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UNITED STATES DISTRICT COURT
 CENTRAL DISTRICT OF CALIFORNIA

FINN PETTE, individually, and on
 behalf of all others similarly situated;
 JAMES MCLAUGHLIN, individually,
 and on behalf of all others similarly
 situated;
 DANIEL HIMMELBERG,
 individually, and on behalf of all
 others similarly situated;
 GLENN SZALAY, individually, and
 on behalf of all others similarly
 situated;
 JAY BROPHY, individually, and on
 behalf of all others similarly situated;
 ANN BROPHY, individually, and on
 behalf of all others similarly situated;
 CHERYL CULBREATH,
 individually, and on behalf of all
 others similarly situated;
 ROBERT FOX, individually, and on
 behalf of all others similarly situated;
 JOHN CROOKS, individually, and on
 behalf of all others similarly situated;
 NYE NELSON, individually, and on
 behalf of all others similarly situated;

Plaintiffs,

vs.

INTERNATIONAL UNION OF
 OPERATING ENGINEERS, a trade
 union;

Case No.:

CLASS ACTION

**CLASS ACTION COMPLAINT
 FOR:**

1. Violations Of Racketeer Influenced
 And Corrupt Organizations Act
 [18 U.S.C. § 1962(c)]
2. Violations Of Racketeer Influenced
 And Corrupt Organizations Act
 [18 U.S.C. § 1962(d)]
3. Violations Of Racketeer Influenced
 And Corrupt Organizations Act
 [18 U.S.C. § 1962(b)]
4. Violations Of Racketeer Influenced
 And Corrupt Organizations Act
 [18 U.S.C. § 1962(d)]
5. Violations of Labor Management
 Disclosure Act
 [29 U.S.C. § 501]
6. Aiding and Abetting

DEMAND FOR JURY TRIAL

1 JAMES T. CALLAHAN, an
 individual;
 2 BRIAN E. HICKEY, an individual;
 WILLIAM C. WAGGONER, an
 3 individual;
 PATRICK L. SINK, an individual;
 4 JERRY KALMAR, an individual;
 RUSSELL E. BURNS, an individual;
 5 RODGER KAMINSKA, an individual;
 JAMES M. SWEENEY, an individual;
 6 ROBERT T. HEENAN, an individual;
 DANIEL J. MCGRAW, an individual;
 7 DAREN KONOPASKI, an individual;
 MICHAEL GALLAGHER, an
 8 individual;
 GREG LALEVEE, an individual;
 9 TERRANCE E. MCGOWAN, an
 individual;
 10 LOUIS G. RASSETTA, an individual;
 VINCE GIBLIN, an individual;
 11 JAMES VAN DYKE, an individual;
 RICHARD GRIFFIN, an individual;
 12 CHRIS BROWN, an individual;
 LEWIS LEVY, an individual;
 13 RANDY HENNINGFIELD, an
 individual;
 14 PAUL BENSI, an individual;
 SANDRA ACOSTA, an individual;
 15 CORNELL SNEAKS, an individual;
 JIM SCRANTON, an individual;
 16 DENNIS LUNDY, an individual;
 CYNTHIA ESCANUELAS, an
 17 individual;
 18 ABLE ENGINEERING SERVICES, a
 business entity of unknown type;
 19 ABM ENGINEERING SERVICES; a
 business entity of unknown type; and,
 20 DOES 1 through 10, inclusive,
 21 **Defendants.**

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6	members are more fully described below. First, until the year 2000, Local	6
7	501 was not a local union and its members were not in Local 501. Second,	7
8	Local 501 was prevented from expanding its membership by the fact that	8
9	those companies with Local 501 were protected by International 501 who were receiving	9
10	the benefits of their protection. And, third, the membership of Local 501 was	10
11	deprived the right to freely select its own officers, members and local officials.	11
12	The conduct of International 501 has led to the acts of membership	12
13	abuse, including organized crime, which makes some sense here. The International	13
14	Union of Operating Engineers has conducted its affairs with the same disregard for	14
15	others' rights as the more than 100 companies, the International Union of Operating	15
16	Engineers has a long history of acts to organized crime families in New York	16
17	and Jersey, and they have successfully learned their techniques from the very best	17
18	of these crime syndicates.	18
19		19
20		20
21	This action is brought among other bases under the following	21
22	Commonwealth of the United States (California) and the Federal Circuit, M.	22
23	Brand, 772 F.2d 1000, 1001 (9th Cir. 1985). In addition,	23
24	this action is brought pursuant to Article 1, Section 1 of the Constitution of the	24
25	State of California and other statutes and laws of the State of California.	25
26	The action is specifically directed to the fact that by various federal	26
27	statutes, including but not limited to the following: Section 1066 of the Federal	27
28	Antitrust Act, 15 U.S.C. § 1, and the Organized Crime Control Act,	28

I. INTRODUCTION

1. This action arises from years of illegal activity by the International Union of Operating Engineers and its controlling officers and co-conspirators. Local 501, a local trade union, and its members, were victimized by those many years of illegal activity. The unlawful abuses suffered by Local 501 and its members takes three predominant forms. First, millions upon millions of dollars were withheld and/or embezzled from Local 501 and its membership. Second, Local 501 was prevented from expanding its membership; the employers violating their contracts with Local 501 were protected by Defendants, who were receiving kickbacks for their protection. And, third, the membership of Local 501 was denied the right to freely select its own officers, through fair and honest elections.

2. The conduct of Defendants harkens back to the days of unrepentant racketeering by organized crime, which makes some sense here. The International Union of Operating Engineers conducts its affairs with the same disregard for others' rights as the mob. Not surprisingly, the International Union of Operating Engineers has a long history of ties to organized crime families in New York and New Jersey, and they have apparently learned their techniques from the very best of those crime syndicates.

II. JURISDICTION AND VENUE

3. The action is brought, among other bases, under the Interstate Commerce Clause of the United States Constitution, and the Racketeering, Mail Fraud, Wire Fraud and Money Laundering laws of the United States. In addition, this action is brought pursuant to Article 1, Section 1 of the Constitution of the State of California and other statutes and laws of the State of California.

4. Jurisdiction is specifically conferred on this Court by various federal statutes including, but not limited to, the following: Section 1964 of the Racketeer Influenced and Corrupt Organizations Act of the Organized Crime Control Act of

1 1970 as amended, 18 U.S.C. § 1964, based upon a pattern of racketeering activity
 2 in which Defendants have been engaged in connection with their operation of the
 3 International Union of Operating Engineers, consisting of violations of (a) 18
 4 U.S.C. § 1341, relating to mail fraud, (b) 18 U.S.C. § 1343, relating to wire fraud,
 5 (c) 18 U.S.C. § 1957, relating to monetary transactions of unlawfully obtained
 6 proceeds from specified crimes, including mail fraud, 18 U.S.C. § 1341, and wire
 7 fraud, 18 U.S.C. § 1343, (d) 18 U.S.C. § 1951, relating to travel and use of
 8 interstate commerce in furtherance of certain unlawful activities, including
 9 unlawful monetary transactions, 18 U.S.C. § 1957.

10 5. Original jurisdiction lies with this Court as to the Federal questions
 11 raised herein, pursuant to 28 U.S.C. § 1331.

12 6. Jurisdiction over any California State causes of action contained in this
 13 Complaint arises under the doctrine of supplemental jurisdiction, 28 U.S.C. §
 14 1367(a).

15 7. Venue as to each Defendant is proper in this District pursuant to 18
 16 U.S.C. § 1965, because each of the Defendants resides, is found, has an agent,
 17 controls and/or transacts or transacted affairs in this District. In addition, the
 18 Defendants are engaged in interstate and foreign commerce, and a substantial part
 19 of the events giving rise to the claims for violations of Federal law occurred in this
 20 District, all in the course of interstate and foreign commerce.

21 **III. THE PARTIES TO EACH CAUSE OF ACTION**

22 **A. Plaintiffs**

23 8. Plaintiff Finn Pette is, and at all relevant time was, a member of Local
 24 501. Mr. Pette was financial secretary of Local 501.
 25 9. Plaintiff James McLaughlin is, and at all relevant time was, a
 26 member of Local 501. Mr. McLaughlin served as a Business Manager of Local
 27 501. Mr. McLaughlin was the chairman of Local 501's Health & Welfare Trust,
 28

1 and the Apprenticeship Trusts of Southern California and Southern Nevada. Mr.
2 McLaughlin was also the Vice President of the Western Conference of Operating
3 Engineers. From April 1998 to June 30, 2009, Mr. McLaughlin served as a Vice-
4 President of the IUOE General Executive Board. He was re-elected by the general
5 members of the IUOE every 5 ½ years to serve as a Vice-President of the IUOE.
6 On June 30, 2009, there were 14 Vice-Presidents that served on the General
7 Executive Board. At the time he was forced to resign as Vice-President, he was the
8 second most senior Vice-President of the IUOE.

9 10. Plaintiff Daniel Himmelberg is, and at all relevant time was, a member
10 of Local 501. Mr. Himmelberg was Chairman of the JAC, a Taft Hartly trust fund
11 at local 501, and also served local 501 as its Assistant Business Manager.

12 11. Plaintiff Glenn Szalay is, and at all relevant time was, a member of
13 Local 501.

14 12. Plaintiff Jay Brophy is, and at all relevant time was, a member of
15 Local 501.

16 13. Plaintiff Ann Brophy is, and at all relevant time was, a member of
17 Local 501.

18 14. Plaintiff Cheryl Culbreath is, and at all relevant time was, a member of
19 Local 501.

20 15. Plaintiff Robert Fox is, and at all relevant time was, a member of Local
21 501. Robert Fox is a former Business Manager of Local 501 and former Vice
22 President of the IUOE. Mr. Fox retired as Business Manager of IUOE Local 501
23 and IUOE Vice President in 1992.

24 16. Plaintiff John Crooks is, and at all relevant time was, a member of
25 Local 501 assigned to the Las Vegas division of Local 501.

26 17. Plaintiff Nye Nelson is, and at all relevant time was, a member of
27 Local 501 and retired from the position of Business Agent in Los Angeles.

28 18. Plaintiffs reserve the right to seek leave to amend this complaint to add

1 new plaintiffs, if necessary, in order to establish suitable representative(s) of the
2 Class proposed herein and/or any necessary sub-Class.

3
4 **B. Defendants**

5 19. Defendant International Union of Operating Engineers is a trade union
6 that primarily represents operating engineers, who work as heavy equipment
7 operators, mechanics, and surveyors in the construction industry, and stationary
8 engineers, who work in operations and maintenance in building and industrial
9 complexes, and in the service industries. IUOE also represents nurses and other
10 health industry workers, a significant number of public employees engaged in a
11 wide variety of occupations, as well as a number of job classifications in the
12 petrochemical industry. Local 501 is a stationary local.

13 20. Defendant James T. Callahan is the General President of IUOE,
14 allegedly elected in November 2011. Prior to his election by the general executive
15 board (little more than an appointment by outgoing GP Giblin as all officers of
16 GEB swear allegiance to the GP and to his named successor. There has never been
17 a contested "election" in the history of the IUOE for the position of General
18 President. Defendant Callahan served as the IUOE General Secretary-Treasurer and
19 was elected as IUOE Vice President in 2008. Defendant Callahan is also a Trustee
20 of the IUOE General Pension Fund.

21 21. Defendant Brian E. Hickey is General Secretary-Treasurer of IUOE,
22 elected in November 2011. Mr. Hickey has served as an IUOE Vice President
23 since 2001. Defendant Hickey is also a Trustee of the IUOE Central Pension Fund
24 and also Business Manager of Local 399, located in Chicago, Illinois. Local 399 is
25 also a stationary local.

26 22. Defendant William C. Waggoner is the First Vice President of IUOE.
27 Mr. Waggoner was first elected as an IUOE Vice President in 1980. Mr. Waggoner
28 is also the Western States Director and Business Manager of Local 12

1 headquartered in Pasadena, California. Local 12 is a hoisting and portables local
2 which principally engages in the construction industry.

3 23. Defendant Patrick L. Sink is the Third Vice President of IUOE. Mr.
4 Sink was first elected as an IUOE Vice President in 2004. Mr. Sink is Business
5 Manager of IUOE Local 18 headquartered in Cleveland, Ohio. Local 18 is a mixed
6 local in that it has both a hoisting and portables division and a stationary division
7 (18s).

8 24. Defendant Jerry Kalmar is the Fourth Vice President of IUOE. Mr.
9 Kalmar was first elected as an IUOE Vice President in 2005. Mr. Kalmar is the
10 Business Manager of IUOE Local 39. Local 39 is a stationary local headquartered
11 in San Francisco, California.

12 25. Defendant Russell E. Burns is the Fifth Vice President of IUOE. Mr.
13 Burns was first elected as an IUOE Vice President in October 2006. Mr. Burns is
14 the Business Manager for IUOE Local 3 headquartered in Alameda, California.

15 26. Defendant Rodger Kaminska is the Sixth Vice President of IUOE. Mr.
16 Kaminska was first elected as an IUOE Vice President in 2008. Mr. Kaminska is
17 the Business Manager for IUOE local 101 headquartered in Kansas City, Missouri.

18 27. Defendant James M. Sweeney is the Seventh Vice President of IUOE.
19 Mr. Sweeney was first elected as an IUOE Vice President in 2009. Mr. Sweeney is
20 Business Manager for IUOE Local 150 headquartered in Countryside, Illinois.

21 28. Defendant Robert T. Heenan is the Eighth Vice President of IUOE.
22 Mr. Heenan was first elected as an IUOE Vice President in 2009. Mr. Heenan is the
23 Business Manager of IUOE Local 542 headquartered in Fort Washington,
24 Pennsylvania.

25 29. Defendant Daniel J. McGraw is the Ninth Vice President of IUOE.
26 Mr. McGraw was first elected as an IUOE Vice President in 2011. Mr. McGraw
27 also serves as the Northeast Regional Director for the IUOE and is headquartered in
28

1 Albany, New York. He is also the Business Manager for IUOE Local 17
2 headquartered in Lakeview, New York.

3 30. Defendant Daren Konopaski is the Tenth Vice President of IUOE. Mr.
4 Konopaski was first elected as an IUOE Vice President in 2011. Mr. Konopaski is
5 the Business Manager of IUOE Local 302 headquartered in Bothell, Washington.

6 31. Defendant Michael Gallagher is the Eleventh Vice President of IUOE.
7 Mr. Gallagher was first elected as an IUOE Vice President in 2011. Mr. Gallagher
8 is the Business Manager of IUOE Local 793 headquartered in Oakville, Ontario,
9 Canada.

10 32. Defendant Greg Lalevee is the Twelfth Vice President of IUOE. Mr.
11 Lalevee was first elected as an IUOE Vice President in 2011. Mr. Lalevee is the
12 Business Manager for IUOE Local 825 headquartered in Springfield, New Jersey.

13 33. Defendant Terrance E. McGowan is the Thirteenth Vice President of
14 IUOE. Mr. McGowan was first elected as an IUOE Vice President in 2011. Mr.
15 McGowan is also a Trustee of the IUOE General Pension Fund. He is the Business
16 Manager of IUOE Local 139 headquartered in Pewaukee, Wisconsin.

17 34. Defendant Louis G. Rasetta is the Fourteenth Vice President of IUOE.
18 Mr. Rasetta was first elected as an IUOE Vice President in 2012. Mr. Rasetta also
19 serves as the Chairman of the Board of the IUOE General Pension Fund. He is
20 Business Manager of IUOE Local 4 which is headquartered in Medway,
21 Massachusetts.

22 35. Defendant Vincent (Vince) Giblin was General President of IUOE
23 from about 2005 until his retirement in November 2011.

24 36. Defendant James Van Dyke was the Chief of Staff for IUOE, but he is
25 now retired.

26 37. Defendant Richard Griffin was General Counsel for IUOE and has
27 since left that position.

28

1 38. Defendant Chris Brown was the former Business Manager of Local
2 501.

3 39. Defendant Louis Levy was an attorney that represented the Board of
4 Local 501 and membership of Local 501. Mr. Levy previously worked for IUOE
5 three years earlier, performing legal services.

6 40. Defendant Randy Henningfield was a Certified Public Accountant
7 hired to audit Trusts for Local 501, including the Apprentice Training Fund.
8 Henningfield was married to Cynthia Escanuelas.

9 41. Defendant Paul Bensi is the CEO of Able Engineering Services and a
10 Trustee of the Central Pension Fund for the IUOE. Mr. Bensi, at all times relevant,
11 served as an employer/management Trustee on the Local 501 JAC board.

12 42. Defendant Sandra Acosta was, at all relevant times, an employee of
13 IUOE Local 501. Mrs. Acosta served as a business representative.

14 43. Defendant Cornell Sneaks was, at relevant times, an employee of Able
15 Engineering Services. Mr. Sneaks served as an employer/management Trustee on
16 the Local 501 JAC board.

17 44. Defendant Jim Scranton was, at relevant times, the President of ABM
18 Engineering Services. Mr. Scranton served as an employer/management Trustee on
19 the Local 501 JAC board.

20 45. Defendant DENNIS LUNDY was, at relevant times, the Director of
21 JAC.

22 46. Defendant CYNTHIA ESCANUELAS was, at relevant times, the
23 office manager for JAC.

24 47. Able Engineering Services is a business entity wholly owned by Able
25 Services.

26 48. ABM Engineering Services is a business entity owned by ABM
27 Industries, Inc.

50. At all times mentioned herein, the Defendants named as DOES 1-10, inclusive, and each of them, were residents of, doing business in, availed themselves of the jurisdiction of, and/or injured Plaintiffs and aggrieved employees in the State of California, among other locations.

51. At all times mentioned herein, each Defendant was the agent, servant, or employee of the other Defendants and in acting and omitting to act as alleged herein did so within the course and scope of that agency or employment.

52. The term “Defendants” as used herein includes DOES 1-10.

IV. DEFENDANTS' MISCONDUCT

A. About the IUOE

53. The International Union of Operating Engineers (IUOE) is a trade union that primarily represents operating engineers, who work as heavy equipment operators, mechanics, and surveyors in the construction industry, and stationary engineers, who work in operations and maintenance in building and industrial complexes, and in the service industries. IUOE also represents nurses and other health industry workers, a significant number of public employees engaged in a wide variety of occupations, as well as a number of job classifications in the petrochemical industry.

54. Founded in 1896, IUOE today has approximately 400,000 members in 123 local unions throughout the United States and Canada. IUOE is the 10th largest union in the AFL-CIO.

B. IUOE Forced Plaintiffs Serving As Officers of Local 501 to Contribute to the President's Club, a Political Action Fund

55. Vince Giblin, as General President of IUOE, dramatically increased contributions to IUOE's Political Action Fund, the President's Club, previously known as EPEC. However, he did so by engaging in illegal conduct. Giblin required any officer of a local union to contribute to the President's Club. Officers were told that if they wanted to serve as an officer, they had no choice but to contribute to the President's Club, in amounts ranging from hundreds to thousands of dollars a year.

C. Plaintiffs Discovered Many Examples of Embezzlement and Asset Diversion from Local 501 and IUOE Accounts Created for the Benefit of Union Members

1. Dennis Lundy Embezzled from the Apprenticeship Trust Account, but IUOE President Giblin Protected Lundy

56. In 2007, Dennis Lundy was in charge of the Local 501 Apprenticeship Trust.

57. In his position as Trustee of the Local 501 Apprenticeship Fund, Lundy forged Mr. McLaughlin's signature on checks from that fund. Mr. Lundy also charged many thousands of dollars in lunches to the fund, though the lunches were not for any Fund business purposes. Instead, Mr. Lundy was having an affair with Cynthia Escanuelas, an employee of Local 501.

58. Mr. Giblin created Regional Director positions and promoted Mr. Lundy to the position of Western Regional Director. Mr. Lundy is a personal friend of Defendant Giblin from their time together in New Jersey.

59. In fact, Lundy is so fully protected by Giblin, that he, Giblin, and, later, Van Dyke, are the only individuals allowed to work full time for the IUOE.

1 General Pension Fund *and* draw their full pensions from their work as union
2 members. While this arrangement is a violation of the General Pension Fund rules,
3 Giblin exerted such control over IUOE and its other officers that it was allowed
4 without challenge. The Fund's rules were never changed to prevent this double-
5 dipping.

6 60. After Mr. Lundy started his new job, Mr. McLaughlin reviewed the
7 Apprenticeship Trust financial records and found a number of improper, personal
8 charges related to food, beverage, and travel purchases. Mr. McLaughlin
9 immediately began an investigation and brought in Finn Pette, a Business
10 Representative and elected officer of Local 501, and Daniel Himmelberg, the
11 Assistant Business Manager, to assist in the investigation.

12 61. Mssrs. Himmelberg and Pette investigated the embezzlement charges.
13 They hired an accounting firm and retained a separate lawyer, who was not
14 affiliated with Local 501. They also notified the Department of Labor and filed
15 revised reports for the trust account. Mssrs. Himmelberg and Pette received a report
16 from the accounting firm and sent Mr. Lundy a demand for repayment of roughly
17 \$4,000.00. The auditors could not examine charges prior to December 2006,
18 though they noted that the card existed since July 2003. Amazingly, Business
19 Manager Jim McLaughlin had no idea that Lundy had obtained a Visa for the Trust.

20 62. An outside auditor concluded that of \$56,670.51 charged to the
21 Apprenticeship Trust Fund by Lundy from January 2007 to July 2007, \$13,087.19
22 constituted meals and entertainment, \$13,223.70 constituted travel and lodging, and
23 \$16,810.45 constituted books and equipment. Many of Lundy's charges were for
24 nothing more than expensive lunches with his mistress, Cynthia Escanuelas. Over
25 20% of the charges to the fund had no supporting receipt. The unsupported charges
26 amounted to \$19,401.23. At least \$4,970.19 of Lundy's meal charges appeared to
27 have no business purpose.

63. The outside auditor also examined charges to Amex and Visa cards issued for the Trust, for the billing period of January 2006 to December 2006. During that time, of \$84,352.58 charged, \$20,634.05 constituted meals and entertainment, \$24,397.52 constituted travel and lodging, and \$30,380.11 constituted books and equipment. Over 20% of the charges had no receipts. 62 meal transactions, totalling \$7,944.78, were undocumented. Total unsupported charges amounted to \$28,981.54. It is believed that some of the unsupported charges were false submissions used to embezzle funds for a cosmetic breast augmentation procedure Lundy obtained for Cynthia Escanuelas.

64. Mr. Lundy's friend, Sandra Acosta, called Mr. McLaughlin and told him Mr. Lundy wasn't going to pay the money back to the trust and that Mr. McLaughlin had "better back off" on insisting Mr. Lundy pay the money back to the trust because Mr. Lundy had "friends." Mr. McLaughlin received an angry call from the then IUOE International General President Vince Giblin around the early part of 2008. Mr. Giblin demanded Mr. McLaughlin "drop" the investigation. Mr. Giblin told Mr. McLaughlin that he "owed" Mr. Giblin because Mr. Giblin knew Mr. Lundy was going to run for Business Manager and told Mr. McLaughlin that he had "[taken] Dennis off [his/McLaughlin's] hands."

65. Mr. McLaughlin told Mr. Giblin that he couldn't stop the investigation. From early 2008, until June 2009, Mr. Giblin harassed Mssrs. McLaughlin, Himmelberg, and Pette. Mr. McLaughlin was the 2nd Vice-President of the IUOE Executive Board and was a trustee on the Central Pension Trust. Mr. Giblin displayed contempt for Mr. McLaughlin Board and Pension Trust meetings, and when Mr. Giblin found out that Mssrs. Himmelberg and Pette had accompanied Mr. McLaughlin to an IUOE meeting in Chicago, Mr. Giblin told Mr. McLaughlin if he saw either Mr. Himmelberg or Mr. Pette he would fire them "on the spot." Mr. Giblin also told Mr. McLaughlin that he was going to "punch their ticket," referring to Mssrs. McLaughlin, Himmelberg, and Pette.

1 66. Mr. Giblin directed the IUOE ethics officer to investigate Mr.
2 McLaughlin. However, no charges were brought against Mr. McLaughlin because
3 Mr. McLaughlin provided documents and responses that supported Mr.
4 McLaughlin's position that he had done nothing wrong. The firm of Levy, Stern &
5 Ford has represented Local 501 for almost 15 years. Between 2007 through June
6 2009, Mr. McLaughlin kept Levy, Stern & Ford and Adam Stern updated on Mr.
7 Giblin's actions against Mssrs. McLaughlin, Himmelberg, and Pette.

8 67. On or about June 9, 2009 Robert Fox, the previous Business Manager
9 of Local 501 and former International Vice President received a call from
10 Defendant Vincent Giblin, IUOE General President. Mr. Giblin was extremely
11 upset with James McLaughlin, the Business Manager of Local 501 at that time.
12 Mr. Giblin said to Mr. Fox, "I told that fat fuck [James McLaughlin] to make that
13 Lundy thing disappear and he never did. That lazy fat fuck has to go!" Mr. Fox
14 was a trusted confidant of Mr. McLaughlin and knew about the Lundy reference,
15 having already heard from Mr. McLaughlin that Mr. Lundy had embezzled funds
16 from the Apprenticeship Trust at Local 501.

17 68. On or about the morning of June 11, 2009, Mr. Giblin called Mr.
18 McLaughlin and ordered Mr. McLaughlin to resign as Business Manager and Vice-
19 President of the Executive Board. Mr. Giblin also removed Mr. McLaughlin as a
20 trustee of the IUOE Central Pension Trust. Mr. McLaughlin refused, stating that he
21 had done nothing wrong. Mr. Giblin threatened to separate the Las Vegas
22 membership from Local 501 if Mr. McLaughlin didn't resign. Mr. Giblin told Mr.
23 McLaughlin that if he didn't resign, he would be "the Business Manager of
24 nothing!" Mr. Giblin ended the conversation by telling Mr. McLaughlin that he had
25 to direct all communications to the IUOE's general counsel at that time, Richard
26 Griffin. Mr. Giblin then abruptly hung up the phone.

27 69. Mr. McLaughlin called a meeting with Mr. Pette and Mr. Himmelberg
28 in his office. They decided to contact Local 501's attorney to find out what could be

1 done. Mr. McLaughlin called attorney Adam Stern and attorney Stern agreed to
2 come to the Local 501 office later that morning. At about the same time, Mr. Fox
3 came into Mr. McLaughlin's office. Mr. Fox told Mssrs. McLaughlin, Himmelberg,
4 and Pette about the conversation he had with Mr. Giblin the prior evening and Mr.
5 McLaughlin told Mr. Fox about the conversation that he had with Mr. Giblin earlier
6 that morning, including Mr. Giblin's death threats directed at Mssrs. McLaughlin,
7 Himmelberg, and Pette. Mr. Fox agreed to stay and tell attorney Stern about his
8 conversation with Mr. Giblin.

9 70. Mr. Stern arrived on or about the morning of June 11, 2009 with one of
10 his law partners, attorney Lewis Levy. Mr. Fox told Mssrs. Stern and Levy about
11 his previous phone conversation with Mr. Giblin and Mssrs. McLaughlin,
12 Himmelberg, and Pette reminded attorneys Stern and Levy about the Lundy matter
13 and Mr. Giblin's retaliatory acts. Mr. McLaughlin then asked Mr. Stern to call the
14 IUOE and speak to the general counsel to the IUOE, Mr. Griffin, to "get the IUOE
15 off my back." Mr. Stern told everyone present that the IUOE had no basis to place
16 Local 501 into trusteeship and specifically called Mr. Giblin's actions "bullshit."
17 Mr. Levy then told Mr. McLaughlin that Mr. Stern was "too emotional" and that he
18 would speak to Mr. Griffin. But Levy, Stern & Ford did not disclose the
19 substantial and unwaivable conflict of interest they faced when asked by Mr.
20 McLaughlin to call the IUOE and speak to Mr. Griffin to get the IUOE off his
21 back:

22 (a) For example, Sandra Acosta, a Business Agent and employee of
23 Local 501, filed a sexual harassment lawsuit ("Acosta Action")
24 against Local 501 and Mssrs. McLaughlin and Pette in early
25 2009. The Acosta Action was active in June 2009 and Levy,
26 Stern & Ford, specifically, Adam Stern and Lewis Levy,
27 represented Local 501 in the Acosta Action and represented
28 Mssrs. McLaughlin and Pette, as individuals, in the lawsuit.

1 (Levy, Stern & Ford did obtain conflict waivers from Mssrs.

2 McLaughlin and Pette in order to represent them in the Acosta

3 Action.)

4 (b) Levy, Stern & Ford also personally represented Mr. McLaughlin

5 in a separate matter. Mr. Levy individually and Levy, Stern &

6 Ford, represented Mr. McLaughlin in a workers' compensation

7 matter related to an injury Mr. McLaughlin suffered while

8 working at Local 501.

9 (c) In or around late 2009, plaintiff's counsel in the Acosta Action

10 served a deposition subpoena on Mr. Giblin. Mr. Giblin told Mr.

11 Levy that he didn't want his deposition taken and to "make the

12 Acosta thing go away." Shortly thereafter, Mr. Levy negotiated

13 a settlement with Ms. Acosta and the case was dismissed.

14 (d) By virtue of the representation provided above Levy, Stern &

15 Ford received substantial financial benefits from both Local 501

16 and the International IUOE. Mr. McLaughlin and Local 501

17 paid Levy, Stern & Ford a monthly retainer of \$12,500.00 per

18 month to represent Local 501. Additionally, Mr. Griffin of the

19 IUOE and William Waggoner, First Vice-President of the IUOE

20 and Business Manager of IUOE Local 12 in Pasadena,

21 California retained the service of Levy, Stern & Ford. Despite

22 the conflict faced by Levy, Stern & Ford, the firm did not

23 disclose the substantial and unwaivable conflict of interest when

24 Mr. Levy agreed to call the IUOE and speak to Mr. Griffin to

25 "get the IUOE off Mr. McLaughlin's back."

26 Mssrs. Levy and Stern left Mr. McLaughlin's office and went to a

27 private room in the offices of Local 501 to call Mr. Griffin. Mssrs. Levy and Stern

28 returned and Mr. Levy stated to everyone that Mr. Griffin said Mr. Giblin was

1 demanding Mr. McLaughlin resign. Mr. Stern insisted that they fight Mr. Giblin
2 and the IUOE. Mssrs. McLaughlin, Himmelberg, Pette, and Fox agreed with Mr.
3 Stern.

4 72. However, Mr. Levy told Mr. McLaughlin that he must negotiate a
5 resignation with the IUOE because Mr. Griffin told him Mr. Giblin was threatening
6 to either separate Las Vegas from the Local or place Local 501 under trusteeship.
7 Mr. Levy told Mr. McLaughlin that Mr. Giblin was prepared to take action
8 immediately.

9 73. Mr. McLaughlin told Mr. Levy he didn't want to resign as Business
10 Manager of Local 501 but he also did not want Local 501 to be broken apart or
11 placed under trusteeship. Mr. Levy told him his only option was to resign. At this
12 point, Mr. Pette left the meeting to attend another meeting where he was leading
13 the negotiations on a new union contract for Local 501 members.

14 74. After Mr. Pette left, Mr. McLaughlin asked Mr. Stern and Mr. Levy
15 for their advice. Mr. Levy told Mr. McLaughlin that he had to negotiate with Mr.
16 Griffin that he should propose his own terms. Mr. McLaughlin told Mr. Levy that
17 he would agree to resign; however, he wanted his pensions from his position as
18 Business Manager as well as 2nd Vice-President of the IUOE. Additionally, Mr.
19 McLaughlin wanted his medical benefits. Mr. Levy agreed to pass that on to Mr.
20 Griffin. Mssrs. Levy and Stern left the room to call Mr. Griffin.

21 75. Mssrs. Levy and Stern returned to Mr. McLaughlin's office about 20
22 minutes later. Mr. Levy stated that as part of the deal to "leave Local 501 alone,"
23 Mr. McLaughlin not only had to resign, but before he resigned, Mr. McLaughlin
24 also had to fire Finn Pette as Business Representative.

25 76. Mr. McLaughlin told Mr. Levy that Mr. Pette was "not part of the
26 deal." Mr. McLaughlin had been grooming Mr. Pette to potentially succeed him as
27 Business Manager when Mr. McLaughlin retired. Mr. McLaughlin was a mentor to
28 Mr. Pette and assigned Mr. Pette to high profile negotiations. Mr. McLaughlin

1 took Mr. Pette to IUOE working meetings throughout the country. Upon being
2 forced to resign, it was Mr. McLaughlin's goal to have Mr. Pette succeed him as
3 Business Manager and to keep Mr. Himmelberg as Assistant Business Manager to
4 assist Mr. Pette in performing his job duties.

5 77. Mr. McLaughlin told Mr. Levy that he would not fire Mr. Pette. Mssrs.
6 Levy and Stern left the room to call Mr. Griffin. In the meantime, Mr. McLaughlin
7 tried to call Mr. Pette but did not reach him.

8 78. Mssrs. Levy and Stern returned to Mr. McLaughlin's office a few
9 moments later. Mr. Levy told Mr. McLaughlin that if Mr. McLaughlin didn't agree
10 to fire Mr. Pette, or get Mr. Pette to resign, that "Dan is next." Mssrs. Fox,
11 McLaughlin, and Himmelberg understood this to mean that Mr. Griffin and the
12 IUOE would demand that Mr. Himmelberg's employment be terminated if Mr.
13 McLaughlin didn't fire Mr. Pette.

14 79. Mr. Levy asked Mr. McLaughlin why Mr. Giblin wanted Mr. Pette
15 removed as Business Representative. Mr. McLaughlin reminded Mr. Levy and Mr.
16 Stern that Mr. Giblin had a vendetta against Mr. Pette and Mr. Himmelberg because
17 they were both involved in the investigation of Dennis Lundy, who was under
18 Giblin's protection. Mr. McLaughlin asked attorneys Stern and Levy if the IUOE's
19 acts were a violation of Taft-Hartly or the LMRDA. Mr. Levy merely responded
20 that Mr. McLaughlin "shouldn't pick a fight with [Mr.] Giblin or the International."

21 80. Mr. McLaughlin told Mr. Levy that he couldn't risk Mr. Himmelberg's
22 job because Mr. Himmelberg had Parkinson's disease and Mr. Himmelberg
23 wouldn't be unable to get a job as an engineer. Mr. McLaughlin told Mr. Levy that
24 Mr. Giblin knew Mr. Himmelberg had Parkinson's disease because Mr.
25 McLaughlin told Mr. Giblin at an IUOE meeting when Mr. Griffin asked why Mr.
26 Himmelberg's hand was shaking. Mr. Levy then suggested Mr. McLaughlin make a
27 counterproposal. Mr. McLaughlin decided to propose that Mr. Pette would resign in
28 late spring of 2010. Mr. McLaughlin proposed this date because this would give

1 Mr. Pette time to finish some major negotiations which would be publicized. Mr.
2 Pette could then use this positive publicity to increase his chances of winning the
3 Business Manager position in the elections that month.

4 81. Although Mr. Pette was not present, Mr. McLaughlin told Mr. Levy
5 that he would agree to convince Mr. Pette to resign in the late spring of 2010. Mr.
6 Levy told Mr. McLaughlin that this appeared "fair" and he would speak to Mr.
7 Griffin. Messrs. Levy and Stern left the room and returned shortly. Upon returning
8 to the room, Mr. Levy told Mr. McLaughlin that Mr. Giblin was demanding that if
9 Mr. Pette was going to resign, he had to resign by October 31, 2009. Mr. Levy told
10 Mr. McLaughlin that he had to make a decision at that moment and to not bother
11 with a counter-offer because Mr. Griffin told him that Mr. McLaughlin had to "take
12 it or leave it" and if Mr. McLaughlin didn't "take it," Mr. Griffin would next
13 demand Mr. Himmelberg's resignation or termination.

14 82. Mr. Levy told Mr. McLaughlin that this was a "good deal," and that
15 Mr. McLaughlin should accept Mr. Griffin's demand. Mr. McLaughlin relied on the
16 advice and counsel of Mr. Levy and agreed to the term. Mr. Levy then notified Mr.
17 Griffin that the term requiring Mr. Pette's resignation by October 31, 2009 was
18 "accepted." Mr. Levy left to call Mr. Griffin and then returned about 30 minutes
19 later. Mr. Levy told Mr. McLaughlin that he had to propose a person to replace him
20 as Business Manager. Mr. Levy told Mr. McLaughlin that Mr. McLaughlin
21 couldn't propose "that guy with the hat [Mr. Pette] or Himmelberg, or that broad
22 [Sandra Acosta]." Mr. McLaughlin told Mr. Levy that he wanted to Mr. Pette to
23 take over as Business Manager. Mr. Levy responded that it was not a good idea to
24 propose Mr. Pette's name. Mr. McLaughlin then proposed Ronald Frease. Mr. Levy
25 left to call Mr. Griffin and returned a few moments later and said that Mr. Frease
26 was "unacceptable" to the IUOE. Mr. McLaughlin then proposed Edward Curley.
27 Mr. Griffin told Mr. Levy that Mr. Curley was also "unacceptable" to the IUOE.

1 Finally, the IUOE agreed to allow Chris Brown to replace Mr. McLaughlin as
2 Business Manager of Local 501.

3 83. Mr. Pette returned to the Local 501 office about 3 hours later. Upon
4 Mr. Pette's return, Mr. Levy and Mr. McLaughlin told Mr. Pette that he would have
5 to resign his position as Business Representative and Financial Secretary. Mr.
6 McLaughlin told Mr. Pette that did not want to fire Mr. Pette nor did he want Mr.
7 Pette to resign. Mr. McLaughlin told Mr. Pette that he didn't have a choice because
8 Mr. Levy told him that he didn't have a choice. Mr. Pette asked if he had a say in
9 the decision. Mr. Levy then told Mr. Pette "What they said was, we better accept
10 these terms because they could have taken Himmelberg out too."

11 84. Mr. Pette asked Mr. Levy "What does that mean?" Mr. Levy replied,
12 "Either you're fired, or everyone is fired. Take it or leave it." Mr. Pette asked Mr.
13 Levy "Do you want me to sign something?" Mr. Levy replied "That won't be
14 necessary." Mr. Pette immediately told Mr. Levy, "Like hell it won't! I want this in
15 writing!" Mr. Levy told Mr. Pette, "Okay, Finn, I'll take care of it."

16 85. Mr. Pette then asked "so I have to resign when Jim does?" To which
17 Mr. Levy responded "I got you a reprieve until October 31st." The meeting then
18 ended and Mr. Levy prepared a letter with the terms of the June 11, 2009
19 negotiations and distributed it to Mssrs. Griffin, McLaughlin, Himmelberg, and
20 Pette.

21 86. Notwithstanding the above "agreement" "negotiated" between IUOE
22 General Counsel Griffin and attorneys Stern and Levy, the IUOE did not live up to
23 its end of the bargain. Local 501's new Business Manager Christopher Brown
24 received instruction from James Van Dyke, Chief of Staff for General President
25 Vincent Giblin, who instructed Mr. Brown to fire Mr. Pette two weeks earlier than
26 October 31, 2009.

1 87. On or about October 17, 2009, Mr. Brown fired Mr. Pette as Business
2 Representative as well as from the positions of Trustee on both the Apprenticeship
3 and Health and Welfare funds.

4 88. Further, in an additional breach of the "agreement," in and around
5 November 2009, Mr. Van Dyke ordered Mr. Brown to fire Mr. Himmelberg as
6 Assistant Business Manager, even though Mr. Brown told Mr. Van Dyke that he
7 needed Mr. Himmelberg's experience and knowledge and wanted to keep him as
8 Assistant Business Manager. Mr. Van Dyke told Mr. Brown that Mr. Giblin was
9 ordering Mr. Brown to fire Mr. Himmelberg. Reluctantly, Mr. Brown obeyed Mr.
10 Giblin and terminated Mr. Himmelberg's employment.

11
12 **2. Lundy Helped Operate a Sham BOMA and EPA 608**
13 **Certification Testing System**

14 89. The Building Owner Manager's Association ("BOMA") created a
15 certification intended to ensure that stationary engineers certified by BOMA were
16 properly educated about certain safe operating. This certification gave building
17 owners the assurance that their engineers were capable of safely operating in their
18 buildings. In return, certified engineers received \$5 per hour more in pay. This
19 increase in pay also created a benefit for the locals, which were compensated by
20 employers based on hourly pay rates in effect for their members.

21 90. Local 501 was designated as the central testing center for BOMA
22 certification. Locals around the United States were to send their test fee to Local
23 501, where it would be graded and returned. Unfortunately, under Lundy, the
24 system was corrupted.

25 91. The test questions and answers were made available to many members
26 at other local unions. Members at other local unions paid \$50 for their test grading,
27 and Local 501 received 100 or more tests from other locals each month, but there is
28 no record of any test payment being deposited in the Apprenticeship Fund at Local

1 501. It appears that Lundy embezzled all of the test payments from other locals,
2 depositing only the payments from Local 501 members.

3 92. The propagation of sham certifications affects both public and private
4 employers, since governmental entities also hire union stationary engineers to
5 operate and maintain government buildings.

6
7 **3. Plaintiffs Discovered Evidence That ABM and Able**
8 **Conspired with the IUOE to Divert or Withhold Millions of**
9 **Dollars from Numerous Member Benefits Funds**

10 93. Able, a signatory to contracts with IUOE local unions, controls
11 roughly 25% of all stationary engineering positions in the state of California.

12 94. ABM, a signatory to contracts with IUOE local unions, control roughly
13 70% of all stationary engineering positions in the state of California.

14 95. When Mr. Pette became the Financial Secretary of Local 501 in June
15 2007, he was asked by Mr. McLaughlin to investigate Lundy's possible
16 embezzlement of funds from the Apprenticeship Fund. In addition to discovering
17 that Lundy had, in fact, embezzled tens of thousands of dollars by submitting
18 personal expenses, such as lunches with his mistress, for reimbursement, Mr. Pette
19 also observed that contributions to the Apprenticeship Fund seemed insufficient.
20 After an audit, it was determined that, in 2009, ABM had shorted the
21 Apprenticeship Fund approximately \$180,000 and Able had shorted the
22 Apprenticeship Fund approximately \$280,000. The shortfall should have been easy
23 to detect and correct, were it not for the invidious usurpation of control of Local
24 501 by Defendants.

25 96. Under the BOMA contracts that were in effect for the 5-year period
26 spanning 2007-2011, the Apprenticeship Fund received \$179 per member per year
27 from a signatory employer employing a member. Because membership numbers
28

are relatively stable, the contributions to the Apprenticeship Fund should also be stable. However, an examination of IRS form 990 shows that this was not the case.

Year	Employer Contributions
2004	\$484,739.00
2005	\$438,760.00
2006	\$613,517.00
2007	\$719,827.00
2008	\$590,124.00
2009	\$1,079,473.00
2010	\$1,273,390.00

The 2009 and 2010 figures represent the payments *after* Able and ABM were forced to address the shortfalls in their contributions.

97. Paul Bensi and Cornell Sneaks of Able, and Jim Scranton of ABM sat as Employers' Trustees of the Apprenticeship Fund. In that capacity, they helped conceal for years the underpayments by Able and ABM to the Apprenticeship Fund. They also used their influence to prevent audits of years prior to 2009.

98. Able and ABM were also shorting their contributions to the Health & Welfare Fund at Local 501, established to purchase benefits, like healthcare plans, for members. The shorting scheme was fairly simple. Members were required to work a specific number of hours to be eligible for benefits through the Health & Welfare Fund. Once an employer reported that an employee worked the necessary number of hours, the employer was obligated to contribute money for each hour worked by the employee. After a certain number of hours were worked the employee-member would have fully funded that year's benefits.

99. For fulltime employees, Able and ABM reported the number of hours needed to entitle the employee-member to full benefits, but then Able and ABM stopped reporting all hours worked to eliminate their obligation to keep

1 contributing to the Health & Welfare Fund beyond the minimum necessary to fund
2 benefits. While this would facially seem to cause no harm to Local 501 members,
3 it was, in fact, highly prejudicial to the interests of members. When a member
4 received additional Health & Welfare Fund contributions beyond the minimum
5 necessary, those additional contributions would, had they been paid, provided for
6 payment of benefits in future years, including upon retirement. By underfunding
7 the Health & Welfare Fund, Able and ABM deprived Local 501 members of this
8 supplemental benefit cushion, causing great financial harm to them. It is believed
9 that Able and ABM may have jointly underfunded the Health & Welfare Fund by
10 millions of dollars over the Class period.

11 100. The underreporting of hours resulted in a staggering cascade of other
12 harm to Local 501 and its members. First, the underreporting of hours deprived
13 Local 501 of much needed administrative operating contributions that would have
14 been much higher had the correct number of hours been reported. This harmed
15 Local 501's ability to operate. Second, Able and ABM were underfunding their
16 contributions to the General Pension Fund, which contributions also depend on the
17 number of hours worked.

18 101. Despite this patent disregard of contractual obligations intended to
19 benefit Local 501 members (and other locals' members around the country), Able
20 and ABM were richly rewarded by other Defendants, including Vince Giblin. In
21 return, Able and ABM richly rewarded the other Defendants. For example, Dennis
22 Giblin, son of Vince Giblin, was employed by International Union of Operating
23 Engineers, Local 68. Dennis Giblin served as the Administrator of the Local 68
24 Education fund, a fund governed by ERISA. As Administrator to the Education
25 Fund, Dennis Giblin was a fiduciary and required under ERISA to act solely in the
26 interests of the participants of the Education Fund; to avoid acting in his own
27 personal self-interest; and to avoid acting on behalf of any party whose interests
28 were adverse to the interests of the fund. In or about November 2004, Dennis

1 Giblin, on behalf of the Education Fund, hired an audio-visual company to design
2 and install electronic audio and visual systems at Education Fund's premises. For
3 its services, Giblin caused the Education Fund to pay the audio-visual company in
4 excess of \$315,000. Giblin also received free and discounted audio-visual
5 materials and components in August 2005. These items were installed in his Jersey
6 City condominium by the audio-visual company free of charge because of the work
7 the company had received from the Education Fund in the past. In total, Giblin
8 received an improper gratuity in excess of \$10,000 in free and discounted items,
9 and free labor.

10 102. Under federal law, it is a crime for an employee of an ERISA-covered
11 fund to receive or solicit any fee, kickback, commission, gift, loan, money, or thing
12 of value because of any of the individual's actions, decisions, or other duties
13 relating to such fund. In 2010, Dennis Giblin pleaded guilty in Newark federal
14 court to receiving kickbacks and embezzling in connection with a business
15 transaction during his tenure as head of the West Caldwell, N.J.-based union's job
16 training and education program. The guilty plea was entered relatively quickly by
17 Dennis Giblin to discourage deeper investigation into Local 68, which would have
18 uncovered wider-ranging kickback schemes with Able and ABM. Dennis Giblin
19 had been arrested in January 2009.

20 103. Due to his conviction, Giblin was ineligible to work for IUOE or Local
21 68. So Vince Giblin approached Paul Bensie at Able and sought a kickback of sorts
22 for Able's continued ability to operate double-breasted and underfund a number of
23 Trusts created for the benefit of rank and file union members, including members
24 of Local 501. Defendant Bensie created a high-paying position at Able for Dennis
25 Giblin, and Giblin was immediately hired by Able as consideration to Vince Giblin.
26 Dennis Giblin was then placed in charge of negotiating government contracts at a
27 salary believed to be commensurate with his former salary from IUOE Local 68.

104. And Lauren Lundy, the daughter of Dennis Lundy, was given a job by Bensi and Able in its Chicago, Illinois division, despite the fact that Dennis Lundy left Local 501 after looting the Apprenticeship Fund.

4. ABM and Able Conspired with IUOE to Operate “Double-Breasted” and Deprive Local 501 of Members and Revenues

105. Union contracts with ABM and Able require, at minimum, that any building that is unionized through Local 501 must remain unionized in subsequent labor contracts and new buildings added must be opened to Local 501 for organization of the labor force in those new buildings. Among other things, ABM and Able are obligated to provide the names and contact information for all employees in non-unionized buildings added subsequent to the entry of the most recent labor contract. ABM and Able, with the cooperation of IUOE following the payment of kickbacks to IUOE leadership, did not comply with their labor contracts.

106. Instead, ABM and Able blatantly operate “double breasted.” In labor parlance, “double breasted” refers to the side-by-side operation of unionized and non-unionized workforces. For example, in a January 28, 2011 email, Maira Rodriquez circulated job opportunities at ABM and requested feedback on any necessary changes. The job opportunities listed both union and non-union stationary engineer positions:

Date:	Position Available	Details	Job No.
12/30/2010	Union Journeyman Engineer	Multiple Locations - Los Angeles/ Orange County. M-F days. Starting ASAP. Pay Rate Union scale. Deadline until filled.	16092923RWS
1/27/2011	Building Engineers (Chief, Assistant Chief, Utility Engineer, and	San Diego, Day shift, starting ASAP, \$18-\$35/hr, Operations and maintenance engineer	1677TE

	Building Engineer)	must be experienced [sic] in HVAC boilers, chillers, and energy management systems, as well as electrical and plumbing. Deadline until filled.	
1/14/2011	Journeyman Building Engineer	600 W. 7th Street. Los Angeles, Swing shift M-F, starting ASAP, Data Center, pay rate Union scale, strong electrical background, deadline until filled.	16043160RD
3/30/2010	Union Journeyman Engineer	Century Plaza Towers, Century City, Mon-Fri swing shift, Starting ASAP, Class A High Rise, Union Scale, Experience needed, Deadline until filled.	16054042RWS

And, in a December 30, 2010 email, Maira Rodriguez circulated job opportunities at ABM and requested feedback on any necessary changes. The job opportunities listed both union and non-union stationary engineer positions, including the sample listed below:

Date:	Position Available	Details	Job No.
4/15/2010	Certified/ Non Certified OMP	Newport! Irvine, M-F days, starting ASAP, Class "A" Complex, Union BOMA Contract payscale, 5-8 years OMP experience, deadline until filled.	1652CVB
6/10/2010	Union Cert One Person Plant	West LA, M-F Days, Starting ASAP, Union Scale, 5-8 years or higher of OPP experience. Deadline until filled.	1602CVB
11/23/2010	Central Plant Operator	900 Corporate Pointe, Culver City, Days M-F, January 1st, central plant campus, \$38-\$40/hr. deadline until filled.	16042877RD
8/3/2010	NU Engineer - Bldg. Engineer	Beverly Hills, day shift M-F, starting date to be determined, Mid- rise, \$30-\$35, Strong HVAC and strong electrical, EPA cert in refrigeration, deadline until filled.	1607KS

1	8/3/2010	NU Engineer - Bldg. Engineer	Beverly Hills, day shift M-F, starting date to be determined, Mid-rise, \$30-\$35, Strong HVAC and strong electrical, EPA cert in refrigeration, deadline until filled.	1604RD
2				
3				
4	3/30/2010	Union Journeyman Engineer	Miracle Mile, Los Angeles, M-F days (8-4), Starting ASAP, Class A High Rise, Union Scale, Experience needed. Deadline until filled.	16042014RWS
5				
6				
7	3/30/2010	Union Journeyman Engineer	Century Plaza Towers, Century City, Mon-Fri swing shift, Starting ASAP, Class A High Rise, Union Scale, Experience needed, Deadline until filled	16054042RWS
8				
9				
10	3/24/2010	Non-Union Engineer (Part-Time)	Los Angeles, Part Time, 2-3 days per week, Starting ASAP, \$35/hr, Strong HVAC and strong electrical, EPA Cert in refrigeration, Deadline until filled!	16093080KS
11				
12				

13
14 “N/U” or “NU” are non-union job opportunities.

15 107. ABM also failed to disclose to Local 501 its contract to provide
16 stationary engineers to the entire California Courts system.

17 108. Plaintiffs also investigated Able’s activities and discovered evidence
18 of widespread “double-breasted” operations. In one such case, referred to as the
19 “Jamison” contract, Plaintiffs found a thorough listing of properties owned by the
20 most notorious double-breasted building owner in Southern California, Dr. David
21 Lee (through Jamison Services, Inc.). Dr. Lee contracts extensively or exclusively
22 with Able Engineering for staffing engineers in his buildings. By comparing the
23 complete listing of all Able Engineering properties under the Local 501 CBA with
24 that list of David Lee properties obtained from his company's website, Plaintiffs
25 were able to identify numerous buildings not disclosed to Local 501 for
26 organization. Well over 100 properties are missing from the Local 501 contract.

D. **IUOE's Leadership Used Threats of Physical and Economic Violence, and Suborned Perjury, to Suppress Investigations and Usurp Control Over Local 501**

109. On or about March 10, 2010, Robert Fox received a call from Vince Giblin, then General President of IUOE. Mr. Fox had been a friend to the family of General President for more than 30 years dating back to Vincent Giblin's father. The tone of this conversation was threatening to Mr. Fox. Mr. Giblin did not communicate in the respectful manner typical of their prior conversations. When Mr. Fox advised Mr. Giblin that he did not want Giblin to take action against Jim McLaughlin, Dan Himmelberg and Finn Pette, the conversation became even more confrontational and Mr. Giblin stated that he would kill or have these three union officers killed.

110. Mr. Fox believed the threats from Mr. Giblin to be genuine. Mr. Fox believed that Vince Giblin had the ability to order the deaths of Mr. McLaughlin, Mr. Himmelberg, and Mr. Pette because of Mr. Giblin's connection to organized crime in New Jersey, Vince Giblin's home territory.

111. In direct response to the death threat made by Giblin against three of the Union Officers of Local 501, Mr. Fox contacted these three individuals and strongly suggested they purchase guns to protect themselves. Mr. Fox refused to discuss anything over the phone because he knew Giblin had a penchant for wiretapping and eavesdropping on calls and Mr. Fox feared his own phone was tapped by Giblin. Moreover, he refused to meet the subjects of the death threats at his home for his safety, his wife's and the safety of the Union Officers.

112. In fact, for the past several years, IUOE has exercised total control over Local 501, all for the purpose of preventing any discovery or disruption of the many kickback schemes in place that divert tens of millions of dollars from Local 501 and its members to leaders of IUOE, including past IUOE General President Vince Giblin, the current General President, Callahan, high ranking IUOE

1 employees of headquarters and the past and current Vice Presidents that do the
2 bidding of the IUOE General President. For example, after Giblin used threats of
3 violence and termination to obtain McLaughlin's resignation as Business Manager
4 and the appointment of Chris Brown as the replacement Business Manager, Mr.
5 Brown has stated publicly in many District 1 union meetings that he had no choice
6 in Local 501 matters and that Mr. Giblin was directing his actions.

7 113. When officer elections were scheduled to occur at Local 501 in 2010,
8 some Local 501 members attempted to assemble a slate of candidates to restore
9 control of Local 501 to Local 501 members. Once IUOE learned of this it became
10 clear that IUOE's General President and Vice-Presidents management, along with
11 and through the direction of Mr. Brown, were going to prevent the resistance slate
12 from running in the election. In particular, the Election Committee was rigged.
13 Executive board members were supposed to offer up names of members and a vote
14 should have taken place until all the positions were filled. Mr. Brown instead had a
15 pre-selected list of members for the Election Committee, and he forced it through
16 the vote of the Executive Board. Mr. Murphy was "elected" to head up the Election
17 Committee and it became rather apparent that he would do whatever he could to
18 prevent the election of any resistance slate members.

19 114. In order to bolster its sham case and seize control of Local 501 from its
20 duly elected leadership, IUOE hired an "Ethics Officer" to investigate
21 "anonymous" reports of violations. This "Ethics Officer" position does not exist in
22 the IUOE Constitution. Nevertheless, the "Ethics Officer" was paid \$30,000 per
23 month to investigate anonymous ethics complaints, as set forth in LM-2 available
24 from the Department of Labor. Not coincidentally, as soon as Mr. McLaughlin was
25 forced to resign from Local 501 following extortionate threats, Giblin announced
26 that the IUOE would no longer investigate "anonymous" ethics complaint letters.
27 Giblin's announcement that "anonymous" ethics complaint letters would no longer
28 be investigated coincided with the submission of "anonymous" ethics complaint

1 letters to the IUOE that discussed Lundy's unethical behavior while still employed
2 by Local 501. The IUOE shut down the ethics investigations to protect Lundy, but
3 only after they had seized control of Local 501 and forced out members interested
4 in auditing activities at Local 501.

5 115. At this juncture, on or about December 2009, the IUOE brought
6 trumped up charges against Mr. Pette and Mr. Himmelberg for the purpose of
7 preventing them from running for office. In furtherance of the scheme, the Election
8 Committee disallowed both Mssrs. Pette and Himmelberg from running for office,
9 though they were later found to be innocent of the trumped up charges.

10 Furthermore, the resistance slate was denied a slate position on the ballot. The
11 remainders of the resistance members running for office were then listed on the
12 ballot as individuals. The Election Committee then imposed arbitrary rules
13 regarding the collection of signatures, with the Election Committee changing the
14 arbitrary rules several times in an effort to prevent resistance members from
15 qualifying for the ballot. Although Local 501 members requested that the Election
16 Committee members appear at monthly district meetings, they refused to appear
17 and be held answerable for blatantly changing the rules with no explanations
18 offered.

19 116. It was evident to union members who attended the District meetings
20 that the entire operation of Local 501 was being run by IUOE and that Mr. Brown
21 was simply a mouthpiece for IUOE. Mr. Brown frequently admitted he effectively
22 had no autonomy in that when he would be questioned by members he replied that
23 he would "have to check with the International". The cellular telephone billings for
24 the phone assigned to Mr. Brown conclusively establish the domination and control
25 the international had over all union activity at IUOE Local 501. As the cellphone
26 bills establish, often multiple calls on a daily basis were made to the International
27 IUOE to Defendants Giblin, Griffin, Van Dyke and to other employees holding
28 positions at the IUOE International Headquarters. Following the retirement of Mr.

1 Giblin and the appointment of Defendant Callahan, cellular phone calls were
2 logged with calls to Defendant Callahan.

3 117. While Plaintiffs Pette and Himmelberg were running for elected office,
4 an anonymous email chain was circulating amongst union members from "The Man
5 In Black," informing them about IUOE's efforts to control Local 501 and prevent
6 Pette and Himmelberg from running for office. It was discovered around that time
7 that ABM representatives were advising Local 501 members working there that Mr.
8 Pette had no chance of winning the election. Moreover, those Local 501 members
9 with email addresses from Able were suddenly unable to receive the "Man In
10 Black" email newsletters through their Able email addresses. In other words, ABM
11 and Able were working in concert with the IUOE to impede fair elections in Local
12 501.

13 118. After Dan Himmelberg was terminated without cause, Mr.
14 Himmelberg sued for wrongful termination. On February 24, 2012, during that
15 litigation, Chris Brown, the Local 501 Business Manager that delivered the
16 termination message to Mr. Himmelberg, was deposed by attorney Lee Feldman.
17 During the deposition, Mr. Feldman asked Mr. Brown why Daniel Himmelberg
18 was terminated as the Assistant Business Manager of Local 501 in November 2010.
19 Mr. Brown asked to take a break and one was provided. Mr. Brown left the room
20 where the deposition was being conducted.

21 119. Mr. Brown returned a few moments later and asked if he could speak
22 off the record before going back on the record. Mr. Feldman agreed. Mr. Brown
23 told Mr. Feldman that James Callahan, the General President of IUOE, told him to
24 "get amnesia" about the true facts related to Mr. Himmelberg's termination and to
25 say he made the decision himself. Mr. Brown also told Mr. Feldman that General
26 President Callahan instructed Mr. Brown to testify that Mr. Brown alone made the
27 decision to terminate Mr. Himmelberg's employment as Assistant Business
28 Manager of Local 501.

1 120. During a deposition in another lawsuit against the IUOE and Mr.
 2 Brown brought by Blair Brim, Mr. Brown testified to the IUOE's instructions
 3 regarding the removal of McLaughlin and Pette:

4 Q. Finn Pette, did you make the decision to fire him?

5 A. No, I didn't.

6 Q. Okay. The international [IUOE] directed you to do it?

7 A. Yes, that was part of the deal for McLaughlin to have to leave, that
 8 Pette had to go, as well.

9 Q. But it wasn't your decision?

10 A. No.

11 (March 7, 2011 Deposition of Brown, at 149:14-23.)

12 121. After IUOE had successfully seized control of Local 501 and
 13 prevented the "resistance" candidates from mounting a successful challenge, Vince
 14 Giblin instructed Defendant Bensi not to employ Mr. Pette. Defendant Bensi
 15 instructed all of the Chief Engineers employed by Able that they were not to
 16 employ Finn Pette. Finn Pette was blackballed coast-to-coast.

17
 18 **E. Defendants Diverted Caremark Reimbursements From Local**
 19 **501's Health & Welfare Fund to IUOE**

20 122. Vince Giblin was Chairman of the Board for Horizon Blue Cross at the
 21 time he became General President of the IUOE. Because of his dual roles, Giblin
 22 was able to require use of Blue Cross as the healthcare benefits provider to local
 23 unions, including Local 501. Blue Cross utilizes Caremark as its Prescription
 24 Benefits Manage ("PBM"). Because of the number of members utilizing the Blue
 25 Cross/Caremark benefit, members are entitled to receive a rebate from Caremark,
 26 reflecting the members' substantial buying power. The Caremark rebates should
 27 have been paid out to each local union. Instead, they were paid to IUOE. IUOE, in
 28

turn, failed to account to Local 501 and other local unions for the rebates they should have received.

F. Defendants and Their Agents Destroyed or Removed Records That Should Have Been Retained by Local 501 for 5 Years

123. While Chris Brown worked as the Business Manager of Local 501, he was observed downloading approximately ten flash drives full of emails and other electronic records. In addition, the contents of an entire room filled with file boxes belonging to Local 501 were shredded at the behest of IUOE to limit the ability of auditors to investigate underpayments and other wrongdoing by Able and ABM.

124. Sandra Acosta, who operated the Bakersfield office for Local 501, removed or destroyed files maintained in that office and relating to employees working in positions in and around Bakersfield.

125. Van Dyke has removed current records of Local 501 and delivered them to IUOE. The removal of those records from California is a violation of the LMRDA 5-year record retention requirement.

G. Professionals Under IUOE's Control Acted at the Direction of IUOE to Harm Local 501

126. To further its scheme to seize control of Local 501 and protect its long-standing kickback arrangements with Able and ABM, the IUOE utilized a number of professionals to operate as its agents supporting its unlawful agenda.

127. For example, as described above, Defendant Levy conspired with IUOE to convince Mr. McLaughlin to resign, thereby allowing IUOE to seize control of Local 501 and remove other Plaintiffs from positions where they might continue challenging Defendants' conduct, conduct audits, and expose the many kickback operations in place.

128. Defendant Randy Henningfield, charged with auditing Local 501 funds, including the Apprenticeship Fund, instead conspired to conceal evidence of malfeasance by Lundy and his Henningfield's wife, Escanuelas, to the detriment of Local 501. For his misconduct, Randy Henningfield was rewarded with additional assignments by Local 501 and IUOE.

V. CLASS ACTION ALLEGATIONS

129. Plaintiffs bring this action individually, as well as on behalf of each and all other persons similarly situated in a concerted effort to improve wages and working conditions for other, similarly situated employees, and thus, seek class certification under Fed. R. Civ. Proc. 23.

130. The proposed Class consists of and is defined as:

All individuals that are or have been members of the International Union of Operating Engineers Local 501 at any time within the four years prior to the filing of this action. Excluded from the Class are all Defendants in this action, and all of their current and former officers, directors, management employees, successors, and wholly or partly owned subsidiaries or affiliated companies; Class Counsel and their employees and members; all persons within the third degree of relationship to any of the excluded individuals and any judge who hears or decides any matter in this litigation.

131. Plaintiffs reserve the right to establish sub-classes, or modify any Class or sub-Class definition, as appropriate.

132. At all material times, Plaintiffs were or are members of the Class.

133. There is a well-defined community of interest in the litigation and the class is readily ascertainable:

(a) **Numerosity**: The members of the class (and each subclass, if any) are so numerous that joinder of all members would be unfeasible and impractical. The membership of the entire class is unknown to Plaintiffs at this time, however, the class is estimated to be greater than 5,000 individuals and the identity of such membership is readily ascertainable by inspection of

Defendants' records.

(b) **Typicality:** Plaintiffs are qualified to, and will, fairly and adequately protect the interests of each class member with whom there is a shared, well-defined community of interest. Plaintiffs' claims are typical of all class members' claims. For example, Plaintiffs were members of Local 501 within the class period, like all other Class members, and Plaintiffs were injured by manipulation of Local 501 through racketeering activity as all other Class members were.

(c) **Adequacy:** Plaintiffs are qualified to, and will, fairly and adequately protect the interests of each class member with whom there is a shared, well-defined community of interest and typicality of claims, as demonstrated herein. Plaintiffs acknowledge that Plaintiffs have an obligation to make known to the Court any relationship, conflicts or differences with any class member. Plaintiffs' attorneys, the proposed class counsel, are versed in the rules governing class action discovery, certification, and settlement.

(d) **Superiority:** A Class Action is superior to other available methods for the fair and efficient adjudication of the controversy, including consideration of:

- 1) The interests of the members of the class in individually controlling the prosecution or defense of separate actions;
- 2) The extent and nature of any litigation concerning the controversy already commenced by or against members of the class;
- 3) The desirability or undesirability of concentrating the litigation of the claims in the particular forum; and

management of a class action. (10)

(e) Public Policy Considerations: Labor organizations are intended to protect employees from the potential for employer abuse of power, but when the parent union conspires with employers, a local union is powerless to protect itself from abuses origination from multiple directions. Current union members are often afraid to assert their rights out of fear of direct or indirect retaliation. Former union members know the reputation of large labor organizations as violent and dangerous when challenged. Class actions provide the class members who are not named in the complaint with a type of anonymity that allows for the vindication of their rights at the same time as their privacy and safety is protected.

134. There are common questions of law and fact as to the class (and each subclass, if any) that predominate over questions affecting only individual members, including but not limited to:

- (a) Whether Defendants engaged in racketeering;
(b) Whether Defendants violated the LMRDA;
(c) Whether Defendants unlawfully conspired to engage in racketeering;
(d) Whether Defendants breached fiduciary obligations to the Class;
and,
(e) The appropriate amount of damages, restitution, or monetary penalties resulting from Defendants' violations of law.

135. This Court should permit this action to be maintained as a class action pursuant to Fed. R. Civ. P. 23 because:

(a) The questions of law and fact common to the class predominate

1 over any question affecting only individual members;

2 (b) A class action is superior to any other available method for the
3 fair and efficient adjudication of the claims of the members of
4 the class;

5 (c) The members of the class are so numerous that it is impractical
6 to bring all members of the class before the Court;

7 (d) Plaintiff, and the other members of the class, will not be able to
8 obtain effective and economic legal redress unless the action is
9 maintained as a class action;

10 (e) There is a community of interest in obtaining appropriate legal
11 and equitable relief for the statutory violations, and in obtaining
12 adequate compensation for the damages and injuries for which

13 Defendants are responsible in an amount sufficient to adequately
14 compensate the members of the class for the injuries sustained;

15 (f) Without class certification, the prosecution of separate actions
16 by individual members of the class would create a risk of:

17 1) Inconsistent or varying adjudications with respect to
18 individual members of the class which would establish
19 incompatible standards of conduct for Defendants; and/or

20 2) Adjudications with respect to the individual members
21 which would, as a practical matter, be dispositive of the
22 interests of other members not parties to the adjudications,

23 or would substantially impair or impede their ability to
24 protect their interests, including but not limited to the
25 potential for exhausting the funds available from those

26 parties who are, or may be, responsible Defendants; and,

27 (g) Defendants have acted or refused to act on grounds generally
28 applicable to the class, thereby making final injunctive relief

appropriate with respect to the class as a whole.

136. Plaintiffs contemplate the eventual issuance of notice to the proposed members of the class that would set forth the subject and nature of the instant action. The Defendants' own business records may be utilized for assistance in the preparation and issuance of the contemplated notices. To the extent that any further notices may be required, Plaintiff would contemplate the use of additional mailings.

VI. CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF

(Violation of 18 U.S.C. § 1962(c) of the Racketeer Influenced and Corrupt Organizations Act [18 U.S.C. §§ 1961-68])

By Plaintiffs against All Defendants

137. Plaintiffs re-allege, and incorporate by reference, each and every paragraph herein.

138. Defendants are each a "person" as that term is defined by 18 U.S.C. section 1961(3).

139. Local 501 constitutes an enterprise as that term is defined by 18 U.S.C. § 1961(4) (hereinafter known as the "Local 501 ENTERPRISE").

140. The LOCAL 501 ENTERPRISE is engaged in, and its activities affect, interstate and foreign commerce.

141. The DEFENDANTS are, and at all relevant times were, associated with the LOCAL 501 ENTERPRISE.

142. As described herein, the DEFENDANTS, beginning at least as early as 2005, and continuing to the present, knowingly and willfully set into motion an over-arching scheme to defraud the LOCAL 501 ENTERPRISE out of revenues, cost savings, and membership. The primary goal in all instances was the unlawful

1 enrichment of the DEFENDANTS through activities of the LOCAL 501
2 ENTERPRISE. Numerous kickback schemes enabled employers to avoid
3 contractual obligations while providing bribes to Defendants. To accomplish the
4 over-arching goal of fraudulent and unlawful enrichment, the DEFENDANTS
5 engaged in and/or authorized a variety of unlawful activities, including the use of
6 threats of economic harm and violence to seize control of Local 501 and prevent
7 discovery of the many asset diversion and kickback schemes enriching the
8 leadership of the IUOE.

9 143. Rights guaranteed under the LMRDA are protectable property interests
10 held by Plaintiffs and other Class members. Plaintiffs' and Class members' rights
11 under the LMRDA are extortable in violation of the Hobbs Act.

12 144. Assets intended to benefit Plaintiffs and Class members when
13 deposited into trust account, including the Health & Welfare Fund and others,
14 represent tangible assets subject to conversion in violation of the Hobbs Act.

15 145. Plaintiff and Class members were and are aware of ties between the
16 leadership of IUOE and organized crime syndicates in New York and New Jersey.
17 As a result of that awareness, threats of economic and physical harm directed at the
18 Plaintiffs and other Class members were viewed as highly credible and elicited
19 substantial fear and concern amongst Plaintiffs and other Class members.

20 146. Beginning at least as early as 2005 and continuing to the present, the
21 DEFENDANTS, in furtherance of and for the purpose of executing the schemes
22 and artifices to defraud and divert Local 501 resources described herein, on
23 numerous occasions engaged in the extortion of rights guaranteed to Plaintiffs and
24 other Class members under the LMRDA and other laws. Each such extortionate
25 activity in connection with the described schemes and artifices to defraud and
26 divert Local 501 resources constitutes a distinct violation of the Hobbs Act, 18
27 U.S.C. § 1951, and further constitutes racketeering activity as that term is defined
28 in 18 U.S.C. § 1961(1)(b). The unlawful extortion of property and rights secured

under the LMRDA and other laws include, but is not limited to, the following acts whereby the DEFENDANTS:

(a) Obtained the voting rights of Plaintiffs and other Class members by utilizing threats of economic and physical harm to control the winners of elections at Local 501;

(b) Obtained assets belonging rightfully to Plaintiffs and other Class members by utilizing threats of economic and physical harm to control Local 501's ability to investigate asset diversions.

147. Beginning at least as early as 2005 and continuing to the present, the DEFENDANTS, in furtherance of and for the purpose of executing the schemes and artifices to defraud described herein, on numerous occasions used and caused to be used the United States Mails and other commercial interstate carriers by both placing and causing to be placed letters and other mailable matter in the authorized depositories of such carriers and receiving and causing to be received letters and other matter from such carriers. Each such use of the United States mails and other carriers in connection with the described schemes and artifices to defraud constitutes a separate and distinct violation of 18 U.S.C. § 1341, relating to mail fraud, and further constitutes racketeering activity as that term is defined in 18 U.S.C. § 1961(1)(b). The unlawful use of the mails includes, but is not limited to, the following:

(a) Fraudulent mailing from IUOE indicating that Local 501 had been placed under "monitorship," by the International when no such status existed under the IUOE Constitution;

(b) Fraudulent charges of malfeasance targeted at Finn Pette and Dan Himmelberg for the purpose of interfering with their ability to run for officer positions at Local 501.

148. By issuing threats of murder, as described above, Defendants engaged in racketeering activity as defined by 18 U.S.C. § 1961(1)(A).

149. Beginning at least as early as 2005 and continuing to the present, the DEFENDANTS, in furtherance of and for the purpose of executing the schemes and artifices to defraud described herein, on numerous occasions used and caused to be used wire communications in interstate and foreign commerce by both making and causing to be made wire communications. Each such use of a wire communication in connection with the described schemes and artifices to defraud constitutes a separate and distinct violation of 18 U.S.C. § 1343, relating to wire fraud, and further constitutes racketeering activity as that term is defined in 18 U.S.C. § 1961(1)(B). The unlawful use of wire communications includes, but is not limited to, the following:

(a) Calls from Giblin to Bob Fox, threatening the life of McLaughlin, Pette and Himmelberg, in violation of 18 U.S.C. § 1961(1)(A), if they did not stop investigating Lundy;

(b) Calls from Giblin to McLaughlin, demanding his resignation;

(c) Threats, communicated from Giblin through IUOE counsel to McLaughlin and Local 501 counsel, stating the Himmelberg,

who had Parkinson's disease, would be fired if Pette was not terminated;

(d) Acceptance via wire, on occasions too numerous to identify herein, and at times known exclusively by Defendants, of

fraudulently obtained kickback payments from ABM and Abel.

150. Beginning at least as early as 2005 and continuing to the present, the DEFENDANTS, in furtherance of and for the purpose of executing the schemes and artifices to defraud described herein, on numerous occasions knowingly engaged in and caused to occur monetary transactions in criminally derived property with value in excess of \$10,000. The transactions were accomplished by depositing, withdrawing or transferring funds by, through, or to a financial institution, as such an institution is defined by 18 U.S.C. § 1956. Funds used in

1 such transactions were derived from offenses listed in 18 U.S.C. § 1961(1),
2 including, but not limited to, funds derived from mail fraud, in violation 18 U.S.C.
3 § 1341, and wire fraud, in violation of 18 U.S.C. § 1343. Each such monetary
4 transaction in connection with the described schemes and artifices to defraud
5 constitutes a separate and distinct violation of 18 U.S.C. § 1957, relating to
6 unlawful monetary transactions and money laundering, and further constitutes
7 racketeering activity as that term is defined in 18 U.S.C. § 1961(1)(b). The
8 unlawful monetary transactions include, but are not limited to, the following:

9 (a) Acceptance of payments by Giblin and his co-conspirators at
10 IUOE from ABM, at times known exclusively to Defendants;

11 (b) Acceptance of payments by Giblin and his co-conspirators at
12 IUOE from Able, at times known exclusively to Defendants;

13 (c) Deposits by Lundy, at times known exclusively to him, of
14 monies embezzled from the JAC fund, including monies
15 obtained via the issuance of sham BOMA credentials to
16 members at other local unions.

17 Beginning as least as early as 2005, and continuing to the present, the
18 DEFENDANTS, in furtherance of and for the purpose of executing the schemes
19 and artifices to defraud described herein, on numerous occasions knowingly
20 traveled in interstate commerce and used facilities of interstate commerce
21 (including, but not limited to, the mails) with the intent to promote, manage,
22 establish, carry on, or facilitate the promotion, management, establishment or
23 carrying on of unlawful activities (including violations of 18 U.S.C. § 1957), and
24 thereafter performed or attempted to perform such violations. Each such
25 interaction with facilities of interstate commerce in connection with the described
26 schemes and artifices to defraud constitutes a separate and distinct violation of 18
27 U.S.C. section 1952 (the "Travel Act"), relating to travel in interstate commerce
28 with intent to facilitate certain unlawful activities, and further constitutes

1 racketeering activity as that term is defined in 18 U.S.C. § 1961(1)(B). These
2 violations included habitual interstate travel by the DEFENDANTS to and from
3 Local 501 for the purpose of delivering threats to ensure that schemes for
4 fraudulent profiteering could continue unabated.

5 152. The DEFENDANTS' repeated violations of 18 U.S.C. §§ 1341, 1343,
6 1951, 1952 and 1957 extended over a period of years and involved distinct and
7 independent criminal acts. Those criminal acts were neither isolated or sporadic
8 events, but involved the regular and repeated violation as a way of doing business
9 and to accomplish the DEFENDANTS' desired ends in the course of the continuing
10 business of the LOCAL 501 ENTERPRISE. These predicate acts were related to
11 each other by virtue of (a) common participants, (b) similarly situated victims, (c)
12 common methods of commission through the habitual dissemination of fraudulent
13 and misleading information, and (d) the common purpose and common result
14 defrauding and looting the LOCAL 501 ENTERPRISE, all while enriching the
15 DEFENDANTS. As such, this conduct constitutes a pattern of racketeering
16 activity within the meaning of 18 U.S.C. § 1961(5).

17 153. The fraudulent, unlawful and improper activities of the
18 DEFENDANTS threatens to continue. Based upon the past pattern of activity,
19 other Local Unions either have or will likely be defrauded by the DEFENDANTS.
20 Based upon the past pattern of activity, the DEFENDANTS will likely continue to
21 defraud Local Unions like Local 501. Furthermore, the DEFENDANTS are able,
22 based upon their managerial and controlling positions, to replace management in
23 Local Unions, which could thereafter be defrauded and looted without consequence
24 in a manner similar to the schemes and artifices outlined herein.

25 154. The DEFENDANTS all violated or aided violation of 18 U.S.C. §
26 1962(c) by directly or indirectly conducting or participating in the conduct of the
27 affairs of the LOCAL 501 ENTERPRISE through a pattern of racketeering activity.

1 155. The DEFENDANTS' violation of 18 U.S.C. § 1962(c) caused the
 2 Plaintiffs and the Class to suffer direct injury in amounts as may be shown
 3 according to proof at time of trial.

4
 5 **SECOND CLAIM FOR RELIEF**

6 **(Violation of 18 U.S.C. § 1962(d) of the Racketeer Influenced and Corrupt**
 7 **Organizations Act [18 U.S.C. §§ 1961-68])**

8 **By Plaintiffs against All Defendants**

9 156. Plaintiffs re-allege, and incorporate by reference, each and every
 10 paragraph herein.

11 157. Defendants are each a "person" as that term is defined by 18 U.S.C.
 12 section 1961(3).

13 158. Local 501 constitutes an enterprise as that term is defined by 18 U.S.C.
 14 § 1961(4) (hereinafter known as the "LOCAL 501 ENTERPRISE").

15 159. The LOCAL 501 ENTERPRISE is engaged in, and its activities affect,
 16 interstate and foreign commerce.

17 160. From at least 1994 and continuing through to the present, Defendants,
 18 being persons employed by or associated with the LOCAL 501 ENTERPRISE at
 19 all relevant times herein, unlawfully and willfully combined, conspired,
 20 confederated and agreed each with the other to violate 18 U.S.C. § 1962(c), that is,
 21 to conduct and participate, directly and indirectly, in the conduct of the affairs of
 22 the LOCAL 501 ENTERPRISE through a pattern of racketeering activity, all in
 23 violation of 18 U.S.C. § 1962(d). The times and locations and forms of such
 24 agreements constitute information uniquely within the control of the
 25 DEFENDANTS.

26 161. As part of this conspiracy, the DEFENDANTS each personally plotted,
 27 conspired and agreed to commit two or more fraudulent and illegal racketeering
 28 acts and thereby conducted and agreed to conduct the affairs of the LOCAL 501

ENTERPRISE through the pattern of racketeering activity in violation of 18 U.S.C. § 1962(c) described generally herein and specifically in the First Claim for Relief.

162. In furtherance of the conspiracy and to effect the objects thereof, the DEFENDANTS committed and caused to be committed a series of overt acts, including, but not limited to, the following:

(a) Habitual interstate travels by the Defendants to and from Local 501, for the purpose of delivering threats to Plaintiffs and ensuring that Defendants asset diversion and kickback schemes continued unabated and unchallenged;

(b) Obtained the voting rights of Plaintiffs and other Class members by utilizing threats of economic and physical harm to control the winners of elections at Local 501;

(c) Obtained assets belonging rightfully to Plaintiffs and other Class members by utilizing threats of economic and physical harm to control Local 501's ability to investigate asset diversions;

(d) Fraudulent mailing from the IUOE indicating that Local 501 had been placed under "monitorship," when no such status existed under the IUOE Constitution;

(e) Fraudulent charges of malfeasance targeted at Finn Pette and Dan Himmelberg for the purpose of interfering with their ability to run for officer positions at Local 501;

(f) Calls from Giblin to Bob Fox, threatening the lives of Mssrs. McLaughlin, Pette and Himmelberg if they did not stop investigating Lundy;

(g) Calls from Giblin to McLaughlin, threatening economic harm if investigation into Lundy did not cease and failing this, calling and demanding his resignation;

(h) Threats, communicated from Giblin through IUOE general counsel Griffin to McLaughlin and Local 501 counsel, stating the Himmelberg, who had Parkinson's disease, would be fired if Pette was not terminated;

(i) Acceptance via wire, on occasions too numerous to identify herein, and at times known exclusively by Defendants, of fraudulently obtained kickback payments from ABM and Abel.

(j) Numerous other fraudulent monetary transactions on amounts exceeding \$10,000 to accounts and at times known exclusively to Defendants, but believed by Plaintiffs to consist of a widespread and regular pattern of unlawful financial transactions conducted, in part, to weaken Local 501 so as to facilitate Defendants' takeover scheme;

(k) Calls to McLaughlin demanding Pette cease all efforts to investigate double breasting issues involving Able and ABM and failing this, eventually demanding termination of Pette; and,

(l) Upon information and belief, similar violations constituting predicate acts were perpetrated upon other local union chapters around the country.

The Defendants' violation of 18 U.S.C. § 1962(d) caused the Plaintiffs and the Class to suffer direct injury in amounts as may be shown according to proof at time of trial.

THIRD CLAIM FOR RELIEF
(Violations of 18 U.S.C. § 1962(b) of the Racketeer Influenced and Corrupt
Organizations Act [18 U.S.C. §§ 1961-68])
By Plaintiffs against All Defendants

164. Plaintiffs re-allege, and incorporate by reference, each and every paragraph herein.

165. Each and every Defendant named herein is a “person” as that term is defined by 18 U.S.C. section 1961(3).

166. Local 501 constitutes an enterprise as that term is defined by 18 U.S.C. § 1961(4) (hereinafter known as the “Local 501 ENTERPRISE”).

167. The Local 501 ENTERPRISE is engaged in, and its activities affect, interstate and foreign commerce.

168. Rights guaranteed under the LMRDA are protectable property interests held by Plaintiffs and other Class members. Plaintiffs’ and Class members’ rights under the LMRDA are extortable in violation of the Hobbs Act.

169. Assets intended to benefit Plaintiffs and Class members when deposited into trust account, including the Health & Welfare Fund and others, represent tangible assets subject to conversion in violation of the Hobbs Act.

170. Plaintiff and Class members were and are aware of ties between leadership of IUOE and organized crime syndicates in New York and New Jersey. As a result of that awareness, threats of economic and physical harm directed at Plaintiffs and other Class members were viewed as highly credible and elicited substantial fear and concern amongst Plaintiffs and other Class members.

171. Beginning at least as early as 2005 and continuing to the present, the DEFENDANTS, in furtherance of and for the purpose of executing the schemes and artifices to defraud and divert Local 501 resources described herein, on numerous occasions engaged in the extortion of rights guaranteed to Plaintiffs and other Class members under the LMRDA and other laws. Each such extortionate

1 activity in connection with the described schemes and artifices to defraud and
2 divert Local 501 resources constitutes a distinct violation of the Hobbs Act, 18
3 U.S.C. § 1951, and further constitutes racketeering activity as that term is defined
4 in 18 U.S.C. § 1961(1)(b). The unlawful extortion of property and rights secured
5 under the LMRDA and other laws include, but is not limited to, the following acts
6 by the DEFENDANTS:

7 (a) Obtained the voting rights of Plaintiffs and other Class members
8 by utilizing threats of economic and physical harm to control the
9 winners of elections at Local 501;

10 (b) Obtained assets belonging rightfully to Plaintiffs and other Class
11 members by utilizing threats of economic and physical harm to
12 control Local 501's ability to investigate asset diversions;

13 (c) Obstructed internal investigations into the local 501 various
14 funds including the joint apprenticeship training program to the
15 financial detriment of local 501 and to the financial benefit of
16 Able and ABM.

17 172. Beginning at least as early as 2007, and continuing to the present, the
18 Defendants, in furtherance of and for the purpose of executing the schemes and
19 artifices to defraud and seize control of Local Unions, including the Local 501
20 ENTERPRISE, on numerous occasions used and caused to be used mail
21 depositories of the United States Mails and other commercial interstate carriers by
22 both placing and causing to be placed letters and other mailable matter in the
23 authorized depositories of such carriers and receiving and causing to be received
24 letters and other matter from such carriers. Each such use of the United States
25 Mails and other carriers in connection with the described schemes and artifices to
26 defraud constitutes a separate and distinct violation of 18 U.S.C. § 1341, relating to
27 mail fraud, and further constitutes racketeering activity as that term is defined in 18
28

1 U.S.C. § 1961(1)(b). The unlawful use of the mails includes, but is not limited to,
 2 the following:

3 (a) Fraudulent mailing from IUOE indicating that Local 501 had
 4 been placed under “monitorship,” when no such status existed
 5 under the IUOE Constitution;

6 (b) Fraudulent charges of malfeasance targeted at Finn Pette and
 7 Dan Himmelberg for the purpose of interfering with their ability
 8 to run for officer positions at Local 501.

9 Beginning at least as early as 2007, and continuing to the present, the
 10 Defendants, in furtherance of and for the purpose of executing the schemes and
 11 artifices to defraud and seize control of Local Unions, including the Local 501

12 ENTERPRISE, on numerous occasions used and caused to be used wire
 13 communications in interstate and foreign commerce by both making and causing to
 14 be made wire communications. Each such use of a wire communication in U
 15 connection with the described schemes and artifices to defraud constitutes a
 16 separate and distinct violation of 18 U.S.C. § 1343, relating to wire fraud, and
 17 further constitutes racketeering activity as that term is defined in 18 U.S.C. §

18 1961(1)(b). The unlawful use of wire communications includes, but is not limited
 19 to, the following:

20 (a) Calls from Giblin to Bob Fox, threatening the life of
 21 McLaughlin, Pette and Himmelberg, in violation of 18 U.S.C. §
 22 1961(1)(A), if they did not stop investigating Lundy;

23 (b) Calls from Giblin to McLaughlin, demanding his resignation;

24 (c) Threats, communicated from Giblin through IUOE counsel to
 25 McLaughlin and Local 501 counsel, stating the Himmelberg,
 26 who had Parkinson’s disease, would be fired if Pette was not
 27 terminated;

(d) Acceptance via wire, on occasions too numerous to identify herein, and at times known exclusively by Defendants, of fraudulently obtained kickback payments from ABM and Abel. Beginning at least as early as 2007 and continuing to the present, the Defendants, in furtherance of and for the purpose of executing the schemes and artifices to defraud and seize control of Local Unions, including the Local 501 ENTERPRISE, on numerous occasions knowingly engaged in and caused to occur monetary transactions in criminally derived property with value in excess of \$10,000. The transactions were accomplished by depositing, withdrawing or transferring funds by, through, or to a financial institution, as such an institution is defined by 18 U.S.C. § 1956. Funds used in such transactions were derived from offenses listed in 18 U.S.C. § 1961(1), including, but not limited to, funds derived from mail fraud, in violation 18 U.S.C. § 1341, and wire fraud, in violation of 18 U.S.C. § 1343. Each such monetary transaction in connection with the described schemes and artifices to defraud constitutes a separate and distinct violation of 18 U.S.C. § 1957, relating to unlawful monetary transactions and money laundering, and further constitutes racketeering activity as that term is defined in 18 U.S.C. § 1961(1)(b). The unlawful monetary transactions include, but are not limited to, the following:

- (a) Acceptance of payments by Giblin and his co-conspirators at IUOE from ABM, at times known exclusively to Defendants;
- (b) Acceptance of payments by Giblin and his co-conspirators at IUOE from Able, at times known exclusively to Defendants;
- (c) Deposits by Lundy, at times known exclusively to him, of monies embezzled from the JAC fund, including monies obtained via the issuance of sham BOMA credentials to members at other local unions.

175. Beginning as least as early as 1997, and continuing to the present, the Defendants, in furtherance of and for the purpose of executing the schemes and artifices to defraud and seize control of Local Unions, including the Local 501 ENTERPRISE, on numerous occasions knowingly traveled in interstate commerce and used facilities of interstate commerce (including, but not limited to, the mails) with the intent to promote, manage, establish, carry on, or facilitate the promotion, management, establishment or carrying on of unlawful activities (including violations of 18 U.S.C. § 1957), and thereafter performed or attempted to perform such violations. Each such interaction with facilities of interstate commerce in connection with the described schemes and artifices to defraud constitutes a separate and distinct violation of 18 U.S.C. § 1952 (the "Travel Act"), relating to travel in interstate commerce with intent to facilitate certain unlawful activities, and further constitutes racketeering activity as that term is defined in 18 U.S.C. § 1961(1)(b). These violations included habitual interstate travels by the Defendants to and from Local 501, for the purpose of delivering threats to Plaintiffs and ensuring that Defendants asset diversion and kickback schemes continued unabated and unchallenged.

176. The DEFENDANTS' repeated violations of 18 U.S.C. §§ 1341, 1343, 1951, 1952 and 1957 extended over a period of at least one year and involved distinct and independent criminal acts. Those criminal acts were neither isolated or sporadic events, but involved the regular and repeated violation as a way of doing business and to accomplish the Defendants' desired ends in the course of pursuing their unlawful scheme to seize control of Local Unions, including the Local 501 ENTERPRISE. These predicate acts were related to each other by virtue of (a) common participants, (b) similarly situated victims, (c) common methods of commission through the habitual dissemination of fraudulent and misleading information and the dissemination of threats of physical and economic harm to Plaintiffs and other Class members, and (d) the common purpose and common

1 result of unlawfully maintaining control over Local 501, all while enriching the
 2 Defendants at the expense of Local 501 members. As such, this conduct constitutes
 3 a pattern of racketeering activity within the meaning of 18 U.S.C. § 1961(5).

4 177. The fraudulent, unlawful and improper activities of the Defendants
 5 threaten to continue. Based upon the past pattern of activity, other existing Local
 6 Unions either have or will likely be seized on false pretexts by the Defendants.

7 Based upon the past pattern of activity, the Defendants will likely continue to
 8 defraud and deprive members of their membership rights and assets. Furthermore,
 9 the Defendants are able to implement the same unlawful schemes in other local
 10 unions if not stopped here and now.

11 178. The Defendants all violated or aided in violation of 18 U.S.C. §
 12 1962(b) by acquiring, directly or indirectly, control of the Local 501 ENTERPRISE
 13 through a pattern of racketeering activity.

14 179. Furthermore, Plaintiffs have learned of DEFENDANTS' plans to
 15 merge Local 501 into another California Local Union (IUOE Local 39) as a
 16 culmination of a long series of predicate acts all constituting RICO violations on
 17 the part of Defendants. The Defendants hope that through this transaction, they
 18 will cement their control over Local 501 and, through obfuscation and changed
 19 leadership, shield themselves from liability for the wide ranging fraudulent and
 20 illegal activities undertaken by Defendants, as set forth herein.

21 180. The Defendants' violation of 18 U.S.C. § 1962(b) caused the Plaintiffs
 22 and the Class to suffer direct injury in amounts as may be shown according to proof
 23 at time of trial.

24 ENTERPRISE. These predicate acts were related to each other by virtue of (a)
 25 common participants, (b) similarly situated victims, (c) common methods of
 26 commission, through the industrial discrimination of fraudulent and misleading
 27 information and the dissemination of threats of physical and economic harm to
 28 Plaintiffs and other Class members, and (d) the common purpose and common

FOURTH CLAIM FOR RELIEF

(Violations of 18 U.S.C. § 1962(d) of the Racketeer Influenced and Corrupt

Organizations Act [18 U.S.C. §§ 1961-68])

By Plaintiffs against All Defendants

181. Plaintiffs re-allege, and incorporate by reference, each and every paragraph herein.

182. Each and every Defendant named herein is a “person” as that term is defined by 18 U.S.C. § 1961(3).

183. Local 501 constitutes an enterprise as that term is defined by 18 U.S.C. § 1961(4) (hereinafter known as the “Local 501 ENTERPRISE”).

184. The Local 501 ENTERPRISE is engaged in, and its activities affect, interstate and foreign commerce.

185. From at least 1994 and continuing through to the present, Defendants unlawfully and willfully combined, conspired, confederated and agreed each with the other to violate 18 U.S.C. § 1962(b), that is, to acquire, directly or indirectly, control of the Local 501 ENTERPRISE through a pattern of racketeering activity, all in violation of 18 U.S.C. § 1962(d). The times and locations and forms of such agreements constitute information uniquely within the control of the Defendants.

186. As part of this conspiracy, the Defendants each personally plotted, conspired and agreed to commit two or more fraudulent and illegal racketeering acts and thereby acquired and agreed to acquire, directly or indirectly, control of the Local 501 ENTERPRISE through a pattern of racketeering activity in violation of 18 U.S.C. § 1962(b) described generally herein and specifically in the Third Claim for Relief.

187. In furtherance of the conspiracy and to effect the objects thereof, the Defendants committed and caused to be committed a series of overt acts, including, but not limited to, the following:

(a) Habitual interstate travels by the Defendants to and from Local 501, for the purpose of delivering threats to Plaintiffs and

ensuring that Defendants asset diversion and kickback schemes continued unabated and unchallenged;

(b) Obtained the voting rights of Plaintiffs and other Class members by utilizing threats of economic and physical harm to control the winners of elections at Local 501;

(c) Obtained assets belonging rightfully to Plaintiffs and other Class members by utilizing threats of economic and physical harm to control Local 501's ability to investigate asset diversions;

(d) Fraudulent mailing from IUOE indicating that Local 501 had been placed under "monitorship," when no such status existed under the IUOE Constitution;

(e) Fraudulent charges of malfeasance targeted at Finn Pette and Dan Himmelberg for the purpose of interfering with their ability to run for officer positions at Local 501.

(f) Calls from Giblin to Bob Fox, threatening the life of McLaughlin, Pette and Himmelberg if they did not stop investigating Lundy;

(g) Calls from Giblin to McLaughlin, demanding his resignation;

(h) Threats, communicated from Giblin through IUOE counsel to McLaughlin and Local 501 counsel, stating the Himmelberg, who had Parkinson's disease, would be fired if Pette was not terminated;

(i) Acceptance via wire, on occasions too numerous to identify herein, and at times known exclusively by Defendants, of fraudulently obtained kickback payments from ABM and Abel.

(j) Numerous other fraudulent monetary transactions on amounts exceeding \$10,000 to accounts and at times known exclusively to Defendants, but believed by Plaintiffs to consist of a widespread and regular pattern of unlawful financial transactions conducted, in part, to weaken Local 501 so as to facilitate Defendants' takeover scheme; and,

(k) Upon information and belief, similar violations constituting predicate acts were perpetrated upon other local union chapters around the country.

188. The Defendants' violation of 18 U.S.C. § 1962(d) caused the Plaintiffs and the Class to suffer direct injury in amounts as may be shown according to proof at time of trial.

FIFTH CLAIM FOR RELIEF

(Violation of Bill of Rights Secured by Labor Management Disclosure Act, 29

U.S.C. § 501)

By Plaintiffs against All Defendants

189. Plaintiffs re-allege, and incorporate by reference, each and every paragraph herein.

190. Jurisdiction is conferred on this Court pursuant to 29 U.S.C. § 412.

191. Violations of the Labor Management Disclosure Act, Title I (Bill of Rights), occurred within the Central District of California where Local 501 is headquartered. As such, venue is proper in this District pursuant to 29 U.S.C. §

412.

192. Violations of the Labor Management Disclosure Act, Title IV (Elections), occurred within the Central District of California where Local 501 is headquartered. As such, venue is proper in this District pursuant to 29 U.S.C. § 412.

1 193. Plaintiffs are members of the International Union of Operating
2 Engineers, in the Local 501 Chapter of that labor union.

3 194. Defendant IUOE is a labor organization as defined in 29 U.S.C. §
4 402(i).

5 195. Defendants, described above, are officials of IUOE or agents of IUOE
6 or both.

7 196. Section 411 of the LMRDA, 29 U.S.C. § 411, provides in part:

8 (a)(1) Equal rights

9 Every member of a labor organization shall have equal rights and
10 privileges within such organization to nominate candidates, to vote in
11 elections or referendums of the labor organization, to attend
12 membership meetings, and to participate in the deliberations and
13 voting upon the business of such meetings, subject to reasonable rules
14 and regulations in such organization's constitution and bylaws.

15 (2) Freedom of speech and assembly

16 Every member of any labor organization shall have the right to meet
17 and assemble freely with other members; and to express any views,
18 arguments, or opinions; and to express at meetings of the labor
19 organization his views, upon candidates in an election of the labor
20 organization or upon any business properly before the meeting, subject
21 to the organization's established and reasonable rules pertaining to the
22 conduct of meetings: Provided, That nothing herein shall be construed
23 to impair the right of a labor organization to adopt and enforce
24 reasonable rules as to the responsibility of every member toward the
25 organization as an institution and to his refraining from conduct that
26 would interfere with its performance of its legal or contractual
27 obligations.

28 29 U.S.C. § 411(a)(1) and (2). Defendants, through their schemes to usurp control
of Local 501 described above, deprived Plaintiffs of their right to honest, open, fair
and free elections to determine the leadership of Local 501.

197. Defendants denied union members in good standing, including
Plaintiffs and the Class, the right to be candidates for and to hold union office, by
imposing unreasonable meeting attendance qualifications, in violation of section
401(e) of the Act, 29 U.S.C.A. § 481(e).

198. Defendants denied union members in good standing, including
Plaintiffs and the Class, a reasonable opportunity to nominate candidates by

1 imposing unreasonable qualifications on candidacy, in violation of section 401(e)
2 of the Act, 29 U.S.C.A. § 481(e).
3 199. As a result of threats of physical and economic violence, demonstrated
4 as credible through the forced terminations of Local 501 employee-members and
5 the forced resignations of duly-elected Local 501 officers (described more fully
6 above), Plaintiffs reasonably concluded that internal procedures were futile and that
7 IUOE and its leadership would not permit a democratic process to proceed in order
8 to protect their vested interests in receiving tens of millions of dollars in unlawful
9 kickback payments and other personal favors from ABM and Able.

10 200. The Department of Labor has determined that Local 501's last election
11 process violated members' rights under the LMRDA.

12 201. The violations of the LMRDA by the identified Defendants is current
13 and ongoing in nature.

14 202. Plaintiffs seek equitable orders restraining: (1) IUOE and its leadership
15 from interfering in the operation of Local 501; (2) precluding IUOE from merging
16 Local 501 into any other local union chapter to eliminate members' recourse
17 against IUOE and Local 501, and; (3) requiring the immediate institution of a valid
18 leadership election. Plaintiffs also seek a judgment directing the conduct of a new
19 election under the supervision of the Secretary of Labor. Plaintiffs also request
20 punitive damages for Defendants' malicious violations of their LMRDA rights.

21 SIXTH CLAIM FOR RELIEF

22 AIDING AND ABETTING

23 By Plaintiffs Against All Defendants

24
25 203. Plaintiffs re-allege, and incorporate by reference, each and every
26 paragraph herein.

27 204. As described above, Defendants engaged in a pattern of oppression
28 intended to restrict Local 501's ability to discover or contest numerous asset

1 diversion schemes put in place by Defendants to enrich themselves at the expense
2 of Local 501 and its members, including Plaintiffs.

3 205. As described above, Defendants knew that other Defendants were
4 engaged in unlawful conduct intended to restrict Local 501's ability to discover or
5 contest numerous asset diversion schemes put in place by various Defendants for
6 self-enrichment at the expense of Local 501 and its members, including Plaintiffs.

7 206. As described above, Defendants knew that threats of violence were
8 issued against Plaintiffs and others.

9 207. As described above, Defendants knew that assets were diverted from
10 or denied to Local 501.

11 214. As described above, Defendants knew that threats of physical and
12 economic harm directed at Plaintiffs and others were likely to deprive Local 501 of
13 democratically elected leadership. Despite this knowledge, Defendants persisted in
14 their conduct, resulting in the removal of democratically elected officers of Local
15 501 and the imposition of officers completely controlled by IUOE.

16 215. As described above, all Defendants cooperated with the unlawful
17 activities described herein or failed to warn appropriate persons and governmental
18 officials of the unlawful conduct used to divert assets and obtain total control of
19 Local 501.

20 217. As a direct and proximate result of Defendants' aiding and abetting
21 one another, the Plaintiffs and the Class members have been damaged in an amount
22 to be proven at trial. Plaintiffs and the Class Members are also entitled to recover
23 punitive damages in an amount sufficient to punish Defendants and to deter future
24 conduct of this type.

PRAYER FOR RELIEF

Plaintiffs, individually, and on behalf of all others similarly situated, pray for relief and judgment against Defendants, jointly and severally, as follows:

Class Certification

1. That this action be certified as a class action;
2. That Plaintiffs be appointed as the representative of the Class; and
3. That counsel for Plaintiffs be appointed as Class Counsel.

As to the First Claim for Relief

4. For compensatory and general damages, as shown according to proof;
5. For treble damages;
6. For the appointment of a Receiver to operate Defendant IUOE in a lawful manner, to assure the cessation of its illegal acts and to assure the proper handling of income and payments;
7. For an accounting;
8. For temporary and permanent injunctive relief;
9. For disgorgement of monies improperly obtained;
10. For prejudgment interest according to law;
11. For attorney's fees;
12. For costs of suit; and,
13. For such other and further relief as this Court may deem proper.

As to the Second Claim for Relief

14. For compensatory and general damages, as shown according to proof;
15. For treble damages;

18. For temporary and permanent injunctive relief;

19. For disgorgement of monies improperly obtained;

20. For prejudgment interest according to law;

21. For attorney's fees;

22. For costs of suit; and,

23. For such other and further relief as this Court may deem proper.

As to the Third Claim for Relief

24. For compensatory and general damages, as shown according to proof;

25. For treble damages;

26. For the appointment of a Receiver to operate Defendant IUOE in a lawful manner, to assure the cessation of its illegal acts and to assure the proper handling of income and payments;

27. For an accounting; you entered the direction "South" in the

28. For temporary and permanent injunctive relief;

29. For disgorgement of monies improperly obtained;

30. For prejudgment interest according to law; \$69,870.00

31. For attorney's fees; labor and other costs, with interest, to be paid by the defendant to the plaintiff.

32. For costs of suit; and,

33. For such other and further relief as this Court may deem proper.

As to the Fourth Claim for Relief

34. For compensatory and general damages, as shown according to proof;

35. For treble damages;

1 36. For the appointment of a Receiver to operate Defendant IUOE in a
2 lawful manner, to assure the cessation of its illegal acts and to assure the proper
3 handling of income and payments;

4 37. For an accounting;

5 38. For temporary and permanent injunctive relief;

6 39. For disgorgement of monies improperly obtained;

7 40. For prejudgment interest according to law;

8 41. For attorney's fees;

9 42. For costs of suit; and,

10 43. For such other and further relief as this Court may deem proper.

11
12 As to the Fifth Claim for Relief

13 44. For compensatory and general damages, as shown according to proof;

14 45. For the appointment of a Receiver to operate Defendant IUOE in a
15 lawful manner, to assure the cessation of its illegal acts and to assure the proper
16 handling of income and payments;

17 46. For temporary and permanent injunctive relief;

18 47. For such other and further relief as this Court may deem proper.

19
20 As to the Sixth Claim for Relief

21 48. For compensatory and general damages, as shown according to proof;

22 49. For exemplary damages;

23 50. For the appointment of a Receiver to operate Defendant IUOE in a
24 lawful manner, to assure the cessation of its illegal acts and to assure the proper
25 handling of income and payments;

26 51. For an accounting;

27 52. For temporary and permanent injunctive relief;

28 53. For disgorgement of monies improperly obtained;

54. For prejudgment interest according to law;
55. For attorney's fees;
56. For costs of suit; and,
57. For such other and further relief as this Court may deem proper.

Dated: October 30, 2012. Respectfully submitted,

SPIRO MOORE LLP

By: 

H. Scott Leviant

Attorneys for Plaintiffs

DEMAND FOR JURY TRIAL

Plaintiffs demand a trial by jury.

Dated: October 30, 2012

Respectfully submitted,

SPIRO MOORE LLP

By: 

H. Scott Leviant

Attorneys for Plaintiffs