

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN  
GREEN BAY DIVISION

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MARYROSE WOLFE,  
and CASSIE KLEIN,  
individually and on behalf of  
all others similarly situated,

Plaintiffs,

v.

CASE NO. 16-cv-139

SL MANAGEMENT SERVICES, LLC,  
d/b/a SAPPHIRES GENTLEMAN'S CLUB,

THE EGGERT GROUP, LLC,  
d/b/a SAPPHIRES GENTLEMAN'S CLUB,

NORTHSHORE PROCESSING, LLC,  
d/b/a SAPPHIRES GENTLEMAN'S CLUB,

DAVID K. EGGERT,

and

KEVIN D. EGGERT,

Defendants.

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COLLECTIVE AND CLASS ACTION COMPLAINT

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**PRELIMINARY STATEMENT**

1. This is a collective and class action brought by Plaintiffs Maryrose Wolfe and Cassie Klein, individually and on behalf of the members of the proposed classes identified below. Plaintiffs and the putative class members are, or were, employees of Defendants SL Management Services, LLC d/b/a Sapphires

Gentleman's Club, The Eggert Group, LLC d/b/a Sapphires Gentleman's Club, and Northshore Processing, LLC d/b/a Sapphires Gentleman's Club, David E. Eggert, and Kevin D. Eggert (collectively referred to hereinafter as "Sapphires") at times since February 9, 2013. Within the statutory period of three years from the filing of this complaint, Sapphires has had uniform policies and practices of failing to pay minimum wages, overtime premium compensation, and to compensate Plaintiff Wolfe, Plaintiff Klein, and the putative class members for all hours worked in violation of the Fair Labor Standards Act of 1938, as amended, ("FLSA") and Wisconsin law. Within the statutory period of two years from the filing of this complaint, Sapphires has also fined Plaintiff Wolfe, Plaintiff Klein, and the putative class members in violation of Wis. Stat. § 103.455.

2. As a result, Sapphires has denied Plaintiff Wolfe, Plaintiff Klein, and the putative class members of minimum wages and overtime compensation in violation of the Fair Labor Standards Act of 1938, as amended ("FLSA") as well as minimum wages, overtime compensation and agreed-upon wages in violation of Wisconsin law. Further, Plaintiff Wolfe, Plaintiff Klein, and the putative class members have been subject to multiple illegal fines as a result of Sapphires policies.

3. Plaintiffs Wolfe and Klein bring this action, individually and on behalf of other similarly situated current and former Sapphires employees, as a collective action pursuant to the Fair Labor Standards Act of 1938, as amended, ("FLSA") for the purpose of obtaining relief under the FLSA for unpaid minimum wages, unpaid

overtime compensation, liquidated damages, costs, attorneys' fees, and/or any such other relief the Court may deem appropriate.

4. Plaintiffs Wolfe and Klein also bring this action pursuant to FED. R. Civ. P. 23 for purposes of obtaining relief under Wisconsin's wage laws for unpaid minimum wages, unpaid overtime compensation, illegal deductions, civil penalties, costs, attorneys' fees, declaratory and/or injunctive relief, and/or any such other relief the Court may deem appropriate.

### **JURISDICTION AND VENUE**

5. This Court has original jurisdiction to hear this complaint and to adjudicate the claims stated herein under 28 U.S.C. §1331, this action being brought under the FLSA, 29 U.S.C. §201, *et seq.*

6. The Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. §1367, as they are so related in this action within such original jurisdiction that they form part of the same case or controversy under Article III of the United States Constitution.

7. Venue is proper pursuant to 28 U.S.C. §1391(b) and (c) in the U.S. District Court for the Eastern District of Wisconsin Green Bay Division because a substantial part of the events or omissions giving rise to the claims occurred within the district and Defendants SL Management Services, LLC d/b/a Sapphires Gentleman's Club, The Eggert Group, LLC d/b/a Sapphires Gentleman's Club, Northshore Processing, LLC d/b/a Sapphires Gentleman's Club, David K. Eggert, and Kevin D. Eggert have and have had substantial and systematic contacts in this district within the relevant statutory periods.

## PARTIES

8. Defendant SL Management Services, LLC d/b/a Sapphires Gentleman's Club is a Wisconsin Corporation with its principal place of business in Wisconsin at W7191 HWY 10-114, Menasha, Wisconsin 54952.
9. SL Management Services, LLC's registered agent of service is David K. Eggert located at 1741 North Appleton Street, Appleton, Wisconsin 54911.
10. Defendant The Eggert Group, LLC d/b/a Sapphires Gentleman's Club is a Wisconsin Corporation with its principal place of business in Wisconsin at 1741 North Appleton Street, Appleton, Wisconsin 54911.
11. The Eggert Group, LLC's registered agent of service is David K. Eggert located at 1741 North Appleton Street, Appleton, Wisconsin 54911.
12. Defendant Northshore Processing, LLC d/b/a Sapphires Gentleman's Club is a Wisconsin Corporation with its principal place of business in Wisconsin at 1523 South Walden Avenue, Appleton, Wisconsin 54915.
13. Northshore Processing, LLC's registered agent of service is Kevin D. Eggert located at 1523 South Walden Avenue, Appleton, Wisconsin 54915.
14. David K. Eggert owns and operates SL Management Services, LLC d/b/a Sapphires Gentleman's Club and The Eggert Group, LLC d/b/a Sapphires Gentleman's Club.
15. Kevin D. Eggert owns and operates Northshore Processing, LLC d/b/a Sapphires Gentleman's Club.
16. David K. Eggert and Kevin D. Eggert (hereinafter "the Eggerts") oversee the day-to-day operations of Sapphires through their respective LLC's and

have operational control of the company. The Eggerts have control over all human resources and compensation aspects of Sapphires' operation. The Eggerts can hire, fire, and discipline Sapphires' employees, including its exotic dancers. The Eggerts determined the rates and methods of compensation for Sapphires' employees, including its exotic dancers.

17. Joinder of Defendants is proper pursuant to Fed.R.Civ.P. 20(a)(2) because Plaintiffs' rights to relief are asserted against all Defendants and are arising out of the same series of occurrences and common questions of law and fact.

18. Defendants SL Management Services, LLC d/b/a Sapphires Gentleman's Club , The Eggert Group, LLC d/b/a Sapphires Gentleman's Club, Northshore Processing, LLC d/b/a Sapphires Gentleman's Club, David K. Eggert, and Kevin D. Eggert will be collectively referred to hereinafter as "Sapphires."

19. Plaintiff Maryrose Wolfe ("Wolfe") is an adult who resides in Brown County in the State of Wisconsin. Plaintiff Wolfe's Notice of Consent to Join this collective action pursuant to 29 U.S.C. § 216(b) is attached as Exhibit A to and is made a part of this Complaint.

20. Plaintiff Wolfe has worked for Sapphires as an exotic dancer at times since February 9, 2013.

21. Plaintiff Cassie Klein ("Klein") is an adult who resides in Winnebago County in the State of Wisconsin. Plaintiff Klein's Notice of Consent to Join this collective action pursuant to 29 U.S.C. § 216(b) is attached as Exhibit B to and is made a part of this Complaint.

22. Plaintiff Klein has worked for Sapphires as an exotic dancer at times since February 9, 2013.

23. Plaintiffs Wolfe and Klein bring this action on behalf of themselves and all other similarly situated employees in the FLSA Minimum Wage Class, as authorized under the FLSA, 29 U.S.C. § 216(b). The **FLSA Minimum Wage Class** is defined as follows:

All persons who worked as an exotic dancer for Sapphires and who were not paid minimum wages for each hour worked since February 9, 2013.

24. Plaintiff Klein brings this action on behalf of herself and all other similarly situated employees in the FLSA Overtime Class, as authorized under the FLSA, 29 U.S.C. § 216(b). The **FLSA Overtime Class** is defined as follows:

All persons who worked as an exotic dancer for Sapphires and who were not paid overtime premium compensation at any time since February 9, 2013.

25. Plaintiffs Wolfe and Klein bring this action on behalf of themselves and all other similarly situated employees in the Wisconsin Minimum Wage Class pursuant to FED.R.CIV.P. 23. The **Wisconsin Minimum Wage Class** is defined as follows:

All persons who worked as an exotic dancer for Sapphires and who were not paid minimum wages for each hour worked since February 9, 2014.

26. Plaintiff Klein brings this action on behalf of herself and all other similarly situated employees in the Wisconsin Overtime Class pursuant to FED.R.CIV.P. 23. The **Wisconsin Overtime Class** is defined as follows:

All persons who worked as an exotic dancer for Sapphires and who were not paid overtime premium compensation at any time since February 9, 2014.

27. Plaintiffs Wolfe and Klein bring this action on behalf of themselves and all other similarly situated employees in the Wisconsin Deductions Class pursuant to FED.R.CIV.P. 23. The **Wisconsin Deductions Class** is defined as follows:

All persons who worked as an exotic dancer for Sapphires in Wisconsin and who were subjected to fines at any time since February 9, 2014.

28. The FLSA Minimum Wage Class and The FLSA Overtime Class will be referred collectively hereinafter as the “Collective Classes.”

29. The Wisconsin Minimum Wage Class, the Wisconsin Overtime Class, and the Wisconsin Deductions Class, will be referred to collectively hereinafter as the “Wisconsin Classes.”

30. The FLSA Minimum Wage Class, The FLSA Overtime Class, the Wisconsin Minimum Wage Class, the Wisconsin Overtime Class, and Wisconsin Deductions Class will be referred to collectively hereinafter as the “Classes.”

### **GENERAL ALLEGATIONS**

31. Plaintiffs Wolfe and Klein, and the Collective Classes work, or have worked, as exotic dancers for Sapphires at times since February 9, 2013.

32. Plaintiffs Wolfe and Klein, the Wisconsin Minimum Wage Class, Wisconsin Overtime Class, and the Wisconsin Deductions Class work, or have worked, as exotic dancers for Sapphires since February 9, 2014.

33. Since February 9, 2014, Sapphires has operated a gentleman's club and restaurant providing exotic dancers for its customers.

34. Upon information and belief, SL Management Services, LLC has operated as Sapphires within the relevant statutory periods.

35. Upon information and belief, The Eggert Group, LLC has operated as Sapphires within the relevant statutory periods.

36. Upon information and belief, Northshore Processing, LLC has operated as Sapphires within the relevant statutory periods.

37. Sapphires labels its exotic dancers as independent contractors.

38. Despite using the label of "independent contractor," Sapphires retains the absolute right to control and direct the work of its dancers.

39. Sapphires requires dancers to show up at set times and will fine dancers for failing to follow their strict codes of conduct.

40. Sapphires requires dancers to wear specific clothing, and prescribes strict rules regarding breaks and how to dance while on the floor.

41. Sapphires sets the rate which its exotic dancers can charge for lap dances, manager specials, and VIP rooms.

42. The exotic dancers provide the very service that Sapphires primarily offers – exotic dancing services for paying customers.

43. The exotic dancers are not paid any wages by Sapphires.

44. Sapphires' exotic dancers are paid by the Sapphires customers on a per dance basis and tips.

45. The exotic dancers are tipped employees under the FLSA and Wisconsin law.

46. For each dance the exotic dancers provide to customers, the exotic dancers pay Sapphires a house fee, or percentage of the amount the customer pays for the services.

47. As an example, Sapphires' exotic dancers are required to charge \$20.00 for one lap dance. Of that \$20.00 the dancer receives from the customer, the dancer must pay a house fee of \$5.00 to Sapphires.

48. Likewise, Sapphires' exotic dancers are required to charge \$250.00 for "VIP Room" dances. Of that \$250.00 the dancer receives from the customer, the dancer must pay a house fee of \$50.00 to Sapphires.

49. Sapphires has given its dancers an IRS Form 1099-MISC reflecting a portion of the money Sapphires' customers pay to the exotic dancers from the last fiscal year. Sapphires has not provide its exotic dancers an IRS Form W2.

50. Sapphires does not pay its exotic dancers an hourly wage.

51. Sapphires does not obtain a tip declaration from the exotic dancers recording all tips earned by the exotic dancers.

52. As a result of Sapphires' above uniform policies, Sapphires' exotic dancers were neither paid minimum wages nor overtime compensation for all hours worked over forty (40) hours in one workweek at various times since February 9, 2013.

53. Since February 9, 2014, Sapphires has imposed various “fines” on its dancers for alleged violations of Sapphires’ company policies.

54. The deductions for fines assessed by Sapphires have not been authorized in writing by the exotic dancers.

55. As an example, company policy strictly requires that all exotic dancers are ready and on the floor dancing by the start of their scheduled shifts. If they are not at Sapphires or ready to work at that set time, they are fined \$20.00. For each hour the exotic dancers are late to their scheduled shifts, they are fined an additional \$20.00.

56. Likewise, dancers are fined undisclosed and variant sums for alleged conduct such as: leaving receipts on the floors, using vulgar language, using the dressing room to take a break, chewing gum, and not cleaning their dressing room areas to the liking of management.

57. As a result of Sapphires’ uniform practice to impose various punitive fines on its exotic dancers, Sapphires took illegal deductions from its dancers’ at various times since February 9, 2014.

58. Sapphires’ conduct, as set forth in this complaint, was willful and in bad faith, and has caused significant damages to Plaintiff Wolfe, Plaintiff Klein, and the Classes.

#### **COLLECTIVE ACTION ALLEGATIONS UNDER THE FLSA**

59. Plaintiffs Wolfe, Klein, and the Collective Classes that they bring this action on behalf of, are and have been similarly situated, have and have had substantially similar pay provisions, and are and have been subject to Sapphires’

decisions, policies, plans and programs, practices, procedures, protocols, routines, and rules willfully failing and refusing to compensate them a minimum wage for each hour worked and overtime compensation for each hour worked over forty (40) hours in one workweek. The claims of Plaintiffs Wolfe and Klein stated herein are the same as those of the Collective Classes they seek to represent.

60. Plaintiffs Wolfe, Klein, and the Collective Classes seek relief on a collective basis and challenge Sapphires' policies and practices which lead to federal wage violations.

61. As a result of the above alleged uniform pay practices, Sapphires has failed to pay Plaintiffs Wolfe, Klein, and the FLSA Minimum Wage Class the required minimum wages for all hours worked.

62. As a result of the above alleged uniform pay practices, Sapphires has failed to pay Plaintiff Klein and the FLSA Overtime Class overtime compensation for all hours worked of forty (40) in a workweek.

63. The Collective Classes are readily ascertainable. For purpose of notice and other reasons related to this action, their names, phone numbers, social security numbers, and addresses are readily available from Sapphires. Notice can be provided to the Collective Classes via first class mail to the last address known to Sapphires and through posting at Sapphires' facility in areas where postings are normally made.

#### **RULE 23 CLASS ALLEGATIONS - WISCONSIN**

64. Plaintiffs Wolfe and Klein bring their Wisconsin state law claims, pursuant to Wisconsin wage and hour laws, under FED. R. CIV. P. 23 on behalf of the Wisconsin Classes for violations occurring on or after February 9, 2014.

65. The members of the Wisconsin Classes are readily ascertainable. The number and identity of the members of the Wisconsin Classes are determinable from the records of Sapphires.

66. The proposed Wisconsin Classes are so numerous that joinder of all members is impracticable, and more importantly the disposition of their claims as a class will benefit the parties and the Court. Although the precise number of such persons is unknown, and the facts on which the calculation of that number are presently within the sole control of Sapphires, upon information and belief, there are at least 50 members in the Wisconsin Classes.

67. Plaintiff Wolfe's and Plaintiff Klein's minimum wage and illegal deductions claims are typical of those claims which could be alleged by any member of the Wisconsin Minimum Wage Class and the Wisconsin Deductions Class, and the relief sought is typical of the relief which would be sought by each member of the Wisconsin Minimum Wage Class and the Wisconsin Deductions Class in separate actions. The alleged claims arise out of the same corporate practices of Sapphires and Sapphires benefited from the same type of unfair and/or wrongful acts as to each Wisconsin Minimum Wage Class and Wisconsin Deductions Class member. Plaintiff Wolfe, Plaintiff Klein, and other members of the Wisconsin Minimum Wage Class and the Wisconsin Deductions Class sustained similar losses,

injuries and damages arising from the same unlawful policies, practices and procedures.

68. Plaintiffs Wolfe and Klein are able to fairly and adequately protect the interests of the Wisconsin Minimum Wage Class and the Wisconsin Deductions Class and have no interests antagonistic to the Wisconsin Class.

69. Plaintiff Klein's overtime claim is typical of those claims which could be alleged by any member of the Wisconsin Overtime Class, and the relief sought is typical of the relief which would be sought by each member of the Wisconsin Overtime Class in separate actions. The alleged claims arise out of the same corporate practices of Sapphires and Sapphires benefited from the same type of unfair and/or wrongful acts as to each Wisconsin Overtime Class member. Plaintiff Klein and other members of the Wisconsin Overtime Class sustained similar losses, injuries and damages arising from the same unlawful policies, practices and procedures.

70. Plaintiff Klein is able to fairly and adequately protect the interests of the Wisconsin Overtime Class and has no interests antagonistic to the Wisconsin Class.

71. There are questions of fact and law common to the Wisconsin Classes that predominate over any questions affecting only individual members, such as:

- a) Whether Sapphires exotic dancers are employees or independent contractors;

- b) Whether Sapphires violated Wisconsin's wage and hour laws by failing to pay Plaintiffs Wolfe, Klein, and the Wisconsin Minimum Wage Class the applicable minimum wage rate for all hours worked;
- c) Whether Sapphires violated Wisconsin's wage and hour laws by failing to pay Plaintiffs Klein and the Wisconsin Overtime Class the applicable overtime compensation rate for all hours worked over forty (40) hours in one workweek; and
- d) Whether Sapphires' actions as described in this Complaint were willful violations of Wisconsin law.

72. There are questions of fact and law common to the Wisconsin Deductions Class that predominate over any questions affecting only individual members, such as:

- a) Whether Sapphires exotic dancers are employees or independent contractors;
- b) Whether Sapphires violated Wisconsin law by imposing a series of fines on Plaintiff Wolfe's, Plaintiff Klein's, and the Wisconsin Deductions Class' for alleged violations of company policy; and
- c) Whether Sapphires' obtained authorization, in writing, prior to fining its exotic dancers.

73. A class action is superior to other available methods for the fair and efficient adjudication of the controversy, particularly in the context of wage and hour litigation where individual plaintiffs lack the financial resources to vigorously

prosecute separate lawsuits in federal court against a wealthy corporate Defendant, particularly those with relatively small claims.

74. The questions set forth above predominate over any questions affecting only individual persons, and a class action is superior with respect to considerations of consistency, economy, efficiency, fairness and equity, to other available methods for the fair and efficient adjudication of the claims.

**FIRST CLAIM FOR RELIEF**  
**Violation of the Fair Labor Standards Act of 1938 as Amended**

75. Plaintiffs Wolfe and Klein, on behalf of themselves and the Collective classes, reassert and incorporate by reference all paragraphs set forth above as if restated herein.

76. Since February 9, 2013, Plaintiff Wolfe, Plaintiff Klein, and the Collective Classes have been entitled to the rights, protections, and benefits provided under the FLSA, 29 U.S.C. § 201 *et. seq.*

77. Sapphires is an enterprise engaged in commerce within the meaning of 29 U.S.C. § 203(s)(1).

78. Since February 9, 2013, Sapphires was an employer of Plaintiff Wolfe, Plaintiff Klein, and the Collective Classes as provided under the FLSA.

79. As a result of the above alleged practices, Sapphires violated the FLSA by failing to account for and compensate Plaintiff Wolfe, Plaintiff Klein, and the FLSA Minimum Wage Class at the applicable minimum wage rate since February 9, 2013.

80. As a result of the above alleged practices, Sapphires violated the FLSA by failing to account for and compensate Plaintiff Klein and the FLSA Overtime Class at the applicable overtime compensation rate since February 9, 2013.

81. Plaintiff Wolfe, Plaintiff Klein, and the FLSA Minimum Wage Class are entitled to damages equal to the mandated minimum wage since February 9, 2013, plus periods of equitable tolling because Sapphires acted willfully and knew or showed reckless disregard of whether its conduct was prohibited by the FLSA.

82. Plaintiff Klein and the FLSA Overtime Class are entitled to damages equal to the mandated overtime compensation rate since February 9, 2013, plus periods of equitable tolling because Sapphires acted willfully and knew or showed reckless disregard of whether its conduct was prohibited by the FLSA.

83. Sapphires has failed to post certain information regarding the FLSA in its establishment.

84. Sapphires' failure to properly compensate Plaintiff Wolfe, Plaintiff Klein, and the FLSA Minimum Wage Class was willfully perpetrated and Plaintiff Wolfe, Plaintiff Klein, and the FLSA Minimum Wage Class are therefore entitled to recover an award of liquidated damages in an amount equal to the amount of unpaid minimum wages described above pursuant to Section 216(b) of the FLSA, 29 U.S.C. § 216(b).

85. Sapphires' failure to properly compensate Plaintiff Klein and the FLSA Overtime Class was willfully perpetrated and Plaintiff Klein and the FLSA Overtime Class are therefore entitled to recover an award of liquidated damages in

an amount equal to the amount of unpaid overtime compensation described above pursuant to Section 216(b) of the FLSA, 29 U.S.C. § 216(b).

86. Alternatively, should the Court find that Sapphires did not act willfully in failing to pay minimum and overtime premium wages, Plaintiff Wolfe, Plaintiff Klein, and the Collective Classes are entitled to an award of pre-judgment interest at the applicable legal rate. Pursuant to the FLSA, 29 U.S.C. § 216(b), successful plaintiffs are entitled to reimbursement of the costs and attorneys' fees expended in successfully prosecuting an action for unpaid minimum wages.

## **SECOND CLAIM FOR RELIEF**

### **Violation of Wisconsin Law – Unpaid Minimum and Overtime Wages**

87. Plaintiff Wolfe and Plaintiff Klein, on behalf of themselves and members of the Wisconsin Classes, re-allege and incorporate all previous paragraphs as if they were set forth herein.

88. Since February 9, 2014, Plaintiff Wolfe, Plaintiff Klein, and members of the Wisconsin Classes were employees within the meaning of Wis. Stat. §§ 109.01 *et seq.*

89. Since February 9, 2014, Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes were employees within the meaning of Wis. Stat. §§ 103.001 *et seq.*

90. Since February 9, 2014, Plaintiff Wolfe, Plaintiff Klein, and members of the Wisconsin Classes were employees within the meaning of Wis. Stat. §§ 104.01 *et seq.*

91. Since February 9, 2014, Plaintiff Wolfe, Plaintiff Klein, and members of the Wisconsin Classes were employees within the meaning of Wis. Admin. Code §§ DWD 272.001 *et seq.*

92. Since February 9, 2014, Plaintiff Wolfe, Plaintiff Klein, and members of the Wisconsin Classes were employees within the meaning of Wis. Admin. Code §§ DWD 274.01 *et seq.*

93. Since February 9, 2014, Sapphires was an employer within the meaning of Wis. Stat. §§ 109.01 *et seq.*

94. Since February 9, 2014, Sapphires was an employer within the meaning of Wis. Stat. §§ 103.001 *et seq.*

95. Since February 9, 2014, Sapphires was an employer within the meaning of Wis. Stat. §§ 104.01 *et seq.*

96. Since February 9, 2014, Sapphires was an employer within the meaning of Wis. Admin. Code §§ DWD 272.001 *et seq.*

97. Since February 9, 2014, Sapphires was an employer within the meaning of Wis. Admin. Code §§ DWD 274.01 *et seq.*

98. Since February 9, 2014, Sapphires has employed, and/or continues to employ Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes as within the meaning of Wis. Stat. §§ 109.01 *et seq.*

99. Since February 9, 2014, Sapphires has employed, and/or continues to employ Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes as within the meaning of Wis. Stat. §§ 103.001 *et seq.*

100. Since February 9, 2014, Sapphires has employed, and/or continues to employ Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes as within the meaning of Wis. Stat. §§ 104.01 *et seq.*

101. Since February 9, 2014, Sapphires has employed, and/or continues to employ Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes as within the meaning of Wis. Admin. Code §§ DWD 272.001 *et seq.*

102. Since February 9, 2014, Sapphires has employed, and/or continues to employ Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes as within the meaning of Wis. Admin. Code §§ DWD 274.01 *et seq.*

103. Wis. Stat. §109.03 requires payment of all wages earned by the employee to a day not more than 31 days prior to the date of payment.

104. The foregoing conduct, as alleged above, constitutes continuing, willful violations of Wisconsin's law requiring the payment of minimum and overtime wages.

105. As set forth above, Plaintiff Wolfe, Plaintiff Klein, and the members of the Wisconsin Classes have not received legally required compensation as a proximate result of Sapphires' violations. Accordingly, Plaintiffs Wolfe and Klein, on behalf of themselves and the Wisconsin Classes, seek damages in the amount of their respective unpaid minimum wage and overtime compensation, injunctive relief requiring Sapphires to cease and desist from its violations of the Wisconsin laws described herein and to comply with them, and such other legal and equitable relief as the Court deems just and proper. Under Wis. Stat. § 109.11, Plaintiff

Wolfe, Plaintiff Klein, and the Wisconsin Classes may be entitled to liquidated damages equal and up to fifty percent (50%) of the unpaid wages.

106. Plaintiff Wolfe, on behalf of herself and the Wisconsin Class, seeks recovery of attorneys' fees and the costs of this action to be paid by Sapphires, pursuant to the Wisconsin law.

**THIRD CLAIM FOR RELIEF**  
**Violation of Wisconsin Law – Illegal and Unauthorized Deductions**

107. Plaintiff Wolfe and Plaintiff Klein, on behalf of themselves and the Wisconsin Class, re-allege and incorporate all previous paragraphs as if they were set forth herein.

108. Since February 9, 2014, Plaintiff Wolfe, Plaintiff Klein, and the Wisconsin Deductions Class members were subject to Sapphires common policies, programs, practices, procedures, protocols, routines, and rules of willfully fining Plaintiff Wolfe, Plaintiff Klein, and the Wisconsin Deductions Class in violation of Wis. Stat. § 103.455.

109. As set forth above, Plaintiff Wolfe, Plaintiff Klein, and the Wisconsin Deductions Class members have sustained losses as a result of Sapphire's fines. Accordingly, Plaintiffs Wolfe and Klein, on behalf of themselves and the Wisconsin Deductions Class, seek damages in the amount of the fines taken within the relevant statutory period, injunctive relief requiring Sapphires to cease and desist from its violations of the Wisconsin laws described herein and to comply with them, and such other legal and equitable relief as the Court deems just and proper. Under

Wis. Stat. § 103.455, the Plaintiff Wolfe, Plaintiff Klein, and the Wisconsin Deductions Class are entitled to twice the amount of the illegal deductions.

110. Plaintiffs Wolfe and Klein, on behalf of themselves and the Wisconsin Deductions Class, seek recovery of attorneys' fees and the costs of this action to be paid by Sapphires, pursuant to the Wisconsin law.

### **REQUEST FOR RELIEF**

**WHEREFORE**, Plaintiffs Wolfe and Klein, on behalf of themselves and on the behalf of all members of the Collective Classes, Wisconsin Classes, and the Wisconsin Deductions Class request the following relief:

- a) An order designating this action as a collective action on behalf of the Collective Classes and issuance of notices pursuant to 29 U.S.C. § 216(b) to all similarly-situated individuals;
- b) An order certifying this action as a FED. R. CIV. P. 23 class action on behalf of the proposed Wisconsin Class;
- c) An order designating the Plaintiffs Wolfe and Klein as the Named Plaintiffs and as representative of the Collective Classes, Wisconsin Classes and Deduction Class set forth herein;
- d) Leave to add additional plaintiffs by motion, the filing of written consent forms, or any other method approved by the Court;
- e) Issue an Order, pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, declaring Sapphires' actions as described in the Complaint as unlawful and in violation of the Wisconsin Law and applicable regulations;
- f) An order finding that Sapphires violated the FLSA and Wisconsin's wage and hour law;
- g) An order finding that these violations were willful;
- h) Judgment against Sapphires in the amount equal to the Plaintiff Wolfe's, Plaintiff Klein's, the Collective Classes', the Wisconsin

Classes', and the Wisconsin Deduction Class' unpaid wages at the applicable minimum wage and overtime rates;

- i) An award in the amount of all liquidated damages and penalties as provided under Wisconsin law and the FLSA;
- j) An award in the amount of all costs and attorneys' fees incurred in prosecuting these claims; and
- k) Such further relief as the Court deems just and equitable.

Dated this 9th day of February, 2016.

Respectfully submitted,

*s/ Larry A. Johnson*

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