

## Summary of Complaint in Filipino Teachers' Lawsuit

### The Parties

- The plaintiffs are all teachers recruited from the Philippines to teach in Louisiana public schools. Most are from the East Baton Rouge Parish School System. Others are from Caddo Parish, Jefferson Parish and the Recover School District.
- They are asking to be certified as representatives of all similarly situated teachers in Louisiana, and to be allowed to pursue their claims as a class action lawsuit.
  - The Louisiana Teachers Class – more than 350 members in school districts throughout the state.
  - The East Baton Rouge Teachers Subclass – more than 200 individuals working in EBRPSS. This subclass also has claims against the school district and some of its officials.

There are three groups of defendants—

- Recruiter Defendants:
  - Universal Placement International Inc. (based in California); Lourdes Navarro (owner and president); Hothello Navarro (a director).
  - PARS International Placement Agency (based in Philippines); Emilio Villarba (registered representative of the company).
- Employer Defendants:
  - East Baton Rouge Parish School System.
  - Certain officials/administrators of the school district.
- Legal Facilitator Defendants:
  - Robert B. Silverman, attorney in California.
  - Silverman & Associates, law office.

The lawsuit is being filed in federal court in California because that is the principal business location of the recruiter and lawyer defendants.

### The Facts

- The complaint alleges an elaborate scheme originated by the Recruiters to essentially extract exorbitant and illegal fees and charges from Filipino teachers who were recruited for jobs in the United States. As part of this enterprise, the Recruiters threatened and intimidated any of the teachers who objected to or failed to pay the numerous fees and charges, or who objected to any element of the process devised by the Recruiters.
- The Legal Facilitators were the lawyers who misrepresented the legal requirements to the migrant teachers and represented the teachers and the recruiters at the same time in matters in which they had conflicting interests.
- The Employers (school district) failed to correct misrepresentations made to the teachers and cooperated with the Recruiters in actions that were meant to intimidate and control the teachers.
- Universal and PARS recruited Filipino teachers for positions in Louisiana. After interviews with Louisiana school districts, the teachers selected began the process of obtaining the H-1B visas needed to work in the United States.

- Recruiters charged the teachers an immediate fee of \$5,000 to \$5,500, in violation of regulations and laws governing the visa process and employment contractors. When visas were issued, the Recruiters retained them, and then announced that the teachers would be charged for airfare to the United States and have to pay an additional fee equivalent to three months' salary at their U.S. teaching jobs. The total that each teacher had to pay BEFORE ever leaving the Philippines was about \$16,000. Since that is several times the average household income in the Philippines, most of the teachers had to borrow some or all of the amount. The Recruiters referred them to two private lenders who charged 3-to-5 percent a month.
- Before leaving for the United States, the teachers were then forced to sign contracts that obligated them to pay more fees.
- When they landed in California, the teachers were forced to sign yet another contract that obligated them to pay 10 percent of their salary for 24 months to Universal.
- The Recruiters charged fees for arranging substandard housing and threatened teachers who complained or sought to move to a new location.
- Teachers who objected to the fees and other charges were threatened with revocation of visas, baseless lawsuits, and termination or non-renewal of their teaching contracts.
- The lawyers failed to tell the teachers that the employer school districts are required under U.S. regulations to pay the visa application fee and other related charges.

### Claims for Relief

The Filipino teachers are seeking money damages and/or declaratory relief based on the following statutory and other legal provisions:

- These practices violated the federal law against forced labor and human trafficking by creating circumstances that amounted to forced labor or involuntary servitude.
- The business relationships among the Recruiters, the Employers and the lawyers constituted a RICO enterprise – violating the Racketeer Influenced and Corrupt Organizations Act. Treble damages available.
- The facts show a solicitation of employees by misrepresentation, prohibited by the California Labor Code.
- The defendants violated California's Agency Employment Counseling and Job Listing Services Act.
- The defendants violated the California Unfair Business Practices Act.
- The Recruiters' false representations constituted fraud under the California Civil Code.
- In addition to damages, the lawsuit asks the court to declare the contracts with the Recruiters void because they resulted from undue influence, their terms are illegal – and the teachers are entitled to restitution of all fees, as well as damages.
- The lawyers breached their fiduciary duty to the teachers and committed legal malpractice – which entitles the teachers to compensatory and punitive damages.
- The East Baton Rouge Parish School System committed negligent hiring because they set up the arrangement with the Recruiters and failed to inquire into the fitness of PARS and Universal.