically averaged between \$800 and
12 \$1,200 for a one-way ticket.

13 b. Plaintiffs and other Class Members could have obtained tickets
14 at a lower price than what they were charged by Recruiter Defendants.
15

16 120. The Recruiter Defendants told Plaintiffs and other Class Members that
17 if they did not pay the two-month fee and cost of the plane ticket, they would forfeit
18 the substantial sums they had already paid, they would not be permitted to travel to
19 the United States, and they would not be given their visas.
20

21 121. Plaintiffs and other Class Members were surprised by these new and
22 exorbitant fees, which were in addition to the substantial fees they had already been
23 charged. However, they felt powerless to do anything other than conform to
24 Recruiter Defendants' demands because they did not have control over their
25 passports, and if they did not come to work in the United States, they would suffer
26 severe financial harm because of the overwhelming non-refundable debt they had
27 already accumulated.
28

1 122. Plaintiffs and other Class Members had no personal funds or assets to
2 cover the Undisclosed Second Recruitment Fee and the cost of the plane ticket, and
3 almost all Plaintiffs and other Class Members lacked other personal or community
4 resources on which to draw to satisfy these new charges.
5

6 123. Recruiter Defendants anticipated that Plaintiffs and other Class
7 Members likely lacked the resources to cover the Undisclosed Second Recruitment
8 Fee and referred Plaintiffs and other Class Members to private lending businesses
9 where the Plaintiffs and other Class Members could borrow the outstanding
10 balance. The private lenders identified by Recruiter Defendants were FG Financial
11 Company, Inc., and AG Finance, Inc.
12

13 124. FG Financial Company, Inc., and AG Finance, Inc. charged usurious
14 and exploitative interest rates of between 3 percent and 5 percent per month. Upon
15 information and belief, these interest rates were compounding monthly, and
16 therefore equate to an annual interest rate of 43 percent to 80 percent per year.
17

18 125. Upon information and belief, Recruiter Defendants received
19 compensation from FG Financial Company, Inc., and AG Finance, Inc. for referring
20 Plaintiffs and other Class Members to them.
21

22 126. Recruiter Defendants gave hand-written receipts to Plaintiffs and
23 other Class Members for the portion of the Undisclosed Second Recruitment Fee
24 paid in the Philippines, showing that half of the fee (one month's salary) was
25 received by Defendant PARS, and half of the fee (another month's salary) was
26 received by Defendant Universal.
27
28

 127. According to Recruiter Defendants' records, each Plaintiff and other

1 Class Member paid Recruiter Defendants aggregate fees, on average, of
2 approximately \$16,000 before he or she left the Philippines.

3 6. Trafficking Step 6: Recruiter Defendants Require Signature of
4 Illegal Contracts in the Philippines

5 128. Recruiter Defendants required Plaintiffs and other Class Members to
6 sign contracts in the Philippines before they departed for the United States.

7
8 129. Upon information and belief, the contracts were signed after Recruiter
9 Defendants, Employer Defendants, and Plaintiffs and other Class Members had
10 completed all or substantially all of the work necessary to obtain H-1B visas.

11 130. Plaintiffs and other Class Members were required to sign a contract in
12 the Philippines on Defendant PARS's letterhead (the "PARS Contract").

13
14 131. The PARS Contract was not pre-approved by the Louisiana
15 Workforce Commission, as required by Section 23:111(B)(3) of the Louisiana
16 Revised Statutes, and were not pre-approved by the POEA.

17
18 132. Upon information and belief, the PARS contract specified that the
19 teacher must:

- 20 a. make an up front payment to PARS equal to one month's
21 promised salary;
22
23 b. pay a legal fee for an immigration attorney; and
24
25 c. pay a visa processing fee.

26 133. Plaintiffs and other Class Members were denied copies of the PARS
27 Contract, even though several asked for a copy of the contract.

28 134. Some Plaintiffs and some other Class Members were required to sign

1 a contract in the Philippines on Defendant Universal’s letterhead (the “Universal
2 Philippine Contract”).

3
4 135. The Universal Philippine Contract was not pre-approved by the
5 Louisiana Workforce Commission, as required by Section 23:111(B)(3) of the
6 Louisiana Revised Statutes, and the fees contemplated in the Contract were not pre-
7 approved by the POEA.

8
9 136. Upon information and belief, the Universal Philippine Contract
10 specified that Plaintiffs and other Class Members would pay ten percent of their
11 gross monthly income for twenty-four months to Defendant Universal.

12
13 137. Plaintiffs and other Class Members were denied copies of the
14 Universal Philippine Contract, even though several asked for a copy of the contract.

15
16 138. Plaintiffs and other Class Members were rushed into signing the
17 PARS Contract and the Universal Philippine Contract. Plaintiffs and other Class
18 Members did not have an opportunity to review the PARS Contract or the Universal
19 Philippine Contract before signing them.

20
21 139. Given Plaintiffs’ and other Class Members’ enormous debt and severe
22 financial exposure, they reasonably believed that they had no choice but to sign the
23 contracts and travel to the United States to work in order to repay these substantial
24 financial obligations.

25 7. Trafficking Step 7: Recruiter Defendants Direct Plaintiffs and
26 other Class Members to California, Compel Signatures on
27 Illegal Contracts in California, and Control Documents

28 140. The plane tickets arranged by Recruiter Defendants required Plaintiffs
and other Class Members to fly to the Los Angeles International Airport, where

1 they were required to meet with Recruiter Defendants' representatives in California:
2 Defendant Lourdes Navarro, Defendant Hothello Navarro, and/or other agents of
3 Defendant Universal.

4
5 141. Recruiter Defendants took Plaintiffs and other Class Members to
6 Recruiter Defendants' office in California, confiscated their passports and visas, and
7 forced them to sign another contract (hereinafter referred to as "Universal
8 California Contract").

9
10 142. The Universal California Contract was not pre-approved by the
11 Louisiana Workforce Commission, as required by Section 23:111(B)(3) of the
12 Louisiana Revised Statutes, and the fees contemplated in the Contract were not pre-
13 approved by the POEA.

14
15 143. The Universal California Contract provided that Plaintiffs and other
16 Class Members would pay ten percent of their gross monthly income for twenty-
17 four months to Defendant Universal.

18
19 144. Plaintiffs and other Class Members were rushed in reading the
20 Universal California Contract. Some Plaintiffs and other Class Members
21 questioned the terms of the contract when they were in the Recruiter Defendants'
22 office in California. Recruiter Defendants or their representatives threatened that
23 Plaintiffs and other Class Members would be immediately sent back to the
24 Philippines if they did not sign the contract as written.

25
26 145. Plaintiffs and other Class Members signed the Universal California
27 Contract because they reasonably believed they had no choice but to sign the
28 contracts in order to be able to work in the United States, which was the only way

1 they could possibly repay the enormous debt they had incurred as a result of
2 Recruiter Defendants' scheme.

3 8. Trafficking Step 8: Recruiter Defendants Dictate Housing
4 Arrangements

5 146. While in California, Plaintiffs and other Class Members were
6 informed that Recruiter Defendants had arranged for their housing in Louisiana.
7 Plaintiffs and other Class Members were neither permitted to arrange for their own
8 housing, nor even to select their roommates and housemates.

10 147. While still in California, Plaintiffs and other Class Members were
11 required to pay an initial fee for their housing in Louisiana. Plaintiffs and other
12 Class Members paid approximately \$300 each to Defendant Universal and/or
13 Defendant Lourdes Navarro.

15 148. Recruiter Defendants executed the leases for the housing provided to
16 the Plaintiffs and other Class Members.

18 149. Upon information and belief, the housing that the Recruiter
19 Defendants mandated for the EBRPSS Teacher Subclass was not safe. For
20 example, there were numerous burglaries at the mandated apartment complex in
21 EBRPSS.

23 150. Upon information and belief, the housing was priced above the market
24 rate, and Recruiter Defendants received a portion of the rent paid each month by
25 Plaintiffs and other Class Members.

27 151. When Plaintiffs and other Class Members complained to Recruiter
28 Defendants regarding the price, quality, and/or safety of the housing, Recruiter

1 Defendants told them they could not leave the housing. Upon information and
2 belief, Recruiter Defendants required Class Members to reside in such housing in
3 order to isolate them from the broader Filipino community and thus enhance their
4 ability to control members of the EBRPSS Teacher Subclass.
5

6 152. One member of the EBRPSS Teacher Subclass, Jave Pajuelas,
7 approached his principal, Sherry Brock of the Westdale Middle School, to seek
8 assistance in obtaining alternate housing that would be closer to the school where he
9 was teaching. Principal Brock informed him that she could not help him find
10 alternative housing because it would upset and anger Defendant Lourdes Navarro.
11 Mr. Pajuelas informed some of the other Louisiana Teacher Class Members of this
12 conversation, and those individuals reasonably understood that if they tried to leave
13 the housing Lourdes Navarro had selected, they would face possible punishment by
14 Lourdes Navarro.
15
16

17 9. Trafficking Step 9: Visa Renewal Process

18 153. H-1B visas are typically issued for three years, even if there is no
19 guarantee that the job will last for the full three years.
20

21 154. Upon information and belief, Recruiter Defendants, Legal Facilitator
22 Defendants, Employer Defendants, and the non-defendant Louisiana School
23 Districts were aware that H-1B visas may be obtained for a three-year period.
24

25 155. Employer Defendants have secured H-1B visas for foreign-national
26 teachers who are not members of the Louisiana Teacher Class. Some, if not all, of
27 those teachers received three-year H-1B visas.
28

156. Recruiter Defendants arranged for Legal Facilitator Defendants to

1 handle obtaining and renewing H1-B visas for Plaintiffs and other Class Members.
2 Legal Facilitator Defendants, in conjunction with Recruiter Defendants, Employer
3 Defendants, and non-defendant Louisiana School Districts, secured one-year visas
4 for Plaintiffs and other Class Members instead of three-year visas.
5

6 157. Upon information and belief, Defendants obtained one-year visas in
7 order to enhance their ability to control Plaintiffs and other Class Members.
8 Specifically, Recruiter Defendants could continually threaten non-renewal and
9 forced departure if Plaintiffs and other Class Members did not conform to their
10 demands.
11

12 158. Legal Facilitator Defendants and Recruiter Defendants charged
13 excessive fees to renew the H-1B visas each year.
14

15 10. Trafficking Step 10: Ongoing Methods of Intimidation and
16 Manipulation by Recruiter Defendants, Legal Facilitator
17 Defendants, and Employer Defendants

18 159. Defendant Lourdes Navarro threatened abuse of legal process in an
19 effort to intimidate and control Plaintiffs and other Class Members by, *inter alia*,
20 threatening that she could have teachers deported:

21 a. In November 2007, Plaintiff Mari and other Class Members
22 working at the Recovery School District complained to Defendant Lourdes Navarro
23 that the housing she had arranged for them was too expensive, and that they were
24 going to move out. Lourdes Navarro became very upset at this, telling Mari and
25 other Class Members that they could not move out, and warning that she could have
26 them sent back to the Philippines if they did so.
27

28 b. On or about August 28, 2008, Defendant Lourdes Navarro

1 threatened teachers, including Plaintiff Mairi Nunag-Tañedo, that the teachers could
2 be sent back to the Philippines if they did not obey her instructions. Lourdes
3 Navarro forced Nunag-Tañedo and some other EBRPSS Teacher Subclass members
4 to move overnight into a different apartment complex, without any credible
5 explanation as to why this move was necessary.
6

7 c. On or about October 8, 2008, Defendant Lourdes Navarro
8 warned Plaintiff Pascual that he could not bring his family to the United States with
9 him, even though he was permitted to do so under the H-1B visa program, and that
10 if he did try to bring his family with him she could have him sent back to the
11 Philippines;
12

13 d. On or about June 10, 2009, EBRPSS Teacher Subclass member
14 Araceli Garcia complained to a reporter at a Baton Rouge television station about
15 abuses she suffered at the hands of Recruiter Defendants. Defendant Lourdes
16 Navarro was outraged, and with the help of a teacher in Baton Rouge, Rafaela
17 Flores, arranged a conference call with Garcia and approximately sixteen other
18 EBRPSS Teacher Subclass members. The call lasted approximately four hours, and
19 Lourdes Navarro repeatedly threatened to get back at Garcia, and that she would
20 have Garcia deported.
21

22 e. Upon information and belief, Defendant Lourdes Navarro
23 made these threats of deportation in an effort to intimidate and control Class
24 Members.
25

26
27 160. Defendant Lourdes Navarro threatened abuse of legal process and
28 abused legal process in an effort to intimidate and control Plaintiffs and other Class

1 Members by, *inter alia*, threatening to sue, and suing, Class Members who voiced
2 criticisms about Recruiter Defendants’ trafficking scheme:

3 a. In 2008, individuals voiced complaints about Defendants on a
4 blog named “Pinoy Teachers Hub.” In retaliation against the bloggers, Defendant
5 Lourdes Navarro and Defendant Universal sued teachers whom they believed
6 authored the blog, including Ingrid Cruz and Janet Añober. Cruz and Añober are
7 members of the EBRPSS Teacher Subclass. The California Court of Appeals
8 dismissed the claims against Cruz in *Navarro v. Cruz*, No. B216885 (Cal. Ct. App.,
9 June 2, 2010), pursuant to California’s anti-SLAPP law. The anti-SLAPP law is
10 designed to quickly dispose of baseless litigation filed to dissuade or punish
11 exercise of the constitutional rights of free speech and petition for the redress of
12 grievances.
13

14 b. In approximately late May or early June 2009, Defendant
15 Lourdes Navarro held a meeting with Class Members working at the Caddo Public
16 Schools District, including Plaintiff Pascual. During that meeting Lourdes Navarro
17 threatened that if teachers in Caddo started speaking out against her, they would be
18 “punished” like the teachers in Baton Rouge; Pascual and others understood
19 Lourdes Navarro to mean that she would sue them as she had sued Cruz and
20 Añober.
21

22 c. Upon information and belief, Recruiter Defendants and Legal
23 Facilitator Defendants lacked any legal or factual basis for the lawsuits related to
24 the Pinoy Teachers Hub blog and filed these lawsuits in an effort to intimidate
25 teachers who were voicing opposition to Recruiter Defendants.
26
27
28

1 161. Defendant Lourdes Navarro threatened abuse of legal process and
2 abused legal process in an effort to intimidate and control Plaintiffs and other Class
3 Members by, *inter alia*, threatening to sue, and suing, Class Members who refused
4 to pay on the illegal Universal California Contract during the second year of their
5 employment in the United States:
6

7 a. Defendant Universal filed baseless lawsuits based on the illegal
8 contracts against, *inter alia*, EBRPSS Teacher Subclass members Ingrid Cruz, Janet
9 Añober and Melissa Idong. Universal also sued Plaintiff Tomasa Mari and Class
10 Member Margaret Aguirre, who teach in the Recovery School District.
11

12 b. In late January or early February 2009, Defendant Lourdes
13 Navarro conducted a meeting in Baton Rouge with many EBRPSS Teacher
14 Subclass members, including Plaintiff Escuadra. During that meeting, Lourdes
15 Navarro warned teachers that if they defied her, or if they refused to follow the
16 written terms of the Universal California Contract, she would sue them. Lourdes
17 Navarro represented that she had already successfully sued another teacher.
18

19 c. Upon information and belief, Recruiter Defendants selectively
20 sued teachers to intimidate other teachers into complying with Recruiter
21 Defendants' demands.
22

23 162. Defendant Lourdes Navarro threatened abuse of legal process in an
24 effort to intimidate and control Plaintiffs and other Class Members by, *inter alia*,
25 threatening that she could arrange to have Class Members' visas expire without
26 renewal, and/or to have Class Members' employment terminated:
27

28 a. In August 2008, at a meeting in Baton Rouge between

1 Defendant Lourdes Navarro and various EBRPSS Teacher Subclass members,
2 Plaintiff Escuadra asked for a refund, based on the fact that the annual salary
3 promised by Recruiter Defendants was higher than what she (and other EBRPSS
4 Teacher Subclass member) was being paid by Defendant EBRPSS. Lourdes
5 Navarro became furious, and told Escuadra that she might not have a job the next
6 year.
7

8 b. During several phone conversations between Defendant
9 Lourdes Navarro and Plaintiff Nunag-Tañedo in the Fall of 2008 regarding
10 problems with Nunag-Tañedo's housing, Lourdes Navarro told her to stop
11 complaining about housing issues, and questioned whether Nunag-Tañedo would
12 get a job the next year.
13

14 163. Defendant Lourdes Navarro threatened Class Members that if they did
15 not pay the fees required by the illegal Universal California Contract, she would
16 refuse to provide their renewed visas. Lourdes Navarro made this threat on or about
17 September 11, 2009 to several teachers at the Jefferson Parish Public School
18 System. However, when the Jefferson Parish Public School System insisted that
19 Lourdes Navarro deliver the teachers' visa renewal documents, she relented.
20

21 164. Recruiter Defendants attempted to isolate Plaintiffs and other Class
22 Members as much as possible, in an effort to manipulate and control Plaintiffs and
23 other Class Members.
24

25 a. Recruiter Defendants repeatedly warned Plaintiffs and other
26 Class Members not to associate with the surrounding Filipino community. Such
27 warnings were given before Plaintiffs and other Class Members left the Philippines,
28

1 when Plaintiffs and other Class Members were in California, and when Plaintiffs
2 and other Class Members were in Louisiana.

3 b. On or about July 22, 2008, Employer Defendants invited
4 members of the EBRPSS Teacher Subclass and members of the Filipino American
5 Association of Greater Baton Rouge (“FAAGBR”) to a recruiting event in Baton
6 Rouge. At that event, Defendant Lourdes Navarro told the President of FAAGBR
7 to stay away from Plaintiffs and other Class Members, and not to associate with
8 them. Lourdes Navarro warned that she would sue members of FAAGBR if they
9 interacted with Plaintiffs and other Class Members. Lourdes Navarro made these
10 and similar threats in the presence of Defendant Duran Swinford and other EBRPSS
11 agents.

12 c. Recruiter Defendants told Plaintiffs and other Class Members
13 that they were not permitted to bring their families with them to the United States,
14 even though immigration law permits family members to accompany H-1B visa
15 holders. Upon information and belief, Recruiter Defendants did this in an effort to
16 further isolate Class Members in the United States.

17 d. Recruiter Defendants required members of the Louisiana
18 Teacher Class to reside in housing selected by Recruiter Defendants in order to
19 isolate them from the broader Filipino community.

20
21
22
23
24
25 **C. Factual Allegations that Legal Facilitator Defendants Facilitated**
26 **the Illegal Trafficking Scheme**

27 165. Legal Facilitator Defendants actively facilitated Recruiter Defendants’
28 trafficking scheme.

1 166. At all times relevant to this complaint, Recruiter Defendants acted as
2 agents for Legal Facilitator Defendants in communicating with Plaintiffs and Class
3 Members.
4

5 167. Recruiter Defendants engaged in a scheme to exploit Plaintiffs and
6 other Class Members by promising them an opportunity to teach in the United
7 States without disclosing the exorbitant fees that would be charged until the
8 Plaintiffs and other Class Members were so far into debt that they had no choice but
9 to continue.
10

11 168. Recruiter Defendants and Legal Facilitator Defendants further
12 manipulated Plaintiffs and other Class Members after they arrived in the United
13 States and began working by isolating Plaintiffs and other Class Members from
14 other Filipinos, threatening lawsuits and deportation if Plaintiffs and other Class
15 Members failed to follow their instructions, and manipulating the visa renewal
16 process in an effort to maintain and exert control over the Plaintiffs and other Class
17 Members.
18 Members.
19

20 169. Legal Facilitator Defendants were fully aware of and involved in the
21 recruitment scheme. Their roles in this scheme included, at a minimum, the
22 following:
23

24 a. Legal Facilitator Defendants entered into an attorney-client
25 relationship with Plaintiffs and other Class Members. Specifically, Legal Facilitator
26 Defendants submitted G-28 Notice of Entry of Appearance forms with each H-1B
27 visa petition stating that Legal Facilitator Defendants represented both the Plaintiffs
28 and other Class Members, and the petitioning school districts;

1 b. Plaintiffs and other Class Members were the only parties to pay
2 fees to Legal Facilitator Defendants for the purported purpose of the Legal
3 Facilitator Defendants' legal work procuring their H-1B visas;
4

5 c. Legal Facilitator Defendants conspired with Recruiter
6 Defendants, Employer Defendants, and the non-defendant Louisiana School
7 Districts to require Plaintiffs and other Class Members to pay all Visa Processing
8 Fees, even though federal law required the petitioner/school district, not the
9 beneficiary/teacher, to pay such fees;
10

11 d. Legal Facilitator Defendants conspired with Recruiter
12 Defendants, Employer Defendants, and the non-defendant Louisiana School
13 Districts to apply for one-year visas, instead of the more typical three-year visas.
14 This required Plaintiffs and other Class Members to pay additional fees to Recruiter
15 Defendants and Legal Facilitator Defendants to process renewal applications after
16 just one year and allowed the Recruiter Defendants to assert continued control over
17 Plaintiffs and other Class Members through the threat of visa non-renewals;
18
19

20 e. Legal Facilitator Defendants filed all initial H-1B visa petitions
21 on behalf of EBRPSS and non-defendant Louisiana School Districts and Plaintiffs
22 and other Class Members, resulting in H-1B visas being issued to Plaintiffs and
23 other Class Members;
24

25 f. Legal Facilitator Defendants filed many renewal petitions in
26 subsequent years after the initial visas expired;

27 g. Legal Facilitator Defendants drafted and requested a fraudulent
28 statement from EBRPSS in an effort to terminate the visa of a teacher who refused

1 to pay the exorbitant fees demanded by Recruiter Defendants, as detailed in ¶ 179.b,
2 *infra*;

3 h. Legal Facilitator Defendants conspired with Recruiter
4 Defendants to file baseless lawsuits against Class Members—their own clients—in
5 retaliation for efforts by teachers to organize and protest Defendants’ practices,
6 including a lawsuit against Plaintiff Ingrid Cruz. Defendant Silverman submitted a
7 verification for the complaint against Ingrid Cruz as legal counsel for Defendant
8 Universal; and
9

10 i. Legal Facilitator Defendants conspired with Recruiter
11 Defendants to file baseless lawsuits against Class Members, including, *inter alia*,
12 Plaintiff Ingrid Cruz and Class Members Janet Añober and Melissa Idong, each of
13 whom teaches at EBRPSS, and Plaintiff Tomasa Mari and Class Member Margaret
14 Aguirre who teach at the Recovery School District, to collect on illegal contracts
15 when teachers refused to pay the improper fees demanded.
16
17

18 170. Plaintiffs and other Class Members never interacted with Legal
19 Facilitator Defendants directly. Instead, Plaintiffs and other Class Members were
20 required to work strictly with Recruiter Defendants. Any communications from or
21 to Plaintiffs and other Class Members and Legal Facilitator Defendants were
22 conveyed via Recruiter Defendants. Plaintiffs and other Class Members also paid
23 purported legal fees to Recruiter Defendants, rather than directly to Legal Facilitator
24 Defendants.
25
26

27 171. Upon information and belief, Employer Defendants and the non-
28 defendant Louisiana School Districts never paid any fees for legal services to Legal

1 Facilitator Defendants. All fees were instead paid by Plaintiffs and other Class
2 Members.

3 172. Upon information and belief, Legal Facilitator Defendants were aware
4 of numerous conflicts between Plaintiffs and other Class Members on the one hand,
5 and the Recruiter Defendants, Employer Defendants and non-defendant Louisiana
6 School Districts on the other.

7
8 173. Upon information and belief, Legal Facilitator Defendants never
9 sought nor obtained a waiver of conflicts of interest from any Plaintiff or other
10 Class Member.

11
12 **D. Factual Allegations That Employer Defendants were Beneficiaries**
13 **of the Illegal Trafficking Scheme**

14 174. Employer Defendants participated in a common venture with
15 Recruiter Defendants and Legal Facilitator Defendants to recruit teachers from the
16 Philippines and transport them to the United States. In furtherance of this venture,
17 EBRPSS and its agents, including Defendant Duran Swinford, participated in the
18 following activities, among others: (a) they interviewed teachers through
19 teleconferencing technology, and they traveled to the Philippines in 2007 and in
20 2008 to interview applicants; (b) they selected Plaintiffs and other Class Members
21 from among the applicants they interviewed; (c) they issued job offers to the
22 Plaintiffs and other Class Members, which were executed by both parties; and (d)
23 they worked collectively with Recruiter Defendants and Legal Facilitator
24 Defendants to prepare and submit visa applications and renewal applications.

25
26
27
28 175. Employer Defendants knowingly benefited from the illegal human

1 trafficking scheme perpetrated by Recruiter Defendants. Not only were they able to
2 procure the services of needed teachers from the Philippines; they were also able to
3 avoid all fees and costs typically associated with identifying and recruiting qualified
4 educators—including visa fees that they, as employers, were required to pay under
5 federal law.

7 **E. Factual Allegations That Employer Defendants Facilitated the**
8 **Illegal Trafficking Scheme, or Alternatively Knew or Reasonably**
9 **Should Have Known of the Illegal Trafficking Scheme**

10 176. Employer Defendants had express knowledge of the fees that
11 Recruiter Defendants imposed, and the crippling financial harm this caused
12 Plaintiffs and other Class Members:

13 a. Employer Defendants did not pay Recruiter Defendants or
14 Legal Facilitator Defendants for their recruitment efforts. Indeed, Employer
15 Defendants did not have to pay anything toward the recruitment process; Employer
16 Defendants were reimbursed for all costs related to interviewing applicants in the
17 Philippines.

18 b. Upon information and belief, Employer Defendants realized
19 that Recruiter Defendants and Legal Facilitator Defendants were engaged in a for-
20 profit scheme.

21 c. Employer Defendants were aware of the costs of filing an H-
22 1B visa. They learned of these fees by, *inter alia*, reviewing the H-1B documents
23 they signed, which disclosed some of the fees, and by reviewing written materials
24 sent to them by Recruiter Defendants, which explained the costs of filing for an H-
25 1B visa petition;
26
27
28

1 d. Employer Defendants were also aware of the various
2 recruitment fees and related fees charged by Recruiter Defendants through their
3 trafficking scheme. Upon information and belief, Employer Defendants were told
4 of the exorbitant fees in or before November 2007, again in April 2008, and many
5 times thereafter.
6

7 177. Employer Defendants were aware by no later than May 2008 that the
8 U.S. Embassy in Manila was investigating the conduct of Recruiter Defendants,
9 when Defendant Duran Swinford was contacted by an agent from the U.S. Embassy
10 in Manila to inquire about Recruiter Defendants.
11

12 178. Employer Defendants were informed by no later than November 2008
13 that Defendant Lourdes Navarro had been convicted of defrauding the government
14 and of money laundering.
15

16 179. Employer Defendants were aware that Recruiter Defendants were
17 abusing legal process in order to intimidate and control job applicants—indeed,
18 Employer Defendants assisted in the same:
19

20 a. On at least three occasions, Employer Defendants were
21 contacted directly by applicants who had successfully interviewed with Employer
22 Defendants in the Philippines, and who were seeking to complete the H-1B visa
23 process by a means other than through Recruiter Defendants because of the
24 exorbitant fees Recruiter Defendants were charging. In these instances, Employer
25 Defendants informed Recruiter Defendants of these applicants' attempts to
26 circumvent Recruiter Defendants' scheme, and told the applicants that EBRPSS
27 would not consider hiring them, even though EBRPSS had hired H-1B visa teachers
28

1 in the past without using Recruiter Defendants.

2 b. In January 2008, an applicant named Genna Balneg refused to
3 pay Recruiter Defendants the exorbitant placement fee they sought to extract after
4 her visa was approved. Employer Defendants colluded with Recruiter Defendants
5 and Legal Facilitator Defendants to submit a fraudulent statement to the U.S.
6 Government to obtain cancellation of Ms. Balneg's visa. The fraudulent statement
7 appears in a letter dated January 24, 2008, from Defendant Williams to Defendant
8 Silverman, on EBRPSS letterhead, asking for the cancellation of Balneg's visa
9 because Balneg "has attempted to defraud the East Baton Rouge Parish School
10 System by falsely representing her intention to work for us in order to gain access to
11 the United States." Employer Defendants knew this statement was false, and that
12 Balneg had simply refused to pay the exorbitant and illegal fee that Recruiter
13 Defendants sought to extract. Balneg's visa was cancelled as a result of the
14 fraudulent statement

15 c. Employer Defendants assisted Recruiter Defendants in
16 attempting to enforce the illegal contracts Plaintiffs and other Class Members were
17 forced to sign in California. For example, on two occasions in 2008, Principal
18 Sherry Brock of the Westdale Middle School in the EBRPSS called Louisiana
19 Teacher Class member Janet Añober into her office in the middle of the school day.
20 Defendant Lourdes Navarro then spoke to Añober on the telephone, and permitted
21 Lourdes Navarro to tell Ms. Añober that she was obligated to pay the fee charged
22 by Recruiter Defendants. Principal Sherry Brock further told Ms. Añober that she
23 should pay the money Recruiter Defendants were demanding.

1 180. Employer Defendants colluded with Recruiter Defendants and Legal
2 Facilitator Defendants to ensure that Plaintiffs and other Class Members received
3 one-year instead of three-year visas, even though Employer Defendants were aware
4 three-year visas were available, and Employer Defendants had applied for three-
5 year visas in the past for other H-1B visa teachers who were not recruited by
6 Recruiter Defendants. In particular, Defendant Placide signed all visa petitions for
7 Plaintiffs and other Class Members, and thus she (as well as other EBRPSS agents)
8 knew that one-year rather than three-year visas were being requested. Defendant
9 Placide had previously signed H-1B visa petitions on behalf of individuals who are
10 not members of the Louisiana Teacher Class seeking and obtaining three-year visas.

11 181. Employer Defendants colluded with Recruiter Defendants to stymie
12 criticisms of the Recruiter Defendants' trafficking scheme, and to aid in the
13 furtherance of that scheme, by taking the following actions, *inter alia*:
14

15 a. On or about August 13, 2008, Defendant Duran Swinford
16 informed Defendant Lourdes Navarro that EBRPSS was receiving public criticism
17 about the housing arrangements made for EBRPSS Teacher Subclass members, and
18 that some EBRPSS Teacher Subclass members were publicly complaining that
19 "recruiters" had taken all of the Subclass members' money. Duran Swinford told
20 Lourdes Navarro that these "rumors" were problems for EBRPSS. Duran Swinford
21 volunteered to forward the name(s) of those making public complaints to Lourdes
22 Navarro when they became available. Duran Swinford asked Lourdes Navarro for
23 advice on how to handle the situation;
24
25
26
27
28

 b. On or about November 6, 2008, Defendant Duran Swinford

1 informed Defendant Lourdes Navarro about the Pinoy Teachers Hub blog.
2 Defendant Duran Swinford did so after the blog's web address had been submitted
3 to EBRPSS through its website. The only substantive entry on the blog had been
4 posted the previous evening, on November 5, 2008, and this posting was sharply
5 critical of Recruiter Defendants;
6

7 c. On or about April 9, 2009, Defendant Lourdes Navarro
8 contacted Defendant Duran Swinford to complain that Defendant EBRPSS was
9 starting to obtain three-year renewal visas for a small number of teachers, instead of
10 the one-year visas Legal Facilitator Defendants and Recruiter Defendants were
11 providing. Navarro complained, "You know I have been having problems with
12 those teachers already and this will create a lot of problems with teachers renewing
13 with us." Duran Swinford responded that EBRPSS would check each renewal
14 petition and make sure that it requested only a one-year rather than a three-year
15 renewal;
16
17

18 d. No later than October 2009, Recruiter Defendants began
19 having problems renewing visas for teachers whose original petitions had been
20 signed by agents for Defendant EBRPSS, but who were teaching instead in other
21 school systems. These teachers had never taught at EBRPSS, and upon information
22 and belief, Recruiter Defendants had redirected the teachers to other schools for
23 employment. At the behest of the Recruiter Defendants, Defendant Duran
24 Swinford, on behalf of Defendant EBRPSS, drafted letters to the USCIS to explain
25 that although EBRPSS had intended to hire these teachers, the teachers arrived too
26 late in the school year, and EBRPSS no longer had openings for these teachers.
27
28

1 Upon information and belief, Defendant Duran Swinford knew this reason for the
2 placement of these teachers at other school districts was false but nevertheless made
3 this statement to support the Recruiter Defendants' scheme; and
4

5 e. No later than November 2009, Defendant PARS came under
6 investigation by the POEA regarding its recruiting practices in response to
7 complaints filed by teachers who alleged that PARS was violating POEA rules.
8 Defendant Lourdes Navarro, acting on behalf of PARS and Defendant Villarba,
9 asked Defendant Duran Swinford to supply information about teachers who were
10 working or who had previously worked at EBRPSS and who were complaining to
11 the POEA. Upon information and belief, Duran Swinford sent Lourdes Navarro
12 information about the teachers, including (a) termination letters; (b) teacher
13 evaluations; and/or (c) statements that the teachers were still employed with
14 EBRPSS. Upon information and belief, the documents transmitted by Duran
15 Swinford to Lourdes Navarro are confidential, and in any event were sent without
16 the consent or knowledge of the individual teachers.
17
18
19

20 182. Employer Defendants were aware that Recruiter Defendants
21 attempted to keep Plaintiffs and other Class Members from associating with local
22 Filipinos in Baton Rouge, and Defendant Duran Swinford witnessed Defendant
23 Lourdes Navarro tell the leader of a local Filipino association to stay away from
24 Plaintiffs and other Class Members.
25

26 **F. Factual Allegations of Fraudulent Omission of Second**
27 **Recruitment Fee**

28 183. On or about March 28, 2008, at the Waterfront Hotel in Cebu City,

1 Philippines, Defendant Lourdes Navarro informed Plaintiff Nunag-Tañedo that she
2 would need to collect various supporting documents, pay a First Recruitment Fee of
3 \$5,515 (involving a Visa Processing Fee of \$3,920, a Credentials Evaluation Fee of
4 \$595, and an Agency Fee of \$1,000) in order to obtain her job offer and to complete
5 the H-1B visa process. However, Lourdes Navarro willfully, maliciously, and
6 fraudulently failed to inform Nunag-Tañedo that before she would be permitted to
7 leave the Philippines, she would need to pay an Undisclosed Second Recruitment
8 Fee of three months of her expected salary in the United States, as well as the cost
9 of airfare to the United States. Nunag-Tañedo relied on this omission and paid the
10 First Recruitment Fee.
11

12
13 184. On or about July 3, 2007, at the PARS office in Quezon City, Manila,
14 Philippines, an agent for Defendant PARS named Divine, who upon information
15 and belief is the sibling of Defendant Villarba and Defendant Lourdes Navarro,
16 informed Plaintiff Cruz that she would need to collect various supporting
17 documents and pay a First Recruitment Fee of \$5,000 (involving a Visa Processing
18 Fee of \$3,955, a Credentials Evaluation Fee of \$645, and an Agency Fee of \$400) in
19 order to obtain her job offer and to complete the H-1B visa process. However,
20 Divine willfully, maliciously, and fraudulently failed to inform Cruz that before she
21 would be permitted to leave the Philippines, she would need to pay an Undisclosed
22 Second Recruitment Fee of three months of her expected salary in the United States,
23 as well as the cost of airfare to the United States. Cruz relied on this omission and
24 paid the First Recruitment Fee.
25
26
27
28

185. On or about March 28, 2008, at the Waterfront Hotel in Cebu City,

1 Philippines, Defendant Lourdes Navarro informed Plaintiff Escuadra that she would
2 need to collect various supporting documents, pay a First Recruitment Fee of
3 \$5,515 (involving a Visa Processing Fee of \$3,920, a Credentials Evaluation Fee of
4 \$595, and an Agency Fee of \$1,000) in order to obtain her job offer and to complete
5 the H-1B visa process. However, Lourdes Navarro willfully, maliciously, and
6 fraudulently failed to inform Escuadra that before she would be permitted to leave
7 the Philippines, she would need to pay an Undisclosed Second Recruitment Fee of
8 three months of her expected salary in the United States, as well as the cost of
9 airfare to the United States. Escuadra relied on this omission and paid the First
10 Recruitment Fee.
11
12

13 186. On or about June 27, 2008 in a restaurant near the PARS office in
14 Quezon City, Manila, Philippines, Defendant Villarba informed Plaintiff Pascual
15 that he would need to collect various supporting documents, pay a First Recruitment
16 Fee of \$5,515 (involving a Visa Processing Fee of \$3,920, a Credentials Evaluation
17 Fee of \$595, and an Agency Fee of \$1,000) in order to obtain her job offer and to
18 complete the H-1B visa process. However, Villarba willfully, maliciously, and
19 fraudulently failed to inform Pascual that before he would be permitted to leave the
20 Philippines, he would need to pay an Undisclosed Second Recruitment Fee of three
21 months of his expected salary in the United States, as well as the cost of airfare to
22 the United States. Pascual relied on this omission and paid the First Recruitment
23 Fee.
24
25
26

27 187. On or about July 28, 2007, Plaintiff Mari telephoned Defendant PARS
28 to learn if she had passed her job interview, which had occurred on or about July 25,

1 2007. Defendant Villarba informed Plaintiff Mari that she would need to collect
2 various supporting documents, pay a First Recruitment Fee of \$5,565 (involving a
3 Visa Processing Fee of \$3,920, a Credentials Evaluation Fee of \$645, and an
4 Agency Fee of \$1,000) in order to obtain her job offer and to complete the H-1B
5 visa process. However, Villarba willfully, maliciously, and fraudulently failed to
6 inform Mari that before she would be permitted to leave the Philippines, she would
7 need to pay an Undisclosed Second Recruitment Fee of three months of her
8 expected salary in the United States, as well as the cost of airfare to the United
9 States. Mari relied on this omission and paid the First Recruitment Fee.
10
11

12 **G. Factual allegations of Fraudulent Omission of Employer's**
13 **Obligation to Pay Visa Processing Fees**

14 188. The Visa Processing Fees described in ¶ 103.a, *supra*, were collected
15 from Plaintiffs and other Class Members by Defendant PARS, which was acting as
16 an agent and/or alter ego for Defendant Universal, Defendant Lourdes Navarro,
17 Defendant Hothello Navarro, and Legal Facilitator Defendants.
18

19 189. Plaintiffs and other Class Members were informed of the Visa
20 Processing Fees by Defendant Lourdes Navarro, Defendant Villarba, or another
21 agent of Defendant PARS.
22

23 190. Defendant PARS, through its agents, issued hand-written receipts
24 from Defendant Universal after collecting the Visa Processing Fees from Plaintiffs
25 and other Class Members.
26

27 191. Upon information and belief, Recruiter Defendants and Legal
28 Facilitator Defendants were aware that certain parts of the Visa Processing Fees

1 were required to be paid by the employer and not the employee. In particular, the
2 H-1B Filing Fee form states that the \$320 filing fee and the \$500 anti-fraud fee
3 must be paid by the U.S. employer. Upon information and belief, an H-1B Filing
4 Fee form was submitted with each and every I-129 Petition for a Nonimmigrant
5 Worker prepared by Legal Facilitator Defendants and Defendant Universal on
6 behalf of Defendant EBRPSS and the non-defendant Louisiana School Districts.
7

8
9 192. On or about March 28, 2008, at the Waterfront Hotel in Cebu City,
10 Philippines, Defendant Lourdes Navarro informed Plaintiff Nunag-Tañedo that she
11 would need to pay \$3,920 for her visa. Lourdes Navarro failed to inform Nunag-
12 Tañedo that part of this fee was the obligation of her petitioner, Defendant
13 EBRPSS. Nunag-Tañedo reasonably relied on this omission, and paid the entire fee
14 to Defendant PARS.
15

16 193. On or about July 16, 2007, at the PARS office in Quezon City,
17 Manila, Philippines, Defendant Villarba informed Plaintiff Cruz that she would
18 need to pay \$3,920 for her visa. Villarba failed to inform Cruz that part of this fee
19 was the obligation of her petitioner, Defendant EBRPSS. Cruz reasonably relied on
20 this omission, and paid the entire fee to Defendant PARS.
21

22 194. On or about March 28, 2008, at the Waterfront Hotel in Cebu City,
23 Philippines, Defendant Lourdes Navarro informed Plaintiff Escuadra that she would
24 need to pay \$3,920 for her visa. Lourdes Navarro failed to inform Escuadra that
25 part of this fee was the obligation of her petitioner, Defendant EBRPSS. Escuadra
26 reasonably relied on this omission, and paid the entire fee to Defendant PARS.
27

28 195. On or about June 27, 2008, in a restaurant near the PARS office in

1 Quezon City, Manila, Philippines, Defendant Villarba informed Plaintiff Pascual
2 that he would need to pay \$3,920 for his visa. Villarba failed to inform Pascual that
3 part of this fee was the obligation of his petitioner, non-defendant Caddo Public
4 School System. Pascual reasonably relied on this omission, and paid the entire fee
5 to Defendant PARS.
6

7 196. On or about July 28, 2007, over the telephone, Defendant Villarba
8 informed Plaintiff Mari that she would need to pay \$3,920 for her visa. Villarba
9 failed to inform Mari that part of this fee was the obligation of her petitioner, non-
10 defendant Recovery School District. Mari reasonably relied on this omission, and
11 paid the entire fee to Defendant PARS.
12

13 **H. Factual Allegations Regarding the Class Action Fairness Act of**
14 **2005 (28 U.S.C. § 1332(d))**

15 197. The amount in controversy in this action exceeds \$5,000,000,
16 exclusive of interest and costs.
17

18 198. This is a class action in which member of a class of Plaintiffs are
19 citizens or subjects of a foreign state and some of the Defendants are citizens of a
20 State in the United States.
21

22 **VI. CLAIMS FOR RELIEF**

23 **FIRST CLAIM FOR RELIEF**

24 **THE WILLIAM WILBERFORCE TRAFFICKING VICTIMS PROTECTION**
25 **REAUTHORIZATION ACT OF 2008 (18 U.S.C. § 1595)**

26 *Louisiana Teacher Class versus*
27 *Recruiter Defendants and Legal Facilitator Defendants*

28 199. Plaintiffs and other Class Members re-allege and incorporate by
reference each and every allegation contained in the preceding paragraphs as if fully

1 set forth herein.

2 **A. Authority for a Civil Action**

3 200. Plaintiffs and other Class Members are victims of the following
4 violations of Title 18, Chapter 77 of the United States Code: 18 U.S.C. §§ 1589,
5 1590, 1592, and 1594(a) and (b).
6

7 201. As set forth in 18 U.S.C. § 1595(a), Plaintiffs and other Class
8 Members may bring a civil action against the perpetrators of these violations and
9 “whoever knowingly benefits, financially or by receiving anything of value from
10 participation in a venture which that person knew or should have known has
11 engaged in a violation” of these provisions.
12

13 202. Recruiter Defendants were perpetrators of the violations of 18 U.S.C.
14 §§ 1589, 1590, 1592, 1594(a), and 1594(b).
15

16 203. Legal Facilitator Defendants were perpetrators of the violations of 18
17 U.S.C. §§ 1589, 1590, 1594(a), and 1594(b).
18

19 204. Recruiter Defendants and Legal Facilitator Defendants knowingly
20 benefited, financially or by receiving anything of value from participation in a
21 venture which each Defendant knew or should have known engaged in violations of
22 18 U.S.C. §§ 1589, 1590, 1592, 1594(a), and/or 1594(b).
23

24 205. Plaintiffs bring this claim on behalf of themselves and the Louisiana
25 Teacher Class against Recruiter Defendants and Legal Facilitator Defendants.

26 **B. Forced Labor (18 U.S.C. § 1589)**

27 206. As set forth in ¶¶ 91–164.d, *supra*, Recruiter Defendants knowingly
28 provided the labor of Plaintiffs and other Class Members by means of abuse and

1 threatened abuse of law or legal process and by means of a scheme, pattern, or plan
2 intended to cause the Plaintiffs and other Class Members to believe that, if he or she
3 did not perform the labor, he or she would suffer serious harm.

4
5 207. As set forth ¶¶ 165–173, *supra*, Legal Facilitator Defendants
6 knowingly provided the labor of Plaintiffs and other Class Members by means of
7 abuse and threatened abuse of law or legal process and by means of a scheme,
8 pattern, or plan intended to cause the Plaintiffs and other Class Members to believe
9 that, if he or she did not perform the labor, he or she would suffer serious harm.

10
11 208. Recruiter Defendants and Legal Facilitator Defendants knowingly
12 benefited financially from participation in a venture which they knew or should
13 have known was engaged in the acts set forth in ¶¶ 206–207, *supra*.

14
15 **C. Trafficking with Respect to Peonage, Slavery, Involuntary**
16 **Servitude, or Forced Labor (18 U.S.C. § 1590)**

17 209. As set forth in ¶¶ 91–164.d, *supra*, Recruiter Defendants recruited and
18 transported Plaintiffs and other Class Members for labor and services in violation of
19 18 U.S.C. §§ 1589, 1592, 1594(a), and 1594(b).

20 210. As set forth ¶¶ 165–173, *supra*, Legal Facilitator Defendants
21 knowingly aided and abetted Recruiter Defendants’ scheme to recruit and transport
22 Plaintiffs and other Class Members in violation of 18 U.S.C. §§ 1589, 1592,
23 1594(a), and 1594(b).

24
25 211. Recruiter Defendants and Legal Facilitator Defendants knowingly
26 benefited financially from participation in a venture which they knew or should
27 have known was engaged in the acts set forth in ¶¶ 209–210, *supra*.

1 **D. Unlawful Conduct with Respect to Documents in Furtherance of**
2 **Trafficking, Peonage, Slavery, Involuntary Servitude, or Forced**
3 **Labor (18 U.S.C. § 1592)**

4 212. As set forth in ¶¶ 111–117 and 141, *supra*, Recruiter Defendants
5 knowingly removed, confiscated, and possessed the Plaintiffs’ and other Class
6 Members’ passports and visa papers in the course of a violation, and/or with the
7 intent to violate 18 U.S.C. §§ 1589, and 1594(a).

8 213. Recruiter Defendants and Legal Facilitator Defendants knowingly
9 benefited financially from participation in a venture which they knew or should
10 have known was engaged in the acts set forth in ¶ 212, *supra*.

11 **E. Attempt to Violate 18 U.S.C. §§ 1589, and 1590 (18 U.S.C.**
12 **§ 1594(a))**

13 214. As set forth in ¶¶ 91–164.d, *supra*, Recruiter Defendants attempted to
14 violate 18 U.S.C. §§ 1589 and 1590 in violation of 18 U.S.C. § 1594(a).

15 215. As set forth in ¶¶ 165–173, *supra*, Legal Facilitator Defendants
16 attempted to violate 18 U.S.C. § 1589 in violation of 18 U.S.C. § 1594(a).

17 216. Recruiter Defendants and Legal Facilitator Defendants knowingly
18 benefited financially from participation in a venture which the Defendants knew or
19 should have known was engaged in the acts set forth in ¶¶ 214 and 215, *supra*.

20 **F. Conspiracy to Violate 18 U.S.C. §§ 1589, 1590, and 1592 (18**
21 **U.S.C. § 1594(b))**

22 217. Recruiter Defendants and Legal Facilitator Defendants conspired with
23 each other to violate 18 U.S.C. §§ 1589, 1590, and 1592 in violation of 18 U.S.C.
24 § 1594(b).

25 218. Recruiter Defendants, Legal Facilitator Defendants, and Employer
26
27
28

1 Defendants conspired with each other to violate 18 U.S.C. §§ 1589 and 1590 in
2 violation of 18 U.S.C. § 1594(b).

3
4 219. Recruiter Defendants and Legal Facilitator Defendants knowingly
5 benefited financially from participation in a venture which they knew or should
6 have known was engaged in the acts set forth in ¶¶ 217–218, *supra*.

7 **G. Alternatively, Trafficking with Respect to Peonage, Slavery,**
8 **Involuntary Servitude, or Forced Labor by violating 18 U.S.C.**
9 **§§ 1589 (2003), 1592 (2003), and 1594(a) (2003 (18 U.S.C. § 1590**
10 **(2003))**

11 220. Alternatively, in violation of 18 U.S.C. § 1590 (2003), and in addition
12 to the violations of 18 U.S.C. § 1589 (2003) as set forth above, Recruiter
13 Defendants knowingly recruited, transported, harbored and/or obtained Plaintiffs
14 and other Class Members for labor or services in furtherance of the following
15 violations of Title 18, Chapter 77 of the U.S. Code:

16 a. Removing, confiscating, or possessing Plaintiffs' and other
17 Class Members' passports and other immigration documents in the course of, or
18 with the intent to violate 18 U.S.C. §§ 1589 (2003) and 1590 (2003), in violation of
19 18 U.S.C. § 1592(a) (2003); and
20

21 b. Attempting to violate 18 U.S.C. §§ 1589 (2003) and 1590
22 (2003), in violation of 18 U.S.C. § 1594(a) (2003).

23
24 221. Alternatively, in violation of 18 U.S.C. § 1590 (2003), and in addition
25 to the violations of 18 U.S.C. § 1589 (2003) as set forth above, Legal Facilitator
26 Defendants knowingly recruited, transported, harbored and/or obtained Plaintiffs
27 and other Class Members for labor or services in furtherance of Recruiter
28

1 Defendants’ and Legal Facilitator Defendants’ violations of the following
2 provisions of Title 18, Chapter 77 of the U.S. Code: 18 U.S.C. §§ 1589 (2003);
3 1590 (2003), 1594(a) (2003).
4

5 **H. Damages**

6 222. As a proximate result of the conduct of Recruiter Defendants and
7 Legal Facilitator Defendants, Plaintiffs and other Class Members have suffered
8 injuries to their persons, businesses, and property, and other damages.
9

10 223. Plaintiffs and other Class Members are entitled to recover
11 compensatory and punitive damages in an amount to be proven at trial, including
12 attorneys’ fees.
13

14 **SECOND CLAIM FOR RELIEF**
15 **RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT**
16 **18 U.S.C. § 1962(c) and 18 U.S.C. § 1962(d)**
17 *Louisiana Teacher Class versus Recruiter Defendants and Legal*
18 *Facilitator Defendants;*
19 *EBRPSS Teacher Subclass versus all RICO Defendants*

20 224. Plaintiffs re-allege and incorporate by reference each and every
21 allegation contained in the preceding paragraphs as if fully set forth herein.
22

23 225. Plaintiffs’ and other Class Members’ claims under the Racketeer
24 Influenced and Corrupt Organizations Act, 18 U.S.C. §§ 1961–68 (“RICO”), are
25 brought against the Recruiter Defendants and the Legal Facilitator Defendants.
26 EBRPSS Teacher Plaintiffs’ and other EBRPSS Teacher Subclass Members’ claims
27 under RICO are brought against all RICO Defendants.
28

226. Plaintiffs and other Class Members are “persons” with standing to sue
within the meaning of 18 U.S.C. §§ 1961(3) and 1964(c). EBRPSS Teacher

1 Plaintiffs and other EBRPSS Subclass Members are likewise “persons” with
2 standing to sue within the meaning of 18 U.S.C. §§ 1961(3) and 1964(c).

3
4 227. Each Recruiter Defendant is a “RICO person” within the meaning of
5 18 U.S.C. § 1963(1) because each such defendant is an individual or entity capable
6 of holding a legal or beneficial interest in property.

7
8 228. Each Individual Employer Defendant is a “RICO person” within the
9 meaning of 18 U.S.C. § 1963(1) because each such defendant is an individual
10 capable of holding a legal or beneficial interest in property.

11
12 229. Each Legal Facilitator Defendant is a “RICO person” within the
13 meaning of § 1963(1) because each such defendant is an individual or entity
14 capable of holding a legal or beneficial interest in property.

15 **A. The RICO Enterprise**

16 230. RICO Defendants, together with Defendant EBRPSS, constitute an
17 association-in-fact, and therefore an enterprise within the meaning of 18 U.S.C.
18 § 1961(4). Such RICO Enterprise is an ongoing business relationship with the
19 common purposes of:

20
21 a. Recruiting, transporting, providing, processing, and obtaining
22 Filipino teachers to work at schools in Louisiana;

23
24 b. Providing and maintaining a consistent and acquiescent labor
25 force for Employer Defendants and the non-defendant Louisiana School Districts;
26 and

27
28 c. Soliciting and collecting funds from Filipino nationals in
connection with procuring H-1B visas and opportunities for employment with

1 Employer Defendants and the non-Defendant Louisiana School Districts.

2 231. The RICO Enterprise is engaged in interstate commerce in that its
3 activities and transactions relating to the international and interstate movement of
4 workers through the procuring of H-1B visas affect interstate commerce, and
5 frequently require travel and communications across state and international lines.
6

7 232. The members of the RICO Enterprise function as a continuing unit.

8 233. RICO Defendants have violated 18 U.S.C. § 1962(c) because they are
9 associated with an enterprise (the association-in-fact of all the Defendants) engaged
10 in, or the activities which affect, interstate commerce and have, directly or
11 indirectly, conducted or participated in the conduct of an enterprise's affairs through
12 a pattern of racketeering activity.
13

14 234. RICO Defendants have violated 18 U.S.C. § 1962(d) by conspiring to
15 violate 18 U.S.C. § 1962(c).
16

17 235. Specifically, RICO Defendants conducted or participated in and/or
18 conspired to conduct the affairs of the RICO Enterprise by engaging in the
19 following predicate acts of racketeering activity under 18 U.S.C. § 1961(1):
20

21 a. Forced labor in violation of 18 U.S.C. § 1589;

22 b. Trafficking persons with respect to forced labor in violation of
23 18 U.S.C § 1590;
24

25 c. Unlawful document-related practices in furtherance of
26 trafficking in violation of 18 U.S.C § 1592(a);

27 d. Mail fraud to further their unlawful scheme in violation of 18
28 U.S.C. § 1341;

1 e. Wire fraud to further their unlawful scheme in violation of 18
2 U.S.C. § 1343; and/or

3 f. Extortion as defined in Cal. Penal. Code § 518.
4

5 236. Upon information and belief, RICO Defendants utilized the telephone,
6 facsimile, postal system, and/or e-mail of the United States to organize, plan, and
7 coordinate the RICO Enterprise.

8 **B. Predicate Acts**
9

10 Forced Labor: 18 U.S.C. § 1589

11 237. All RICO Defendants conducted or participated in the affairs of the
12 RICO Enterprise through a pattern of willfully, knowingly, and intentionally
13 committing and/or conspiring to commit multiple predicate acts of forced labor in
14 violation of 18 U.S.C. § 1589, and as set forth the First Claim for Relief, ¶¶ 206–
15 208, *supra*.

16 Trafficking with Respect to Peonage, Slavery, Involuntary Servitude,
17 or Forced Labor: 18 U.S.C. § 1590
18

19 238. All RICO Defendants conducted or participated in the affairs of the
20 RICO Enterprise through a pattern of willfully, knowingly, and intentionally
21 committing and/or conspiring to commit multiple predicate acts of trafficking with
22 respect to peonage, slavery, involuntary servitude, or forced labor in violation of 18
23 U.S.C. § 1590, and as set forth in the First Claim for Relief, ¶¶ 209–211, *supra*.

24 Document Servitude: 18 U.S.C. § 1592
25

26 239. Recruiter Defendants conducted or participated in the affairs of the
27 RICO Enterprise through a pattern of willfully, knowingly, and intentionally
28

1 committing and/or conspiring to commit multiple predicate acts of document
2 servitude in violation of 18 U.S.C. § 1592, and as set forth in the First Claim for
3 Relief, ¶¶ 212–213, *supra*.

4
5 Mail and Wire Fraud: 18 U.S.C. §§ 1341 and 1343

6 240. As set forth in the preceding paragraphs, Recruiter Defendants
7 conducted or participated in the affairs of the RICO Enterprise through a pattern of
8 omitting and concealing, and/or conspiring to omit or conceal material information
9 about the extent of recruitment fees as part of a scheme to defraud Plaintiffs and
10 other Class Members. Recruiter Defendants intended to induce the false belief
11 about the limited extent of the recruitment fees to Recruiter Defendants' advantage
12 and to the severe prejudice of Plaintiffs and other Class Members.
13
14

15 241. As set forth in the preceding paragraphs, Recruiter Defendants
16 conducted or participated in the affairs of the RICO Enterprise through a pattern of
17 using the U.S. mails and wire communications, including communications via
18 telephone, fax, internet and/or email, on numerous occasions to further this
19 fraudulent scheme.
20

21 242. These willful, knowing, and intentional acts constitute mail and wire
22 fraud in violation of 18 U.S.C. §§ 1341 and 1343.
23

24 Extortion in violation of Cal. Pen. Code § 518

25 243. Upon information and belief, Recruiter Defendants conducted or
26 participated in the affairs of the RICO Enterprise through a pattern of threatening
27 Plaintiffs and other Class Members with deportation and financial ruin in violation
28 of Cal. Penal Code §§ 518–19 if they did not pay the fees required under the illegal

1 PARS Contract, Universal Philippine Contract, and Universal California Contract.

2 244. Plaintiffs and other Class Members feared financial harm to
3 themselves and their families and feared deportation if they did not pay the fees
4 required under the illegal PARS Contract, Universal Philippine Contract, and
5 Universal California Contract.
6

7 245. Recruiter Defendants' deployment of threats to instill fear in Plaintiffs
8 and other Class Members and to secure payment of illegal fees violates Cal. Pen.
9 Code § 518.
10

11 **C. Pattern of Related Racketeering Acts**

12 246. RICO Defendants have engaged in the racketeering activity described
13 in this Claim repeatedly starting in 2007 and continuing through the present with
14 respect to more than 350 Filipino teachers.
15

16 247. Upon information and belief, RICO Defendants' racketeering activity
17 conducted through the RICO Enterprise, continues to the present day.
18

19 248. RICO Defendants, through the RICO Enterprise, rely on the
20 racketeering acts described in this Complaint to conduct the regular business
21 activities of the RICO Enterprise.
22

23 249. RICO Defendants' racketeering acts have similar purposes: to profit
24 from the fraudulent recruitment and forced labor of Plaintiffs and other Class
25 Members, and to recruit, obtain, provide and maintain a consistent, submissive, and
26 compliant Filipino H-1B labor force at the EBRPSS and the non-defendant
27 Louisiana School Districts.
28

250. RICO Defendants' acts have yielded similar results and caused similar

1 injuries to Plaintiffs and other Class Members: Plaintiffs and other Class Members
2 have, *inter alia*, all been subjected to exorbitant and illegal fees; and have been
3 forced to take on debt at usurious interest rates as a result of RICO Defendants'
4 unlawful conduct.
5

6 251. As set forth in the preceding paragraphs, the racketeering acts have
7 similar participants: all RICO Defendants.
8

9 252. As set forth in the preceding paragraphs, RICO Defendants, through
10 the RICO Enterprise, directed their racketeering activities at similar victims:
11 Filipino teachers recruited by Recruiter Defendants to work as teachers in Louisiana
12 public schools.
13

14 253. RICO Defendants' acts have similar methods of commission, such as
15 common recruitment tactics, relatively consistent practices with respect to
16 collecting payments from Plaintiffs and other Class Members, and use of similar
17 employment practices and policies with respect to Plaintiffs and other Class
18 Members.
19

20 **D. Injury**

21 254. As a direct and proximate result of Recruiter Defendants' and Legal
22 Facilitator Defendants' willful, knowing, and intentional acts discussed in this
23 section, Plaintiffs and other Class Members have suffered injuries to their property
24 and/or business: Plaintiffs and other Class Members have, *inter alia*, all been
25 subjected to exorbitant and illegal fees; and have been forced to take on debt at
26 usurious interest rates as a result of Recruiter Defendants' and Legal Facilitator
27 Defendants' unlawful conduct. Additionally, as a direct and proximate result of all
28

1 RICO Defendants' willful, knowing, and intentional acts discussed in this section,
2 EBRPSS Teacher Plaintiffs and other EBRPSS Teacher Subclass Members have
3 suffered injuries to their property and/or business as specified above.
4

5 255. Plaintiffs and other Class Members are entitled to an award of
6 damages in an amount to be determined at trial, including treble damages and
7 attorneys' fees and costs associated with this action.
8

9 **THIRD CLAIM FOR RELIEF**
10 **EMPLOYMENT AGENCY, EMPLOYMENT COUNSELING, AND JOB**
11 **LISTING SERVICES ACT**
12 **Cal. Civ. Code § 1812.508**

13 *Louisiana Teacher Class versus Recruiter Defendants*

14 256. Plaintiffs re-allege and incorporate by reference each and every
15 allegation contained in the preceding paragraphs as if fully set forth herein.
16

17 257. Recruiter Defendants offered, for a fee, to secure employment for
18 Plaintiffs and other Class Members.
19

20 258. Because Recruiter Defendants offered to procure employment for a
21 fee for Plaintiffs and other Class Members, Recruiter Defendants are "employment
22 agencies" under Cal. Civ. Code § 1812.501.
23

24 259. Plaintiffs and other Class Members are "jobseekers" under Cal. Civ.
25 Code § 1812.501, as they were seeking employment through the use of Recruiter
26 Defendants' services.
27

28 260. Recruiter Defendants willfully misrepresented the amount that
29 Plaintiffs and other Class Members would have to pay to secure jobs in the United
30 States.
31

32 261. Upon information and belief, Recruiter Defendants willfully

1 misrepresented the amount of pay that certain Plaintiffs and other Class Members
2 would receive for the teaching jobs for which they were recruited.

3 262. Upon information and belief, Recruiter Defendants willfully
4 misrepresented that Plaintiffs and other Class Members would be guaranteed jobs in
5 the United States.
6

7 263. Recruiter Defendants violated Cal. Civ. Code § 1812.508(a) by
8 willfully making, or causing to be made, false, misleading, and deceptive
9 representations concerning the services that the agencies would provide to Plaintiffs
10 and other Class Members as they sought jobs.
11

12 264. Pursuant to Cal. Civ. Code §§ 1812.523(c) and (d), the Court should
13 (a) declare that all contracts between Plaintiffs and other Class Members on the one
14 hand and Universal and/or PARS on the other are null and void; (b) require that the
15 Recruiter Defendants refund all sums paid pursuant to those contracts; (c) award
16 treble and punitive damages; and (d) award attorney's fees and costs.
17
18

19 **FOURTH CLAIM FOR RELIEF**
20 **UNFAIR BUSINESS PRACTICES**

21 Cal. Business and Professional Code § 17200, *et seq.*
22 *Louisiana Teacher Class versus Recruiter Defendants*

23 265. Plaintiffs re-allege and incorporate by reference each and every
24 allegation contained in the preceding paragraphs as if fully set for herein.

25 266. Plaintiffs and other Class Members paid Recruiter Defendants fees in
26 respect of securing employment as teachers in the United States.

27 267. Recruiter Defendants misrepresented the amount of fees required for
28 the services provided.

1 268. The Recruiter Defendants' practice was to misrepresent the cost of
2 procuring the employment opportunities they provided.

3 269. The Recruiter Defendants' practice was to threaten Plaintiffs and
4 other Class Members with financial harm to extract fees from Plaintiffs and other
5 Class Members.
6

7 270. Recruiter Defendants profited from Plaintiffs' and other Class
8 Members' reliance on the Recruiter Defendants' misrepresentations.
9

10 271. Recruiter Defendants made, or caused to be made, false, misleading,
11 and deceptive representations concerning the services that the agencies would
12 provide to jobseeker Plaintiffs and other Class Members.
13

14 272. Recruiter Defendants threatened Plaintiffs and other Class Members
15 with deportation and financial ruin if they did not pay the fees required under the
16 illegal PARS Contract, the illegal Universal Philippine Contract, and the illegal
17 Universal California Contract.
18

19 273. Recruiter Defendants' practice of recruiting teachers through fraud and
20 misrepresentation for profit directly caused financial harm to Plaintiffs and other
21 Class Members.
22

23 274. Recruiter Defendants violated Cal. Business and Professions Code
24 § 17200 by requiring Plaintiffs and other Class Members to enter into contracts by
25 means of the unlawful business practices described above.
26

27 275. The Court should enjoin Recruiter Defendants from enforcing
28 contracts entered into as a result of the unlawful business practices described herein.

1 **FIFTH CLAIM FOR RELIEF**

2 FRAUD

3 Cal. Civ. Code § 1709

4 *Louisiana Teacher Class versus Recruiter Defendants*

5 276. Plaintiffs re-allege and incorporate by reference each and every
6 allegation contained in the preceding paragraphs as if fully set forth herein.

7 277. Recruiter Defendants falsely misrepresented to Plaintiffs and other
8 Class Members that they could secure teaching positions in the United States by
9 paying the First Recruitment Fee. Recruiter Defendants purposefully withheld
10 information regarding the Undisclosed Second Recruitment Fee from Plaintiffs and
11 other Class Members before securing the non-refundable First Recruitment Fee as
12 described above. The time, place and content of Recruiter Defendants'
13 misrepresentations is set forth in ¶¶ 183–187, *supra*.

14 278. The representations made by the Recruiter Defendants were false.
15 Once the Recruiter Defendants received the First Recruitment Fee, they charged
16 significant additional fees before providing Plaintiffs and other Class Members any
17 opportunity to teach in the United States. Recruiter Defendants also did not secure
18 job opportunities for all Class Members prior to their arrival in the United States.

19 279. Recruiter Defendants made these false material representations with
20 knowledge of their falsity and with intent to defraud Plaintiffs and other Class
21 Members. Recruiter Defendants were aware that they would charge Plaintiffs and
22 other Class Members additional fees, but withheld such information until Plaintiffs
23 and other Class Members were already burdened with substantial debt to pay the
24 First Recruitment Fee. Upon information and belief, Recruiter Defendants also
25
26
27
28

1 knew that a number of Class Members would have to attend job fairs upon arrival in
2 Louisiana and would not have secure offers of employment, even after paying
3 enormous fees to the Recruiter Defendants.
4

5 280. Plaintiffs and other Class Members were unaware of the falsity of
6 Recruiter Defendants' representations. In reliance on these representations,
7 Plaintiffs and other Class Members paid the First Recruitment Fee. Once Plaintiffs
8 and other Class Members learned of the additional fees, they had already incurred
9 substantial debt and could not afford to lose the money they had already invested in
10 the venture. Had Recruiter Defendants properly disclosed the enormous additional
11 fees they intended to charge, Plaintiffs and other Class Members would not have
12 participated in the recruitment process on those terms.
13
14

15 281. As a proximate result of Recruiter Defendants' fraud, Plaintiffs and
16 other Class Members suffered severe financial loss and other damages in an amount
17 to be determined at trial.
18

19 282. Recruiter Defendants' conduct was willful and malicious. Plaintiffs
20 and other Class Members are therefore entitled to punitive damages in an amount
21 sufficient to deter similar conduct in the future.
22

23 **SIXTH CLAIM FOR RELIEF**
24 **DECLARATORY AND EQUITABLE RELIEF**
25 **VOIDING PARS AND UNIVERSAL CONTRACTS**
26 **BECAUSE CONTRACTS WERE A RESULT OF UNDUE INFLUENCE**
27 *Louisiana Teacher Class versus*
28 *Defendant PARS and Defendant Universal*

29 283. Plaintiffs re-allege and incorporate by reference each and every
30 allegation contained in the preceding paragraphs as if fully set forth herein.

1 284. The fees mandated by the contracts entered into between Class
2 Members and Defendant Universal and Class Members and Defendant PARS are
3 void and unenforceable because Class Members executed the contracts as a result of
4 undue influence and coercion, including, *inter alia*:

6 a. The contracts were presented to Plaintiffs and other Class
7 Members without prior notice;

8 b. Plaintiffs and other Class Members were forced to sign the
9 contracts immediately, without an opportunity to deliberate or reflect on the terms
10 of the contract, or to consult third parties about the terms of the contracts;

12 c. Plaintiffs and other Class Members were threatened that if they
13 refused to sign the contracts, they would not be allowed to go to the United States;
14 and

16 d. Plaintiffs and other Class Members were under severe threat of
17 serious financial loss because of the substantial debt they had incurred to pay the
18 First Recruitment Fee, described in ¶¶ 102–110, *supra*, which they had incurred
19 before they were made aware of the terms of the contracts.
20

21 285. The fees mandated by the contracts entered into between Class
22 Members and Defendant Universal and Class Members and Defendant PARS are
23 void and unenforceable because they were the result of undue influence and
24 coercion.
25

26 286. Defendant Universal and Defendant PARS were unjustly enriched at
27 the expense of Plaintiffs and other Class Members' when Defendant Universal and
28 Defendant PARS collected invalid fees on their contracts with Plaintiffs and other

1 Class Members.

2 287. Defendant Universal continues to attempt to collect invalid fees on its
3 contracts with Class Members.

4
5 288. Plaintiffs and other Class Members are entitled to a declaration that
6 the fee provisions of the contracts entered into between Class Members and
7 Defendant Universal and Class Members and Defendant PARS are void and
8 unenforceable.

9
10 289. Plaintiffs and other Class Members are entitled to restitution of the
11 amounts unjustly obtained and retained by Defendant Universal and Defendant
12 PARS, in an amount to be proven at trial.

13
14 290. Plaintiffs and other Class Members are entitled to permanent
15 injunctive relief prohibiting Defendant Universal from seeking to collect any further
16 fees from Class Members.

17 **SEVENTH CLAIM FOR RELIEF**
18 **DECLARATORY AND EQUITABLE RELIEF**
19 **VOIDING PARS AND UNIVERSAL CONTRACTS**
20 **BECAUSE CONTRACTS ARE ILLEGAL**
21 *Louisiana Teacher Class versus*
22 *Defendant PARS and Defendant Universal*

23 291. Plaintiffs re-allege and incorporate by reference each and every
24 allegation contained in the preceding paragraphs as if fully set forth herein.

25 292. The contracts entered into between Class Members and Defendant
26 PARS and Class Members and Defendant Universal are contrary to the laws
27 regulating recruitment of Philippine workers for overseas employment, as described
28 in ¶¶ 78–82, *supra*, because the contracts:

- 1 a. Seek collection of more than one month’s expected U.S. salary;
2 and
3 b. Seek collection of fees that are not authorized under the POEA
4 rules and regulations.
5

6 293. The contracts entered into between Class Members and Defendant
7 PARS is contrary to the laws regulating H-1B visas, as described in ¶¶ 83–85,
8 *supra*, because the contracts required Class Member to pay fees that are the
9 obligation of the employer, not the employee.
10

11 294. The contracts entered into between Class Members and Defendant
12 PARS and Class Members and Defendant Universal are contrary to the laws
13 regulating employment services providers in Louisiana, as described in ¶¶ 86–90,
14 *supra*, because the contracts:
15

- 16 a. Seek collection of fees on behalf of an employment service that
17 was not licensed with the Louisiana Workforce Commission;
18 b. Seek collection of fees on contracts that were not pre-approved
19 by the Louisiana Workforce Commission;
20 c. Seek collection of fees outside of the Class Member’s first year
21 of employment; and
22 d. Seek collection of fees prior to the applicant’s actual
23 commencement of work.
24
25

26 295. The fees mandated by the contracts entered into between Class
27 Members and Defendant Universal and Class Members and Defendant PARS are
28 void and unenforceable because they are contrary to law, as described above.

1 296. Defendant Universal and Defendant PARS were unjustly enriched at
2 the expense of Plaintiffs and other Class Members' when Defendant Universal and
3 Defendant PARS collected invalid fees pursuant to the contracts with Plaintiffs and
4 other Class Members.
5

6 297. Defendant Universal continues to attempt to collect invalid fees on its
7 contracts with Class Members.
8

9 298. Plaintiffs and other Class Members are entitled to a declaration that
10 the fee provisions of the contracts entered into between Class Members and
11 Defendant Universal and Class Members and Defendant PARS are void and
12 unenforceable.
13

14 299. Plaintiffs and other Class Members are entitled to restitution of the
15 fees unjustly obtained and retained by Defendant Universal and Defendant PARS,
16 in an amount to be proven at trial.
17

18 300. Plaintiffs and other Class Members are entitled to permanent
19 injunctive relief prohibiting Defendant Universal from seeking to collect any further
20 fees from Class Members.
21

22 **EIGHTH CLAIM FOR RELIEF**
23 DECLARATORY AND EQUITABLE RELIEF
24 REGARDING ILLEGAL FEES COLLECTED WITHOUT A CONTRACT
25 *Louisiana Teacher Class versus*
26 *Defendant PARS and Defendant Universal*

27 301. Plaintiffs re-allege and incorporate by reference each and every
28 allegation contained in the preceding paragraphs as if fully set forth herein.

 302. Plaintiffs and other Class Members were charged certain fees by
Recruiter Defendants that do not appear in either the contract entered into with

1 PARS or the contract entered into with Universal. These fees include:

2 a. The First Recruitment Fee, described in ¶¶ 102–110, *supra*,
3 and

4 b. Cost of one-way airfare to the United States.

5
6 303. Collection of both the First Recruitment Fee and the cost of airfare is
7 prohibited under the laws regulating recruitment of Philippine workers for overseas
8 employment, as described in ¶¶ 78–82, *supra*.

9
10 304. Collection of the First Recruitment Fee is prohibited under the laws
11 regulating employment services providers in Louisiana, as described in ¶¶ 86–90,
12 *supra*.

13
14 305. Defendant Universal and Defendant PARS have been unjustly
15 enriched by collection of these illegal fees.

16
17 306. Plaintiffs and other Class Members are entitled to a declaration that
18 the First Recruitment Fee and airfare charge were illegal.

19
20 307. Plaintiffs and other Class Members are entitled to restitution of the
21 fees unjustly obtained and retained by Defendant Universal and Defendant PARS,
22 in an amount to be proven at trial.

23 **NINTH CLAIM FOR RELIEF**
24 **BREACH OF FIDUCIARY DUTY**

25 State Common Law and Cal. Civ. Code § 3294

26 *Louisiana Teacher Class versus*

27 *Legal Facilitator Defendants*

28 308. Plaintiffs re-allege and incorporate by reference each and every
allegation contained in the preceding paragraphs as if fully set forth herein.

309. Legal Facilitator Defendants owed a fiduciary duty to Plaintiffs and

1 other Class Members, based upon the attorney-client relationship Legal Facilitator
2 Defendants established with Plaintiffs and other Class Members.

3 310. Legal Facilitator Defendants breached the fiduciary duty owed to each
4 and every Plaintiffs and other Class Members, to their substantial detriment, by:

5 a. Extracting and/or assisting Recruiter Defendants to extract fees
6 from Plaintiffs and other Class Members, which they knew or should have known
7 were the responsibility of EBRPSS and the non-defendant Louisiana School
8 Districts;
9

10 b. Procuring one-year rather than three-year visas for Plaintiffs
11 and other Class Members; and
12

13 c. Otherwise participating in and/or facilitating the trafficking
14 scheme as described in §§ 165 to 173, *supra*.
15

16 311. Legal Facilitator Defendants' conduct was willful and malicious. As
17 detailed in § 310, *supra*, Legal Facilitator Defendants' participation in the
18 trafficking scheme was willful and done in conscious disregard of the legal rights of
19 Plaintiffs and other Class Members, and was intended to cause injury to Plaintiffs
20 and other Class Members.
21

22 312. Legal Facilitator Defendants' conduct proximately caused financial
23 harm to Plaintiffs and other Class Members.
24

25 313. Plaintiffs and other Class Members are entitled to an award of
26 compensatory damages, and an award of punitive damages, in an amount to be
27 determined at trial.
28

1 **TENTH CLAIM FOR RELIEF**

2 LEGAL MALPRACTICE

3 State Common Law and Cal. Civ. Code § 3294

4 *Louisiana Teacher Class versus*

5 *Legal Facilitator Defendants*

6 314. Plaintiffs re-allege and incorporate by reference each and every
7 allegation contained in the preceding paragraphs as if fully set forth herein.

8 315. Legal Facilitator Defendants were attorneys for Plaintiffs and other
9 Class Members, as Legal Facilitator Defendants acknowledged in G-28 forms filed
10 with the U.S. government.

11 316. As counsel for Plaintiffs and other Class Members, Legal Facilitator
12 Defendants owed a duty to Plaintiffs and other Class Members to use such skill,
13 prudence, and diligence as members of their profession commonly possess and
14 exercise.

15 317. Legal Facilitator Defendants breached this duty, to the substantial
16 detriment of Plaintiffs and other Class Members, by

17 a. Extracting and/or assisting Recruiter Defendants to extract fees
18 from Plaintiffs and other Class Members, which they knew or should have known
19 were the responsibility of EBRPSS and the non-defendant Louisiana School
20 Districts;
21

22 b. Procuring one-year rather than three-year visas for Plaintiffs
23 and other Class Members; and

24 c. Otherwise participating in and/or facilitating the trafficking
25 scheme described in ¶¶ 165 to 173, *supra*, to the severe prejudice of Plaintiffs and
26 other Class Members.
27
28

1 318. Legal Facilitator Defendants’ conduct was willful and malicious. As
2 detailed in ¶ 317, *supra*, Legal Facilitator Defendants’ participation in the
3 trafficking scheme was willful and done in conscious disregard of the legal rights of
4 Plaintiffs and other Class Members, and was intended to cause injury to Plaintiffs
5 and other Class Members.
6

7 319. Legal Facilitator Defendants’ conduct proximately caused financial
8 harm to Plaintiffs and other Class Members.
9

10 320. Plaintiffs and other Class Members are entitled to an award of
11 damages, and an award of punitive damages, in an amount to be determined at trial.
12

ELEVENTH CLAIM FOR RELIEF
THE WILLIAM WILBERFORCE TRAFFICKING VICTIMS PROTECTION
REAUTHORIZATION ACT OF 2008 (18 U.S.C. § 1595)
EBRPSS Teacher Subclass versus
Employer Defendants

16 321. Plaintiffs and other Class Members re-allege and incorporate by
17 reference each and every allegation contained in the preceding paragraphs as if fully
18 set forth herein.
19

20 **A. Authority for a Civil Action**

21 322. Plaintiffs and other Class Members are victims of the following
22 violations of Title 18, Chapter 77 of the United States Code: 18 U.S.C. §§ 1589,
23 1590, 1592, and 1594(a) and (b), as set forth in the First Claim for Relief.
24

25 323. As set forth in 18 U.S.C. § 1595(a), Plaintiffs and other Class
26 Members may bring a civil action against the perpetrators of these violations and
27 “whoever knowingly benefits, financially or by receiving anything of value from
28 participation in a venture which that person knew or should have known has

1 engaged in a violation” of these provisions.

2 324. Employer Defendants were perpetrators of the violations of 18 U.S.C.
3 §§ 1589, 1590, 1592, 1594(a), and 1594(b).
4

5 325. Employer Defendants have knowingly benefited, and continue to
6 knowingly benefit financially or by receiving something of value from participation
7 in a venture which Employer Defendants knew or should have known engaged in
8 violations of 18 U.S.C. §§ 1589, 1590, 1592, 1594(a), and/or 1594(b).
9

10 326. EBRPSS Teacher Plaintiffs bring this claim on behalf of themselves
11 and the EBRPSS Teacher Subclass against Employer Defendants.

12 **B. Forced Labor (18 U.S.C. § 1589)**

13 327. As set forth in ¶¶ 176–187, *supra*, Employer Defendants knowingly
14 aided and abetted Recruiter Defendants’ and Legal Facilitator Defendants’ efforts to
15 provide and obtain the labor of Plaintiffs and other Class Members by means of
16 abuse and threatened abuse of law or legal process and by means of a scheme,
17 pattern, or plan intended to cause the Plaintiffs and other Class Members to believe
18 that, if he or she did not perform the labor, he or she would suffer serious harm.
19
20

21 328. Employer Defendants have knowingly benefited and continue to
22 knowingly benefit financially and by receiving the value of EBRPSS Teacher
23 Plaintiffs’ and other EBRPSS Teacher Subclass members’ labor from participation
24 in a venture which Employer Defendants knew or should have known was engaged
25 in the acts set forth in ¶ 327, *supra*, and in the First Claim for Relief, ¶¶ 206–207,
26 *supra*.
27
28

1 **C. Trafficking with Respect to Peonage, Slavery, Involuntary**
2 **Servitude, or Forced Labor (18 U.S.C. § 1590)**

3 329. As set forth in ¶¶ 176–187, *supra*, Employer Defendants knowingly
4 aided and abetted Recruiter Defendants’ efforts to recruit and transport Plaintiffs
5 and other Class Members for labor and services in violation of 18 U.S.C. §§ 1589,
6 1592, 1594(a), and 1594(b).
7

8 330. Employer Defendants have knowingly benefited and continue to
9 knowingly benefit financially and/or by receiving the value of EBRPSS Teacher
10 Plaintiffs’ and other EBRPSS Teacher Subclass members’ labor from participation
11 in a venture which the Employer Defendants knew or should have known was
12 engaged in the acts set forth in ¶ 329, *supra*, and the First Claim for Relief, ¶¶ 209–
13 210, *supra*.
14

15 **D. Unlawful Conduct with Respect to Documents in Furtherance of**
16 **Trafficking, Peonage, Slavery, Involuntary Servitude, or Forced**
17 **Labor (18 U.S.C. § 1592)**

18 331. Employer Defendants have knowingly benefited and continue to
19 knowingly benefit financially and/or by receiving the value of EBRPSS Teacher
20 Plaintiffs’ and other EBRPSS Teacher Subclass members’ labor from participation
21 in a venture which Employer Defendants knew or should have known was engaged
22 in the acts set forth in the First Claim for Relief, ¶ 212, *supra*.
23

24 **E. Attempt to Violate 18 U.S.C. §§ 1589, and 1590 (18 U.S.C.**
25 **§ 1594(a))**

26 332. As set forth in ¶¶ 176–187, *supra*, Employer Defendants attempted to
27 violate 18 U.S.C. §§ 1589 and 1590 in violation of 18 U.S.C. § 1594(a).
28

333. Employer Defendants have knowingly benefited and continue to

1 knowingly benefit financially and/or by receiving the value of EBRPSS Teacher
2 Plaintiffs' and other EBRPSS Teacher Subclass members' labor from participation
3 in a venture which the Employer Defendants knew or should have known was
4 engaged in the acts set forth in ¶ 332, *supra*, and the First Claim for Relief, ¶¶ 214–
5 215, *supra*.

7 **F. Conspiracy to Violate 18 U.S.C. §§ 1589, 1590, and 1592 (18**
8 **U.S.C. § 1594(b))**

9 334. As set forth in ¶¶ 176–187, *supra*, Employer Defendants conspired
10 with Recruiter Defendants and Legal Facilitator Defendants to violate 18 U.S.C.
11 §§ 1589 and 1590 in violation of 18 U.S.C. § 1594(b).

12 335. Employer Defendants have knowingly benefited and continue to
13 knowingly benefit financially and/or by receiving the value of EBRPSS Teacher
14 Plaintiffs' and other EBRPSS Teacher Subclass members' labor from participation
15 in a venture which Employer Defendants knew or should have known was engaged
16 in the acts set forth in ¶ 334, *supra*, and in the First Claim for Relief, ¶¶ 217–218,
17 *supra*.

18 **G. Alternatively, Trafficking with Respect to Peonage, Slavery,**
19 **Involuntary Servitude, or Forced Labor by violating 18 U.S.C.**
20 **§§ 1589 (2003) and 1594(a) (2003) (18 U.S.C. § 1590 (2003))**

21 336. Alternatively, in violation of 18 U.S.C. § 1590 (2003), and in addition
22 to the violations of 18 U.S.C. § 1589 (2003) as set forth above, Employer
23 Defendants knowingly aided and abetted the efforts of Recruiter Defendants and
24 Legal Facilitator Defendants to recruit, transport, harbor, and/or obtain Plaintiffs
25 and other Class Members for labor or services in furtherance of Recruiter
26 and other Class Members for labor or services in furtherance of Recruiter
27 and other Class Members for labor or services in furtherance of Recruiter
28 and other Class Members for labor or services in furtherance of Recruiter

1 Defendants' violations of the following provisions of Title 18, Chapter 77 of the
2 U.S. Code: 18 U.S.C. §§ 1589 (2003); 1590 (2003), 1594(a) (2003).

3 **H. Damages**

4
5 337. As a proximate result of the conduct of Employer Defendants,
6 EBRPSS Teacher Plaintiffs and other EBRPSS Teacher Subclass members have
7 suffered injuries to their persons, businesses, and property, and other damages.

8
9 338. EBRPSS Teacher Plaintiffs and other EBRPSS Teacher Subclass
10 members are entitled to recover compensatory and punitive damages in an amount
11 to be proven at trial, including attorneys' fees.

12 **TWELFTH CLAIM FOR RELIEF**

13 **NEGLIGENT HIRING**

14 **State Common Law**

15 ***EBRPSS Teacher Subclass versus Defendant EBRPSS***

16
17 339. Plaintiffs re-allege and incorporate by reference each and every
18 allegation contained in the preceding paragraphs as if fully set forth herein.

19
20 340. Defendant EBRPSS hired Recruiter Defendants to recruit teachers
21 from the Philippines.

22
23 341. During the relevant time period, Defendant EBRPSS required that any
24 job applicant from the Philippines who wished to apply to work for EBRPSS must
25 do so by utilizing the services of Recruiter Defendants.

26
27 342. Defendant EBRPSS knew or had reason to believe that Recruiter
28 Defendants, and particularly Defendant Lourdes Navarro and Defendant Universal,
were unfit for the tasks for which they were hired.

343. Alternatively, Defendant EBRPSS had a reasonable duty of care to

1 inquire into the fitness of Recruiter Defendants to perform their function.

2 344. Defendant EBRPSS breached the duty to inquire into the fitness of
3 Recruiter Defendants.

4 345. Defendant EBRPSS's negligence, combined with its insistence that
5 any applicant from the Philippines must utilize Recruiter Defendants' services,
6 caused harm to the EBRPSS Teacher Plaintiffs and other EBRPSS Teacher
7 Subclass members by subjecting them to exorbitant fees and resulting monetary loss
8 as a part of Recruiter Defendants' trafficking scheme.

9 346. Defendant EBRPSS's negligence proximately caused the harm
10 suffered by the EBRPSS Teacher Plaintiffs and other EBRPSS Subclass members.

11 347. The EBRPSS Teacher Plaintiffs and other EBRPSS Subclass
12 members are entitled to an award of damages in an amount to be determined at trial.

13 **VII. PRAYER FOR RELIEF**

14 WHEREFORE, Plaintiffs request the following relief:

15 a. Certifying the First through Tenth Claims for Relief in this action as
16 class claims pursuant to Rules 23(b)(2) and (b)(3) of the Federal Rules of Civil
17 Procedure on behalf of the Louisiana Teacher Class;

18 b. Designating Plaintiffs as class representatives of the Louisiana
19 Teacher Class pursuant to Federal Rule of Civil Procedure 23, and designating
20 Plaintiffs' counsel as counsel for the Louisiana Teacher Class;

21 c. Certifying the Second, Eleventh and Twelfth Claims for Relief in this
22 action as subclass claims pursuant to Rules 23(b)(2) and (b)(3) of the Federal Rules
23 of Civil Procedure on behalf of the EBRPSS Teacher Subclass;

1 d. Designating EBRPSS Teacher Plaintiffs as representatives of the
2 EBRPSS Teacher Subclass pursuant to Federal Rule of Civil Procedure 23, and
3 designating EBRPSS Teacher Plaintiffs' counsel as counsel for the EBRPSS
4 Teacher Subclass;
5

6 e. Declaratory and injunctive relief;

7 f. Compensatory damages;

8 g. Punitive damages;

9 h. Treble damages as authorized by RICO, 18 U.S.C. § 1964(c) and Cal.
10 Civ. Code § 1812.523(d);
11

12 i. An award of prevailing party costs, including attorney fees; and

13 j. Such other relief as the Court deems just and appropriate.
14
15

16 Respectfully submitted this 5th day of August, 2010
17
18

19 /s/ Lawrence Rosenzweig

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24 *On behalf of Attorneys for Plaintiffs*
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