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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

LESLEE A. NELSON, et al.,  
Plaintiffs,  
v.  
RAYAH LEVY, et al.,  
Defendants.

Case No. [16-cv-03797-MMC](#)

**ORDER DENYING DEFENDANTS'  
MOTIONS TO DISMISS PLAINTIFFS'  
SECOND AMENDED COMPLAINT**

Re: Dkt. Nos. 61, 62

Before the Court are two motions to dismiss, both filed December 23, 2016, one brought jointly by defendants Rayah Levy (“Levy”) and Rachel Rayah Levy International, Inc. (“RRLI, Inc.”) (collectively, “Levy Defendants”), and the other brought by defendant Jessica Jacobson (“Jacobson”), by which motions defendants seek dismissal of each of the claims brought in plaintiffs’ Second Amended Complaint (“SAC”), specifically, “Violation of RICO - § 1962(c)” (First Cause of Action), “Conspiracy to Violate RICO – 18 U.S.C. § 1962(d)” (Second Cause of Action), “Fraud: Intentional Misrepresentation” (Third Cause of Action), and “Breach of Oral Contract” (Fourth Cause of Action).<sup>1</sup> Plaintiffs have filed a joint opposition to both motions, to which Jacobson and the Levy Defendants have filed separate replies.

The matter came on regularly for hearing on February 17, 2017. D. Gill Sperlein of

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<sup>1</sup> Although, in contrast to the first three causes of action, which are brought against all named defendants, the Fourth Cause of Action is brought only against the Levy Defendants, plaintiffs purport to “reserve” therein “the right to seek to pierce the corporate veil and hold Levy and Jacobson liable for the debts of RRLI, Inc.” (See SAC ¶ 201.) In that regard, to the extent plaintiffs are relying on the allegations set forth in the SAC, the Court, for the reasons stated on the record at the hearing, finds plaintiffs have failed to allege sufficient facts to plead alter ego as a theory of liability.

1 the Law Office of D. Gill Sperlein appeared on behalf of plaintiffs. Mark A. Pruner of the  
2 Law Office of Mark A. Pruner appeared on behalf of the Levy Defendants. Andrew D.  
3 Winghart of Winghart Law Group appeared on behalf of Jacobson.

4 The Court having considered the papers filed in support of and in opposition to  
5 defendants' motions, as well as the arguments of counsel at the hearing, the motions are,  
6 for the reasons stated on the record at the hearing, hereby DENIED.<sup>2</sup>

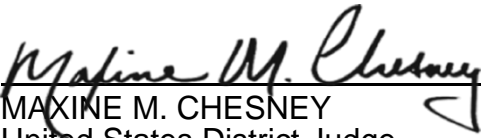
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8 **IT IS SO ORDERED.**

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10 Dated: February 24, 2017

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MAXINE M. CHESNEY  
United States District Judge

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<sup>2</sup> In the interim between the date of the hearing and today's date, plaintiff Nancy Barth ("Barth") filed a "Notice of Withdrawal of Breach of Oral Contract Claim." Accordingly, to the extent the Levy Defendants seek dismissal of the Fourth Cause of Action as brought on behalf of Barth, the motion is denied as moot rather than on the merits.