

E-FILING ORDER ISSUED TO FILING PARTY

O.K. TO ISSUE SUMMONS

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF ORANGE
12 CENTRAL JUSTICE CENTER
13

14 DANIEL WILKINSON, an individual;
15 STEPHANIE LAURITO, an individual; and
16 MARCUS HENKHAUS, an individual, on behalf
of themselves and all others similarly situated,

17 Plaintiffs,

18 v.

19 HY-PRO CHEMICAL PRODUCTS, INC., a
Texas corporation; EDGE SALES, INC., a Texas
20 corporation; JOSEPH W. EDGE, an individual;
and DOES 1 through 100, inclusive,

21 Defendants.
22

23 NATURE OF ACTION

24 1. This is an action for damages and injunctive relief to prevent defendant Joseph W.
25 Edge, his companies and agents from operating cult-like traveling sales crews in violation of
26 federal and state laws. As we explain below, Defendants make false promises of free travel, good
27 pay, and fun times to entice troubled teenagers to join their traveling sales crews. These crews
28 sell Defendants' soap door-to-door across the United States. Unfortunately, the truth is that, once

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

JAN 07 2005

ALAN SLATER, Clerk of the Court

BY: NESTOR PERAZA, DEPUTY

Case No. **05CC00004**

COMPLAINT FOR DAMAGES AND
INJUNCTIVE RELIEF

UNLIMITED JURISDICTION

JUDGE JONATHAN H. CANNON
DEPT. CX102

1 they join Defendants' sales crews, these teenagers are subjected to working and living conditions
2 that border on peonage: Defendants isolate these teenagers from family and friends; ply them
3 with alcohol and drugs; and control virtually every aspect of their daily lives. Defendants then
4 force these young individuals to work up to 16 hours or more a day, 6 or 7 days a week; subject
5 them to regular emotional and sometimes physical abuse if they fail to meet unrealistically high
6 sales quotas; fail to pay their wages, let alone minimum wage or overtime; and fail to provide
7 workers' compensation, disability, or any other benefits required by law. Defendants then toss
8 these individuals aside once their usefulness is at an end.

9 2. What's worse, if any of these teenagers has the temerity to challenge Defendants'
10 unlawful practices, Defendants simply turn on their own employees. For example, Defendants
11 will conveniently claim that the challengers really are troubled youths who use drugs and alcohol
12 and who otherwise can't be trusted; protest that the challengers really are independent contractors
13 to whom Defendants owe no legal duties; assert that, in reality, the challengers owe Defendants
14 money for their room and board while on the sales crew; and, as a last resort, protest their
15 ignorance of wrongdoing by blaming other crew members for Defendants' own misconduct.

16 3. Defendants have made an unlawful living on the backs of their sales crews for
17 years. Indeed, Plaintiffs are informed and believe that the Attorney General of New York
18 investigated Edge and his corporations and concluded that their employment practices violated
19 numerous provisions of that state's labor laws. In addition, a Committee of the United States
20 Senate has investigated Edge's shady practices.

21 4. For these reasons and those more fully explained in the paragraphs that follow,
22 Plaintiffs, on behalf of themselves and other former and current employees of Defendants, bring
23 this action for violation of the Racketeer Influenced and Corrupt Organizations Act (18 U.S.C. §
24 1964(c)) as well as state and federal labor laws. Plaintiff Daniel Wilkinson also brings, solely on
25 his own behalf, claims for personal injuries suffered because of the actions of Defendants.
26
27
28

THE PARTIES

1
2 5. Daniel Wilkinson is a nineteen year-old individual residing in Springfield,
3 Missouri. Stephanie Laurito is a twenty year-old individual residing in Dayton, Ohio. Marcus
4 Henkhaus is a twenty year-old individual residing in Alton, Illinois.

5 6. Defendants employed each plaintiff as a member of a traveling sales crew, within
6 this County, and elsewhere within and without the State of California.

7 7. Plaintiffs bring this action in their individual and representative capacity on behalf
8 of all current and former employees of Defendants.

9 8. Hy-Pro Chemical Products, Inc. ("Hy-Pro") is a Texas corporation. It engages in
10 business activities throughout the nation and this County.

11 9. Edge Sales, Inc. ("Edge Sales") is a Texas corporation. It engages in business
12 activities throughout the nation and this County.

13 10. Plaintiffs are informed and believe and thereon allege that Joseph W. Edge
14 ("Edge") is an individual residing in La Quinta, California. Plaintiffs are informed and believe
15 and thereon allege that Edge is the owner and president of Hy-Pro and Edge Sales and other
16 related entities whose names and identities have not yet been determined. Plaintiffs are also
17 informed and believe and thereon allege as follows:

- 18 a) Edge personally manages, supervises, and otherwise controls the lives of each
19 employee on a day-to-day basis.
- 20 b) Edge has the power to hire and fire employees.
- 21 c) Edge is responsible for setting all of Hy-Pro and Edge Sales's company- wide
22 policies, including policies regarding the work and payment of the employees as
23 alleged above.

24 11. Plaintiffs are informed and believe and thereon allege that, at all times herein
25 mentioned, there was and is a unity of interest and ownership between Edge, Edge Sales, and Hy-
26 Pro, such that any individuality and separateness between Edge and the defendant corporations
27 have ceased.

1 12. Plaintiffs are informed and believe and thereon allege that Edge Sales and Hy-Pro
2 are, and at all times mentioned herein were, so inadequately capitalized that, compared with the
3 business to be done by the Defendants and the risks of loss, their capitalization was trifling.

4 13. Plaintiffs are informed and believe and thereon allege that Edge used assets of
5 Edge Sales and Hy-Pro for his personal use and failed to observe the proper corporate formalities.

6 14. The true names and capacities, whether individual, corporate, or otherwise, of
7 those Defendants sued herein as DOES 1 through 100, inclusive, are presently unknown to
8 Plaintiffs, who therefore sue those Defendants by such fictitious names. Plaintiffs will seek leave
9 of the Court to amend this Complaint to show the true names and capacities of those Defendants
10 when such information is ascertained.

11 15. Plaintiffs allege on information and belief that each of the Defendants named
12 herein as DOES 1 through 100, inclusive, participated in, or abetted in some manner, the acts and
13 omissions alleged herein and is liable to Plaintiffs for the relief sought herein.

14 16. Plaintiffs allege on information and belief that, in performing the acts and
15 omissions alleged herein and at all times relevant hereto, each of the Defendants named herein as
16 DOES 1 through 100, inclusive, was the agent and employee of each of the other Defendants, and
17 was at all times acting within the scope of such agency and employment and with the knowledge
18 and approval of other Defendants.

19 17. "Defendants" as used in this Complaint shall mean Hy-Pro, Edge Sales, Edge,
20 and/or Does 1-100.

21 **CLASS ACTION ALLEGATIONS**

22 18. Plaintiffs bring this Class Action on behalf of themselves, and on behalf of all
23 other persons similarly situated.

24 19. This Class Action consists of two separate Classes. One Class consists of all
25 persons who are or have been employed by Defendants as members of a traveling sales crew and
26 worked anywhere in the country. This Class will be known as the "Nationwide Class." A second
27 Class consists of those persons who are or have been employed by Defendants as members of a
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1 traveling sales crew and performed work in the state of California. This Class will be known as
2 the "California Class."

3 20. The exact number of members of the Nationwide Class is not currently known, but
4 it is estimated that the Class includes over five hundred people. The Class is so numerous that
5 joinder of individual members is impracticable. Further, joinder is impracticable given the
6 current residence of class members in multiple cities across the United States.

7 21. Common questions of law and fact exist as to all members of the Nationwide
8 Class. These questions predominate over any questions which affect only the individual members
9 of the Class. The common legal and factual questions include:

- 10 a) Whether the Defendants conducted or participated in the affairs of a RICO
11 enterprise through a pattern of racketeering activity, as alleged in this Complaint;
- 12 b) Whether the Defendants committed or conspired to commit the predicate acts
13 alleged in this Complaint;
- 14 c) Whether Defendants misrepresented or omitted material facts about the position of
15 crew member, including the weekly earnings of crew members and the payment of
16 expenses;
- 17 d) Whether Defendants acted willfully, recklessly, or with gross negligence in
18 omitting and/or misrepresenting material facts with respect to the foregoing, in
19 aiding and abetting, or in controlling misstatements;
- 20 e) Whether Defendants failed to pay crew members minimum wage and overtime pay
21 in violation of the Fair Labor Standards Act;
- 22 f) Whether Defendants engaged in outrageous conduct intended to cause crew
23 members emotional distress; and
- 24 g) Whether the members of the Class have sustained damages as a result of
25 Defendants' wrongdoing; and, if so, the proper measure and appropriate formula
26 of damages.

27 22. Plaintiffs' claims are typical of those of the proposed Nationwide Class, because
28 Plaintiffs were employed as crew members by Defendants, and the proposed Plaintiff Class is

1 defined to include all persons who were employed as crew members by Defendants. Crew
2 members all have been subjected to the materially same unlawful conduct. Furthermore,
3 Plaintiffs and all members of the Nationwide Class have sustained monetary damages arising out
4 of Defendants' wrongful conduct in violation of RICO and other laws, as alleged herein.

5 23. The exact number of members of the California Class is not currently known, but
6 it is estimated that the Class includes well over fifty people. The Class is so numerous that
7 joinder of individual members is impracticable. Further, joinder is impracticable given the
8 current residence of class members in multiple cities across the United States.

9 24. Common questions of law and fact exist as to all members of the California Class.
10 These questions predominate over any questions which affect only the individual members of the
11 Class. The common legal and factual questions include:

- 12 a) Whether Defendants failed to pay crew members minimum wage and overtime as
13 required under the California Labor Code; and
- 14 b) Whether Defendants violated provisions of the California Labor Code as alleged in
15 the Eighth Claim for Relief.

16 25. Plaintiffs' claims are typical of those of the proposed California Class, because
17 Plaintiffs were employed as crew members by Defendants and worked in California, and the
18 proposed Plaintiff class is defined to include all persons who were employed as crew members by
19 Defendants and worked in California. Crew members all have been subjected to the materially
20 same unlawful conduct. Furthermore, Plaintiffs and all members of the California Class have
21 sustained monetary damages arising out of Defendants' wrongful conduct in violation of the
22 California Labor Code and other laws, as alleged herein.

23 26. Plaintiffs will fairly and adequately protect the interests of the members of the
24 Class. The named Plaintiffs have no interests that are adverse to the interests of the Class
25 members. The named Plaintiffs have retained counsel competent and experienced in class actions
26 and intend to pursue this action vigorously.

27 27. A class action is superior to other available methods for the fair and efficient
28 adjudication of the litigation because individual joinder of all damaged crew members, including

1 only those that worked in California, is impracticable. Although the damages suffered by each
2 Class member may total several thousand dollars, damages of such magnitude are nonetheless
3 relatively small given the expense and burden of individual prosecution of the complex and
4 extensive litigation necessitated by Defendants' fraudulent recruitment of crew members and
5 subsequent treatment of such crew members. Thus, it would be virtually impossible for the Class
6 members to effectively individually redress the wrongs done to them. Even if Class members
7 themselves could afford such litigation, the court system could not. Individualized litigation
8 presents the potential for inconsistent or contradictory judgments. Individualized litigation
9 magnifies the delay and expense to all parties, and to the court system, presented by the complex
10 legal and factual issues of the case. By contrast, a class action presents far fewer management
11 difficulties, and provides the benefits of unitary adjudication, economy of scale, and
12 comprehensive supervision by a single court.

13 FACTUAL ALLEGATIONS COMMON TO THE CLASS CLAIMS

14 28. Defendants manufacture a product called "Hy-Pro Spray Clean," a concentrated
15 "all-purpose cleaner" which Defendants tout as "an entire supermarket of cleaners in a single
16 bottle!"

17 29. Through newspaper advertisements, the internet, and face-to-face recruitment,
18 Edge and the other Defendants solicit people to travel across the country to sell Spray Clean door-
19 to-door. Young adults, in particular, are enticed to join Defendants through their advertised
20 promises of fun, travel, and money.

21 30. Defendants use a number of false and misleading statements in recruiting new
22 employees to join their traveling sales crews, including, but not limited to, promising to pay for
23 crew members' lodging and travel expenses.

24 31. Defendants assign each employee to a particular traveling sales crew of between
25 eight and twenty-five people who sell Defendants' products door-to-door. The crew members are
26 employees of Defendants, and each of them. Each traveling sales crew spends one or two weeks
27 in each town before it "jumps" to the next town. Every few weeks, all, or most, of the different
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1 crews meet up in one location, staying there for a week or two before dispersing again to different
2 locations.

3 32. Defendants regularly require their employees to sell Defendants' products on a
4 door-to-door basis, six days a week. In addition, Defendants regularly require their employees to
5 work on the seventh day of each workweek, by attending sales meetings, traveling, and packing
6 and unpacking office supplies and materials. Defendants do not regularly provide one day's rest
7 each week.

8 33. The typical work day for each employee begins at 7:00 a.m. and concludes by
9 approximately 11:00 p.m.

10 34. Defendants closely control the activities of their employees at all times. By way of
11 example:

- 12 a) Defendants control when the employees must get up each morning.
- 13 b) Defendants specify where, when, and with whom the employees must eat breakfast
14 and dinner.
- 15 c) Defendants prescribe the precise route each employee must follow in selling
16 Defendants' products on a door to door basis.
- 17 d) Defendants prevent the employees from taking lunch breaks.
- 18 e) Defendants prevent their employees from taking morning and afternoon rest
19 breaks.
- 20 f) Defendants prescribe precisely when and how employees deliver Defendants'
21 products to their customers.
- 22 g) Defendants evaluate their employees' sales practices and provide training to their
23 employees on an almost daily basis.

24 **PLAINTIFFS' EXPERIENCES AS CREW MEMBERS**

25 35. Plaintiff Daniel Wilkinson was employed as a crew member by Defendants from
26 approximately September 1, 2003 to January 14, 2004. Plaintiff Stephanie Laurito was employed
27 as a crew member by Defendants from approximately September 2003 to January 28, 2004.
28

1 Plaintiff Marcus Henkhaus was employed as a crew member from approximately October 2003 to
2 April 1, 2004.

3 36. Each plaintiff worked from 16 hours or more a day and worked 6 or 7 days a
4 week. Each did not receive regular hourly wages. Each did not receive meal or rest breaks. Each
5 was not paid on a twice-monthly basis. Defendants did not provide them with an itemized wage
6 statement documenting the wages and other compensation they had been paid. Each was not paid
7 the minimum wage for each hour he or she worked for Defendants. None received overtime
8 compensation for each overtime hour he or she worked for Defendants.

9 37. Plaintiffs asked Defendants on several occasions to explain the basis upon which
10 their wages were calculated. Defendants refused to provide any explanation for their refusals to
11 pay Plaintiffs as required by applicable law.

12 38. Defendants did not provide to Plaintiffs at the time of their termination or
13 thereafter any accounting of their wages or other earnings.

14 **FIRST CLAIM FOR RELIEF**

15 (Civil RICO; 18 U.S.C. § 1962(c))

16 (By Plaintiffs and the Nationwide Class)

17 39. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 38,
18 above.

19 40. Each Defendant is a "person" within the meaning of 18 U.S.C. §§ 1961(3) and
20 1964(c).

21 41. Defendants and others have formed an association-in-fact, whose purpose is to sell
22 Spray Clean using traveling sales crews of young adults. Each defendant plays an important role
23 in the operation of the association-in-fact. This association-in-fact is an "enterprise" within the
24 meaning of 18 U.S.C. §§ 1961(4) and 1962(c), which enterprise was engaged in and the activities
25 of which affected interstate commerce during the relevant times.

26 42. Hy-Pro, Edge Sales, Edge, and DOES 1-100 were each associated with the
27 association-in-fact enterprise and did conduct or participate, directly or indirectly, in the conduct
28

1 of the affairs of this enterprise through a pattern of racketeering activity within the meaning of 18
2 U.S.C. §§ 1961(1)(B) and 1961(E) and 1961(5) and 1962(c).

3 43. Defendants formed a scheme to defraud plaintiffs of their money or property. In
4 furtherance of this scheme, defendants used or caused to be used the United States mails or an
5 interstate commercial carrier in violation of 18 U.S.C. § 1341. For instance, Plaintiffs are
6 informed and believe and on that basis allege that in approximately January 2003, defendants
7 mailed to Class members IRS 1099 forms, representing that each was an independent contractor,
8 when in fact each was an employee.

9 44. In furtherance of this scheme to defraud plaintiffs, defendants used or caused to be
10 used interstate wire communications in violation of 18 U.S.C. § 1343. For instance, Defendants
11 misrepresented over the internet that members of traveling sales crews will receive paid lodging,
12 which is not true.

13 45. In furtherance of this scheme to defraud plaintiffs and Class members of money or
14 property having a value of \$5,000 or more, defendants caused plaintiffs and Class members to
15 travel or be transported in interstate commerce in violation of 18 U.S.C. § 2314. For instance,
16 defendants made misrepresentations, such as those over the internet stating that members of
17 traveling sales crews will receive paid lodging, that induced plaintiffs to travel in interstate
18 commerce.

19 46. By reason of the violation of 18 U.S.C. § 1962(c) committed by Defendants,
20 Plaintiffs and the unnamed class members were injured in an as yet undetermined amount, within
21 the meaning of 18 U.S.C. § 1964(c).

22 47. Plaintiffs are entitled to an injunction restraining Defendants' fraudulent actions,
23 as alleged above.

24 **SECOND CLAIM FOR RELIEF**

25 (Civil RICO Conspiracy; 18 U.S.C. § 1962(d))

26 (By Plaintiffs and the Nationwide Class)

27 48. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 47,
28 above.

1 55. As a proximate result of their reasonable reliance upon Defendants'
2 misrepresentations, Plaintiffs and the members of the class have suffered damages in an amount
3 to be determined at trial.

4 **FOURTH CLAIM FOR RELIEF**

5 (Intentional Infliction of Emotional Distress)

6 (By Plaintiffs and the Nationwide Class)

7 56. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 55,
8 above.

9 57. As employees of Defendants, Plaintiffs and members of the Nationwide Class
10 were subjected to common acts of emotional abuse by Edge and other managers employed by
11 Edge Sales/Hy-Pro, including:

- 12 a) At both morning and nightly meetings, Edge and/or his agents would yell and
13 scream profanities at Plaintiffs and Class members;
- 14 b) Employees were subjected to physical abuse and humiliation for low sales, such as
15 being required to ride in bed of a pick up truck underneath a locked bed cover;
- 16 c) Defendants gave employees only subsistence stipends, making the employees
17 dependent upon Defendants for their day-to-day survival;
- 18 d) Defendants provided employees with alcohol, and tolerated drug use, in order to
19 control employees and limit their desire to leave;
- 20 e) Defendants exercised extremely tight control over their employees, who routinely
21 worked 16 or more hours a day, six or even seven days a week, making the
22 employees unable to act independently;
- 23 f) Defendants exposed their employees to criminal fines and penalties by having
24 them sell in areas where permits were required but not obtained;
- 25 g) Employees were forced to beg customers for the use of restrooms or for food and
26 beverages because Defendants did not allow them to take rest breaks or leave their
27 sales territory;
- 28

- 1 h) Employees were sometimes forced to sleep three persons per motel room when
2 only two beds were present;
- 3 i) Defendants threatened or imposed fines for trivial matters like returning to a motel
4 room to retrieve a personal item in the morning or for being in the motel room of a
5 member of the opposite sex even though all employees were over 18 years old;
6 and
- 7 j) Defendants misled employees about their pay in a variety of ways.

8 58. This conduct was intentional and malicious and done for the purpose of causing
9 Plaintiffs and Class members to suffer humiliation, mental anguish, and emotional and physical
10 distress. On information and belief, Hy-Pro and Edge Sales ratified this conduct.

11 59. As a proximate result of the conduct described above, Plaintiffs and members of
12 the Nationwide Class suffered severe humiliation, mental anguish, and emotional and physical
13 distress.

14 60. As a proximate result of this conduct, Plaintiffs and members of the Nationwide
15 Class have suffered damages in an amount to be determined at trial.

16 61. Defendants' actions were willful, wanton, malicious, and oppressive, and justify
17 an award of punitive damages.

18 **FIFTH CLAIM FOR RELIEF**

19 (Failure to Pay Federal Minimum Wage and Overtime Compensation; 29 U.S.C. §§ 206, 207)

20 (By Plaintiffs and the Nationwide Class)

21 62. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 61,
22 above.

23 63. Defendants employed Plaintiffs and members of the Nationwide Class in interstate
24 commerce without paying them the minimum wage required under the Fair Labor Standards Act,
25 29 U.S.C. § 206.

26 64. Plaintiffs and members of the Nationwide Class routinely worked well in excess of
27 forty hours per week without being paid the overtime compensation required under the Fair Labor
28 Standards Act, 29 U.S.C. § 207.

- 1 c) Requiring Defendants to make an immediate accounting in writing to all current
2 employees of the commissions they have earned to date and any advances or
3 deductions that Defendants have withheld from the employees' commissions;
4 d) Requiring Defendants to provide all current employees with a written contract
5 setting forth the terms and conditions of their employment;
6 e) Requiring Defendants to provide all applicants for employment a written contract
7 setting forth the terms and conditions of their employment before their first day of
8 employment;
9 f) Prohibiting Defendants from misrepresenting the nature of employment with them
10 and the compensation for that employment in any advertisements, such as using
11 the terms "paid travel" or "paid expenses."

12 **SEVENTH CLAIM FOR RELIEF**

13 (Failure to Pay Minimum Wage and Overtime Compensation; Labor Code §§ 1197 et seq)

14 (By Plaintiffs and the California Class)

15 70. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 69,
16 above.

17 71. Defendants employed Plaintiffs and members of the California Class in California
18 without paying them the minimum wage required under Labor Code § 1197 and the applicable
19 Industrial Welfare Commission Wage Order.

20 72. Defendants also employed Plaintiffs and members of the California Class in
21 California without paying them the required overtime. At all relevant times, Industrial Welfare
22 Commission Wage Order No. 2-2001 required the payment of overtime wages (1) equal to one
23 and one half times the employee's regular rate of pay for every hour worked in excess of eight
24 hours in a day or forty hours in a week and (2) equal to twice the employee's regular rate of pay
25 for every hour worked in excess of twelve hours in a day and for every hour worked in excess of
26 eight hours on the seventh consecutive workday in a workweek.

1 73. Plaintiffs, and members of the California Class, worked substantially more than
2 eight hours per day and forty hours per week; however, they were never paid the required
3 overtime wages.

4 74. Defendants' failure to pay the required minimum and overtime wages was willful.
5 Defendants knew that they were not paying Plaintiffs and other Class members minimum wages
6 and knew that Plaintiffs and other class members worked well in excess of eight hours per day
7 and forty hours per week.

8 75. Defendants failed to pay Plaintiffs and the California Class members' wages
9 when due and for at least 30 days thereafter. Pursuant to California Labor Code § 203, Plaintiffs
10 and Class members are entitled to waiting time penalties in an amount to be determined at trial.

11 **EIGHTH CLAIM FOR RELIEF**

12 (Violations of California Labor Code)

13 (By Plaintiffs and the California Class)

14 76. Plaintiffs incorporate by reference the allegations in paragraphs 1 through 75,
15 above.

16 77. Defendants' employment practices violated a number of provisions of the
17 California Labor Code:

- 18 a) Defendants made unlawful deductions from plaintiffs wages in violation of Labor
19 Code § 222 *et seq* and California Code of Civil Procedure § 487.020(c).
- 20 b) Defendants did not pay employees semi-monthly in violation of Labor Code § 204.
- 21 c) Defendants did not give employees meal and rest periods in violation of Labor
22 Code §§ 226.7 & 512.
- 23 d) Defendants did not provide regular, itemized wage statements in violation of
24 Labor Code § 226.
- 25 e) Defendants did not provide one day's rest in seven and required employees to
26 work more than six consecutive days in violation of Labor Code §§ 551 & 552.
- 27 f) Defendants made misrepresentations about the nature and character of the work in
28 order to induce Plaintiffs and Class members to move from outside California to

1 inside California as well as to move within the state in violation of Labor Code §
2 972. These misrepresentations caused Plaintiffs and Class members to change
3 from places outside the state to places inside the state as well as to change from
4 one place within the state to another place within the state.

5 g) Defendants lack a fixed place of business in California and entered into contracts
6 of employment involving the payment of commissions, but Defendants did not put
7 such contracts in writing and set forth the method by which commissions would be
8 computed and paid in violation of Labor Code § 2751.

9 78. As a result of Defendants unlawful employment practices, Plaintiffs and members
10 of the California Class have suffered damages in an amount to be determined at trial, which
11 amount shall be doubled or tripled when authorized by the Labor Code.

12 **NINTH CLAIM FOR RELIEF**

13 (Negligence)

14 (By Plaintiff Daniel Wilkinson in his personal capacity)

15 79. Plaintiff incorporates by reference the allegations in paragraphs 1 through 78,
16 above.

17 80. While employed as a member of Defendants' sales crew, Defendants' negligence
18 caused Wilkinson to be hit by a moving train. As a result he suffered serious injuries, including
19 general and special damages in excess of this Court's jurisdiction.

20 81. Wilkinson tendered his medical bills to Defendants. Despite the fact that
21 Wilkinson was working at the time of his injury, Defendants denied, and continue to deny, that
22 they are in any way responsible for payment of Wilkinson's medial bills.

23 82. As a direct and legal result of Defendants' negligence, Wilkinson suffered serious
24 trauma and physical injuries. These injuries have caused, and continue to cause, Wilkinson great
25 mental, physical, emotional, and nervous pain and suffering. Wilkinson is informed and believes,
26 and on this information and belief alleges, that these injuries will result in his permanent
27 disability.

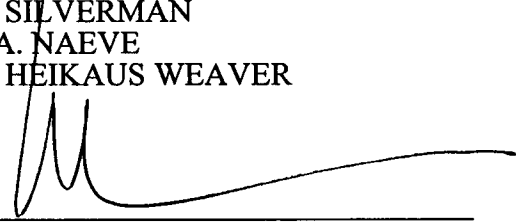
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- 5. For reasonable attorney's fees;
- 6. For interest and penalties;
- 7. For costs of suit;
- 8. For such other relief as the Court may deem just and proper.

Dated: January 7, 2005.

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