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ORIGINAL FILED  
Superior Court of California  
County of Los Angeles

MAR 24 2017

Shewi R. Carter, Executive Officer/Clerk  
By: Christella Robinson, Deputy

8 Attorneys for Plaintiff  
9 JUAN MANUEL MARQUEZ

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 COUNTY OF LOS ANGELES – CENTRAL DISTRICT

12 JUAN MANUEL MARQUEZ, an individual;  
13  
14 Plaintiff,

15 vs.

16 JPMORGAN CHASE & CO., a Delaware  
17 corporation; JPMORGAN CHASE BANK, N.A.,  
18 a New York corporation; ADEL ALSIBYDES  
19 COTTON a/k/a ADEL COTTON a/k/a ADEL A.  
20 COTTON-ROMAN a/k/a ADEL ALSIBYDE  
21 COTTON ROMAN a/k/a ADEL COTTON  
22 ROMAN a/k/a ALSIBYDES COTTON  
23 ROMAN, an individual; HEBER A. COTTON,  
24 an individual; BRIAN D. LALLEMENT, an  
25 individual; and DOES 1 through 99, inclusive,

26 Defendants.

Case No.: **BC 6 5 5 2 8 4**

**UNLIMITED COMPLAINT FOR DAMAGES**

1. INTENTIONAL MISREPRESENTATION;
2. NEGLIGENT MISREPRESENTATION;
3. CONCEALMENT;
4. FALSE PROMISE;
5. BREACH OF FIDUCIARY DUTY;
6. FAILURE TO USE REASONABLE CARE;
7. BREACH OF DUTY OF UNDIVIDED LOYALTY;
8. CONVERSION;
9. PEN. CODE SEC. § 496(c) – CIVIL REMEDY;
10. BREACH OF CONTRACT;
11. BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING;
12. BREACH OF IMPLIED DUTY TO PERFORM WITH REASONABLE CARE;
13. AIDING AND ABETTING TORT;
14. NEGLIGENCE;
15. NEGLIGENCE PER SE;
16. RESTITUTION;
17. VIOLATION OF BUS. & PROF. CODE §§ 17200, *ET SEQ.*

**[JURY TRIAL DEMANDED]**

1 COMES NOW THE PLAINTIFF JUAN MANUEL MARQUEZ (“PLAINTIFF”), who  
2 heretofore alleges the following facts in support of his Unlimited Complaint for Damages and hereby  
3 respectfully demands a speedy jury trial upon such Causes of Action to which PLAINTIFF has a right  
4 to have heard by a jury pursuant to Cal. Const. art I, §16 and Code Civ. Proc. § 631.

5 **NATURE OF THE CASE**

6 1. This case arises out of a quarter-billion dollar organized crime enterprise operated  
7 through an organization known as the *Old Quest Foundation, Inc.*, targeted by the IRS’ Criminal  
8 Investigation Division in its historic “*Operation Stolen Treasures*” operation, leading to the indictment  
9 of 55 individuals, including two individuals named as Defendants in the instant action, in the Fall of  
10 2014. While officers of other national banks later pled guilty to their involvement in the *Operation*  
11 *Stolen Treasures* transactions, it now appears that Chase Bank was itself compromised by as yet  
12 unascertained officer-employees who participated in the laundering of millions of dollars in  
13 fraudulently obtained tax refunds, and at least **\$2,308,439.00** in funds stolen from PLAINTIFF through  
14 fraudulent Chase Bank accounts.

15 **JURISDICTION AND VENUE**

16 2. This Court has jurisdiction of the subject matter of PLAINTIFF’s claims. Jurisdiction  
17 is proper in this Court because the damages and claims alleged and demanded herein by PLAINTIFF  
18 exceeds **\$25,000.00**, and PLAINTIFF herein does make a demand and prayer for damages in excess of  
19 the jurisdictional limit of this Court.

20 3. Venue in this Court is proper in that PLAINTIFF suffered the harm set forth herein  
21 within the County of Los Angeles, State of California.

22 **THE PARTIES**

23 4. PLAINTIFF is a professional boxer and former four-weight world champion, who, over  
24 the past twenty years, and has held seven world championships titles. PLAINTIFF is generally  
25 regarded to be one of the greatest Mexican boxers in the history of the sport, and is a national hero in  
26 his home country. At all times mentioned herein, PLAINTIFF was a resident of the United Mexican  
27

1 States, but visited the United States on an ongoing basis to participate in professional boxing bouts  
2 before tens of millions of television viewers around the globe.

3 5. At all times mentioned herein, Defendants JPMORGAN CHASE & CO. and  
4 JPMORGAN CHASE BANK, N.A. (hereinafter collectively referred to as "CHASE") conducted  
5 business in the County of Los Angeles, operating no less than a dozen retail banking locations within  
6 the County of Los Angeles, and engaged in wrongful and unlawful conduct which occurred in this  
7 judicial district, in whole, or in part, in the City of Whittier, County of Los Angeles, to wit: *13103 E.*  
8 *Philadelphia Street, Whittier, CA 90601.*

9 6. At all times mentioned herein, Defendant ADEL ALSIBYDES COTTON a/k/a ADEL  
10 COTTON a/k/a ADEL A. COTTON-ROMAN a/k/a ADEL ALSIBYDE COTTON ROMAN a/k/a  
11 ADEL COTTON ROMAN a/k/a ALSIBYDES COTTON ROMAN (hereinafter "A. COTTON") was  
12 at all times relevant to this Complaint a resident of Hacienda Heights, County of Los Angeles, and  
13 engaged in wrongful and unlawful conduct which occurred in this judicial district, in whole, or in part,  
14 in Hacienda Heights, County of Los Angeles, to wit: *2231 Joan Drive, Hacienda Heights, CA 91745.*

15 7. At all times mentioned herein, Defendant HEBER COTTON (hereinafter "H.  
16 COTTON") was at all times relevant to this Complaint a resident of Hacienda Heights, County of Los  
17 Angeles, and engaged in wrongful and unlawful conduct which occurred in this judicial district, in  
18 whole, or in part, in Hacienda Heights, County of Los Angeles, to wit: *2231 Joan Drive, Hacienda*  
19 *Heights, CA 91745.*

20 8. At all times mentioned herein, Defendant BRIAN D. LALLEMENT (hereinafter  
21 "NOTARY"), a licensed California Notary Public, was at all times relevant to this Complaint a  
22 resident of the City of Los Angeles, County of Los Angeles, and engaged in wrongful and unlawful  
23 conduct which occurred in this judicial district, in whole, or in part, in the City of Los Angeles,  
24 County of Los Angeles, to wit: *10752 Woodbine Street #4, Los Angeles, CA 90034.*



1 12. PLAINTIFF is informed and believes, and thereupon alleges, that at all relevant times,  
2 DEFENDANTS, and each of them, were in some fashion, by contract or otherwise, the successor,  
3 assignor, indemnitor, guarantor, or third-party beneficiary of one or more of the remaining  
4 DEFENDANTS, and at all relevant times to PLAINTIFF's claims alleged herein, were acting within  
5 that capacity. PLAINTIFF further alleges that DEFENDANTS, and each of them, assumed the  
6 liabilities of the other DEFENDANTS, by virtue of the fact that each to some degree, wrongfully  
7 received and/or wrongfully benefited from the flow of assets from the other DEFENDANTS, to the  
8 detriment of PLAINTIFF. PLAINTIFF further alleges that by wrongfully receiving and/or benefiting  
9 from DEFENDANTS' assets, and in the consummation of such transactions, a de facto merger of the  
10 DEFENDANTS, and each of them, resulted, such that DEFENDANTS, and each of them, may be  
11 treated as one for purposes of this Complaint.

12 13. PLAINTIFF is informed and believes, and thereupon alleges, that at all relevant times  
13 mentioned herein, DEFENDANTS, and each of them, were the partners, agents, servants, employees,  
14 joint venturers, or co-conspirators of each other defendant, and that each defendant was acting within  
15 the course, scope, and authority of such partnership, agency, employment, joint venture, or conspiracy,  
16 and that each defendant, directly or indirectly, authorized, ratified, and approved the acts of the  
17 remaining DEFENDANTS, and each of them.

18 **SUMMARY OF ACTIONS COMMITTED BY DEFENDANTS IN FURTHERANCE**  
19 **OF THE MONEY LAUNDERING AND TAX RETURN FRAUD CONSPIRACY**

20 14. PLAINTIFF is informed and believes, and thereupon alleges, that DEFENDANTS,  
21 conspiring with other unidentified parties in the planning and execution of the fraudulent artifice  
22 described herein engaged in one, more, or all, of the following wrongful or unlawful acts:

- 23 I. Violations of 18 U.S.C. § 286 – Conspiracy to Defraud the United States with Respect  
24 to Claims;
- 25 II. Violations of 18 U.S.C. § 215(a)(2) – Receipt of Bribes by a Bank Official;
- 26 III. Violations of 31 U.S.C. § 5324(a)(3) – Structuring Transactions to Evade Reporting  
27 Requirements;

- 1 IV. Violations of 18 U.S.C. § 2(b) – Causing an Act to be Done;
- 2 V. Violations of 18 U.S.C. § 1344 – Bank Fraud;
- 3 VI. Violations of Pen. Code § 470(d) – Forgery (Power of Attorney, False  
4 Acknowledgment by Notary Public);
- 5 VII. Violations of Pen. Code § 530.5 – Unauthorized Use of Personal Identifying  
6 Information of Another Person;
- 7 VIII. Violations of Pen. Code § 484g – Fraudulent Use of Access Cards or Account  
8 Information;
- 9 IX. Violations of Pen. Code § 487 – Grand Theft;
- 10 X. Violations of Pen. Code § 496 – Receiving Stolen Property;
- 11 XI. Violations of Pen. Code § 503 – Embezzlement;
- 12 XII. Establishing, or causing to be established, a bank account in the absence of the named  
13 account beneficiary, to wit: PLAINTIFF;
- 14 XIII. Establishing, or causing to be established, a bank account in the absence of the named  
15 account beneficiary, to wit: PLAINTIFF, in violation of corporate policies and/or  
16 applicable state or federal laws and/or regulations;
- 17 XIV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
18 established, by DEFENDANTS, without notifying the named account beneficiary, to  
19 wit: PLAINTIFF;
- 20 XV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
21 established, by DEFENDANTS, without notifying the named account beneficiary, to  
22 wit: PLAINTIFF, in violation of corporate policies and/or applicable state or federal  
23 laws and/or regulations;
- 24 XVI. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
25 other depletions of PLAINTIFF’s monies controlled by DEFENDANTS without  
26 notifying the named account beneficiary, to wit: PLAINTIFF;
- 27
- 28

- 1 XVII. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
2 other depletions of PLAINTIFF's monies controlled by DEFENDANTS without  
3 notifying the named account beneficiary, to wit: PLAINTIFF, in violation of corporate  
4 policies and/or applicable state or federal laws and/or regulations;
- 5 XVIII. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
6 through fraudulent CHASE banking accounts;
- 7 XIX. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
8 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
9 applicable state or federal laws and/or regulations;
- 10 XX. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
11 PLAINTIFF through fraudulent CHASE banking accounts;
- 12 XXI. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
13 PLAINTIFF through fraudulent CHASE banking accounts, in violation of corporate  
14 policies and/or applicable state or federal laws and/or regulations;
- 15 XXII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
16 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
17 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
18 accounts;
- 19 XXIII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
20 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
21 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
22 accounts, in violation of corporate policies and/or applicable state or federal laws  
23 and/or regulations;
- 24 XXIV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
25 through fraudulent CHASE banking accounts;
- 26  
27  
28

1 XXV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
2 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
3 applicable state or federal laws and/or regulations;

4 XXVI. Widespread, systematic, and ongoing corporate policies which either violated, or failed  
5 to comply with, the mandatory statutory minimum requirements set forth by applicable  
6 California and federal law and/or regulations in relation to the money laundering  
7 allegations set forth herein;

8 XXVII. Failing to comply with mandatory statutory minimum requirements set forth by  
9 applicable California and federal law and/or regulations to prevent the use of federally-  
10 chartered banks for the laundering of stolen tax refund monies, such as those stolen from  
11 PLAINTIFF by DEFENDANTS;

12 XXVIII. Failing to provide training to DEFENDANTS' employees involved in the fraudulent  
13 and illegal transactions described herein, pursuant to the mandatory statutory minimum  
14 requirements set forth by applicable California and federal law and/or regulations;

15 XXIX. Violation of Civ. Code § 1185(a) – The taking of an acknowledgment of an instrument  
16 by a Notary Public without satisfactory evidence that the person making the  
17 acknowledgment is the individual who is described in and who executed the instrument.

18 XXX. Violation of Civ. Code § 1188 – A Notary Public taking the acknowledgment of an  
19 instrument endorsing thereon or attaching thereto a certificate pursuant to Civ. Code §  
20 1189.

21 XXXI. Violation of Civ. Code §1189 – A Notary Public willfully affixing a notary seal and/or  
22 certificate of acknowledgment based upon a material fact that the Notary Public knows  
23 to be false.



1 COMMON ALLEGATIONS

2 15. PLAINTIFF is informed and believes, and thereupon alleges, that DEFENDANTS  
3 engaged in a violation of 18 U.S.C. § 286 – Conspiracy to Defraud the United States with Respect to  
4 Claims. DEFENDANTS conspired to fraudulently obtain tax refunds in the name of PLAINTIFF and  
5 to steal these funds and/or convert them to their own use.

6 16. Defendant A. COTTON was a tax preparer for PLAINTIFF, who prepared income tax  
7 returns on PLAINTIFF’s behalf pursuant to contract. Defendant A. COTTON is the biological father  
8 of Defendant H. COTTON. Defendant A. COTTON’s status as a California Certified Tax Preparer or  
9 as an Enrolled Agent with the IRS cannot be verified at this time.

10 17. Defendant H. COTTON was a tax preparer for PLAINTIFF, who prepared income tax  
11 returns on PLAINTIFF’s behalf pursuant to contract. Defendant H. COTTON is the biological son of  
12 Defendant H. COTTON. Defendant H. COTTON was, during at times relevant to this Complaint, a  
13 California Licensed Tax Preparer, Registration No. A243021, with this registration having expired on  
14 November 1, 2014, according to State records.

15 18. Both father and son, Defendants A. COTTON and H. COTTON, jointly pled guilty to  
16 violating 18 U.S.C. § 286 in a separate instance of theft of tax return monies<sup>1</sup>, with virtually identical  
17 facts, and are currently incarcerated in federal penitentiaries. A true and correct copy of the Grand  
18 Jury indictment in the United States District Court for the Central District of California of Defendants  
19 A. COTTON and H. COTTON on September 25, 2014 is heretofore attached as “**EXHIBIT 1**”.

20 19. Defendant A. COTTON pled guilty to violating 18 U.S.C. § 286 on or about December  
21 18, 2015, in that Defendant A. COTTON admitted that he: (1) entered into a conspiracy to obtain  
22 payment of a claim against the United States Department of Treasury, a department of the United  
23 States, for tax refunds; (2) made a claim that was false, fictitious, or fraudulent; (3) knew at the time  
24 that the claim was false, fictitious, or fraudulent; and (4) acted with the intent to defraud. A true and  
25 correct copy of this Plea Agreement for Defendant A. COTTON is heretofore attached as “**EXHIBIT**  
26 **2**”.

27 <sup>1</sup> United States District Court for the Central District of California Criminal Case No. 2:14-cr-00568.  
28

1           20. Defendant H. COTTON pled guilty to violating 18 U.S.C. § 286 on or about November  
2 16, 2015, in that Defendant H. COTTON admitted that he: (1) entered into a conspiracy to obtain  
3 payment of a claim against the United States Department of Treasure, a department of the United  
4 States, for tax refunds; (2) made a claim that was false, fictitious, or fraudulent; (3) knew at the time  
5 that the claim was false, fictitious, or fraudulent; and (4) acted with the intent to defraud. A true and  
6 correct copy of this Plea Agreement for Defendant H. COTTON is heretofore attached as “**EXHIBIT**  
7 **3**”.

8           21. Additionally, a former co-conspirator of Defendants A. COTTON and H. COTTON,  
9 Michael Rodriguez, a former officer-manager employed by U.S. Bank, identified in his criminal case-  
10 initiating Information<sup>2</sup> of April 9, 2013 as “an officer, employee, and agent of a financial institution  
11 whose deposits were then insured by the Federal Deposit Insurance Corporation” pled guilty to one or  
12 more of the following counts that he was charged with: (1) 18 U.S.C. § 215(a)(2) – Receipt of Bribes  
13 by a Bank Official; (2) 31 U.S.C. § 5324(a)(3) – Structuring Transactions to Evade Reporting  
14 Requirements; and/or (3) 18 U.S.C. § 2(b) – Causing an Act to be Done. A true and correct copy of  
15 this Information is heretofore attached as “**EXHIBIT 4**”.

16           22. PLAINTIFF is informed and believes, and thereupon alleges, that one or more officers,  
17 employees, and/or agents of CHASE, a financial institution whose deposits were then insured by the  
18 Federal Deposit Insurance Corporation, in causing harm to PLAINTIFF violated state and/or federal  
19 laws and/or regulations, including, but not limited to:

20                   (a) 18 U.S.C. § 215(a)(2) – Receipt of Bribes by a Bank Official;

21                   (b) 31 U.S.C. § 5324(a)(3) – Structuring Transactions to Evade Reporting  
22                   Requirements; and/or

23                   (c) 18 U.S.C. § 2(b) – Causing an Act to be Done.

24           23. Mr. Rodriguez is not presently believed by PLAINTIFF to have been affiliated with  
25 CHASE, but operated a fraudulent scheme on behalf of the bank that he served as an officer of which  
26 almost perfectly mirrors the facts of the instant case, causing PLAINTIFF to be informed and to

27 <sup>2</sup> United States District Court for the Central District of California Criminal Case No. 2:13-cr-00233.  
28

1 believe, and to thereupon allege that an “an officer, employee, and agent of a financial institution  
2 whose deposits were then insured by the Federal Deposit Insurance Corporation”, to wit: CHASE,  
3 participated in the illegal conduct of each of the other DEFENDANTS as alleged in the instant  
4 Complaint. According to public records retrieved from PACER, Mr. Rodriguez is scheduled to be  
5 sentenced on May 15, 2017.

6 24. On or about March 18, 2013 DEFENDANTS forged PLAINTIFF’s signature on a  
7 document entitled “Chase - Durable Power of Attorney for Deposit Accounts” (the “POA”) in order to  
8 fraudulently and illegally open an account in the name of PLAINTIFF, without PLAINTIFF’s  
9 knowledge or consent. A true and correct copy of the POA is heretofore attached as “**EXHIBIT 5**”.

10 25. PLAINTIFF is informed and believes, and thereupon alleges, that the NOTARY  
11 Defendant, in his official capacity as a Notary Public and officer of the State of California, accepted  
12 the acknowledgment of the fraudulent POA on or about March 18, 2013 without having satisfactory  
13 evidence that the person making the acknowledgement was the individual who was described in, and  
14 who executed, the instrument, in violation of Civ. Code §§ 1185, 1188-1189.

15 26. Between March 18, 2013 and March 21, 2013, DEFENDANTS established, or caused  
16 to be established, a savings account in the name of PLAINTIFF<sup>3</sup>, without his knowledge or consent,  
17 and deposited \$500.00 in funds not belonging to PLAINTIFF as an opening deposit. During this brief  
18 period of time, DEFENDANTS then deposited a \$500,000.00 tax refund check issued by the IRS  
19 which constituted a stolen tax refund belonging solely to PLAINTIFF.

20 27. On or about March 22, 2013, DEFENDANTS established, or caused to be established a  
21 checking account in the name of PLAINTIFF<sup>4</sup>, without his knowledge or consent, and deposited  
22 \$500.00 in funds not belonging to PLAINTIFF as an opening deposit. On March 29, 2013,  
23 DEFENDANTS then deposited a \$398,057.00 tax refund check issued by the IRS which constituted a  
24 stolen tax refund belonging solely to PLAINTIFF. On December 6, 2013, DEFENDANTS  
25

26 \_\_\_\_\_  
27 <sup>3</sup> Chase Bank Savings Account No. \*\*\*\*6092.

28 <sup>4</sup> Chase Bank Checking Account No. \*\*\*\*0725.

1 subsequently deposited a \$1,410,382.00 tax refund check issued by the IRS which constituted a stolen  
2 tax refund belonging solely to PLAINTIFF.

3 28. The tax return refund of PLAINTIFF for the 2008 tax year in the amount of  
4 \$898,057.00 was issued by the IRS on January 14, 2013 to DEFENDANTS without the knowledge or  
5 consent of PLAINTIFF.

6 29. The tax return refund of PLAINTIFF for the 2012 tax year in the amount of  
7 \$1,410,382.00 was issued by the IRS on November 25, 2013 to DEFENDANTS without the  
8 knowledge or consent of PLAINTIFF.

9 30. PLAINTIFF is informed and believes, and thereupon alleges that the total amount of  
10 monetary losses sustained by PLAINTIFF as a result of DEFENDANTS' illegal and wrongful conduct  
11 was equivalent to the sum total of the 2008 tax return refund and the 2012 tax return refund, to wit:  
12 \$2,308,439.00.

13 31. DEFENDANTS initiated the following major transactions from the accounts that they  
14 fraudulently opened in PLAINTIFF's name, including, but not limited to:

15 (a) Transfers to bank account \*\*\*\*2556 in the aggregate amount of \$328,600.00.

16 (b) Transfers to bank account \*\*\*\*3906 in the aggregate amount of \$553,580.00.

17 (c) Transfers to bank account \*\*\*\*8006 in the aggregate amount of \$45,620.00.

18 (d) Wire transfers to an extern account in the aggregate amount of \$50,000.00.

19 (e) Numerous checks drawn against the account in the aggregate amount of  
20 \$859,000.00.

21 (f) Numerous cash withdrawals from the accounts in the aggregate amount of  
22 \$45,000.00.

23 32. PLAINTIFF has still not been able to account for all of the \$2,308,439.00 stolen from  
24 the fraudulent CHASE accounts, but hopes to trace these funds within the ambit of the instant action.

1           33.     On March 23, 2015, PLAINTIFF executed an IRS Power of Attorney, authorizing his  
2 new accountant, Noriel Zuazo, CPA<sup>5</sup>, to discuss PLAINTIFF's tax matters with the IRS. The new  
3 accountant submitted this IRS Power of Attorney either on this same date, or on the following day.

4           34.     On or about March 25, 2015, the IRS provided to the new accountant PLAINTIFF's  
5 2012 tax transcript, which indicated that a large tax refund was issued for the year 2012. The  
6 accountant contacted PLAINTIFF to inform him that a large tax refund check was issued for the year  
7 2012, and PLAINTIFF informed the accountant that PLAINTIFF had never received this tax refund  
8 check for the year 2012.

9           35.     Attached to a letter dated April 15, 2015, the IRS provided to PLAINTIFF, by and  
10 through his new accountant, copies of the two stolen tax refund checks in the amounts of  
11 \$1,410,382.00, issued by the IRS on November 25, 2013 for PLAINTIFF's 2012 tax year, and  
12 \$898,057.00, issued by the IRS on January 14, 2013 for PLAINTIFF's 2008 tax year. A true and  
13 correct redacted copy of this letter, including the negotiated check attachments is heretofore attached  
14 as "**EXHIBIT 6**". Both checks were caused to be deposited, or allowed to be deposited, by  
15 DEFENDANTS to the fraudulent CHASE accounts as part of a criminal conspiracy in violation of 18  
16 U.S.C. § 286, 18 U.S.C. § 215(a)(2), 31 U.S.C. § 5324(a)(3), 18 U.S.C. § 2(b), and/or 18 U.S.C. §  
17 1344.

18           36.     It was after the receipt of the IRS letter dated April 15, 2015 that PLAINTIFF finally  
19 discovered that he had been the victim of identify theft and fraud perpetrated by DEFENDANTS.

20           37.     Surprisingly, but plainly, PLAINTIFF's stolen tax refund checks were mailed directly  
21 to the personal residence of both Defendants A. COTTON and H. COTTON, to wit: "*2126 JOAN DR,*  
22 *HACIENDA HTS CA 91745-4122.*"

23           38.     PLAINTIFF is informed and believes, and thereupon alleges, that DEFENDANTS, and  
24 each of them, either individually or by and through their agents, officers, and/or employees,  
25 collaborated and conspired to cause the proximate and foreseeable damages caused to PLAINTIFF as  
26 set forth herein.

27 \_\_\_\_\_  
28 <sup>5</sup> California Board of Accountancy License No. 103940.

1 39. Further, after discovering the fraudulent artifice of DEFENDANTS after receiving the  
2 IRS letter of April 15, 2015, PLAINTIFF sought information regarding the fraudulent CHASE  
3 accounts directly from managers, agents, and/or employees of CHASE. PLAINTIFF is informed and  
4 believes, and thereupon alleges, that CHASE provided PLAINTIFF with information that CHASE  
5 knew to be false, intentionally misrepresenting and/or negligently misrepresenting facts to  
6 PLAINTIFF, which proximately caused or otherwise contributed to the harm suffered by PLAINTIFF  
7 as set forth herein.

8 40. Further, after discovering the fraudulent artifice of DEFENDANTS after receiving the  
9 IRS letter of April 15, 2015, PLAINTIFF sought information regarding the fraudulent CHASE  
10 accounts directly from the NOTARY. PLAINTIFF is informed and believes, and thereupon alleges,  
11 that the NOTARY provided PLAINTIFF with information that the NOTARY knew to be false,  
12 intentionally misrepresenting and/or negligently misrepresenting facts to PLAINTIFF, which  
13 proximately caused or otherwise contributed to the harm suffered by PLAINTIFF as set forth herein.

14 41. Since PLAINTIFF never authorized the establishment of an account with CHASE to be  
15 opened, PLAINTIFF is not a party to any arbitration agreement with CHASE.

16 42. CHASE provided "Private Banking" services to PLAINTIFF, based on the  
17 establishment of the account by CHASE utilizing the fraudulent and forged POA. These "Private  
18 Baking" services included, but were not limited to: wealth management, financial planning, tax  
19 planning, and/or trust services. This was above and beyond the services provided to normal consumer  
20 banking account clients of CHASE, and therefore gave rise to a fiduciary relationship arising on behalf  
21 of CHASE as towards PLAINTIFF, its principal.

22 **NON-ARBITRABILITY OF PLAINTIFF'S CLAIMS AS AGAINST CHASE**

23 43. As the "Private Banking" services provided to PLAINTIFF were based on a fraudulent  
24 and forged POA used to establish, or cause to be established, PLAINTIFF was never aware of any  
25 arbitration agreement as between PLAINTIFF and CHASE, and certainly did not agree to be bound by  
26 such. Pleading in the alternative, even if PLAINTIFF was party to an arbitration agreement with  
27 CHASE, any consent from PLAINTIFF was obtained through fraud, duress, deceit, and/or mistake.



1 hierarchy or whether he or she has authority to hire or fire other employees, but rather whether the  
2 employee exercised substantial independent authority and judgment over decisions that ultimately  
3 determined corporate policy.

4 49. PLAINTIFF is informed and believes, and thereupon alleges, that one or more officers,  
5 directors, or managing agents of CHASE knew of the conduct constituting malice, oppression, or fraud  
6 and adopted, approved, and/or ratified that conduct after it occurred. PLAINTIFF is presently ignorant  
7 of the identities of these officers, directors, or managing agents of CHASE, but is informed and  
8 believes, and thereupon alleges, that these facts lie entirely within the knowledge of CHASE, and  
9 therefore less specificity is required in identifying these individuals as CHASE necessarily possesses  
10 full information concerning the these facts of the controversy. PLAINTIFF is further informed and  
11 believes, and thereupon alleges, that these managing agents of CHASE exercised substantial  
12 independent authority and judgment in his or her corporate decision-making such that his or her  
13 decisions ultimately determined corporate policy. PLAINTIFF is further informed and believes, and  
14 thereupon alleges that a corporate employee's status as a managing agent of CHASE does not  
15 necessarily turn on his or her position in the corporate hierarchy or whether he or she has authority to  
16 hire or fire other employees, but rather whether the employee exercised substantial independent  
17 authority and judgment over decisions that ultimately determined corporate policy.

18 50. PLAINTIFF is informed and believes, and thereupon alleges, that CHASE acted with  
19 malice in that CHASE's conduct was despicable and was done with a willful and knowing disregard of  
20 the rights of PLAINTIFF and others. PLAINTIFF is further informed and believes, and thereupon  
21 alleges, that the CHASE acted with knowing disregard for the rights of PLAINTIFF, and others, in  
22 that CHASE was aware of the probable dangerous consequences of their conduct and deliberately  
23 failed to avoid the consequences of that conduct, to wit: that CHASE failed to comply with mandatory  
24 statutory minimum requirements set forth by applicable California and federal law and/or regulations  
25 to prevent the use of CHASE's banking operations for the laundering of stolen tax refund monies, such  
26 as those stolen from PLAINTIFF by DEFENDANTS.



1           51.     PLAINTIFF is informed and believes, and thereupon alleges, that CHASE intended  
2 the consequences which were substantially certain to occur from their wrongful conduct of failing to  
3 comply with mandatory statutory minimum requirements set forth by applicable California and federal  
4 law and/or regulations to prevent the use of CHASE's banking operations for the laundering of stolen  
5 tax refund monies, such as those stolen from PLAINTIFF by DEFENDANTS

6           52.     PLAINTIFF is informed and believes, and thereupon alleges, that CHASE acted with  
7 oppression in that CHASE's conduct was despicable and subjected PLAINTIFF to cruel and unjust  
8 hardship in knowing disregard of his rights. PLAINTIFF is further informed and believes, and  
9 thereupon alleges, that CHASE engaged in despicable conduct that was so vile, base, or contemptible  
10 that it would be looked down on and despised by reasonable people.

11           53.     PLAINTIFF is informed and believes, and thereupon alleges, that CHASE was  
12 both aware of the probable dangerous consequences of their conduct in failing to comply with  
13 mandatory statutory minimum requirements set forth by applicable California and federal law and/or  
14 regulations to prevent the use of CHASE's banking operations for the laundering of stolen tax refund  
15 monies, such as those stolen from PLAINTIFF by DEFENDANTS, and willfully and deliberately  
16 failed to avoid those consequences. PLAINTIFF is further informed and believes, and thereupon  
17 alleges, that that CHASE's conduct in failing to comply with mandatory statutory minimum  
18 requirements set forth by applicable California and federal law and/or regulations to prevent the use of  
19 CHASE's banking operations for the laundering of stolen tax refund monies, such as those stolen from  
20 PLAINTIFF by DEFENDANTS were so "wanton and willful" that injury to others was a virtual  
21 certainty. PLAINTIFF is further informed and believes, and thereupon alleges, that CHASE  
22 intentionally performed an act from which they knew or should have known it is highly probable that  
23 harm would result, such as the harm suffered by PLAINTIFF. PLAINTIFF is further informed and  
24 believes, and thereupon alleges, that there existed circumstances of such a conscious and deliberate  
25 disregard of the interests of others, such as PLAINTIFF, that CHASE's conduct may be called willful  
26 or wanton.

1 54. PLAINTIFF is informed and believes, and thereupon alleges, that CHASE  
2 was subjectively aware of the risk that CHASE was creating through CHASE's failing to comply with  
3 mandatory statutory minimum requirements set forth by applicable California and federal law and/or  
4 regulations to prevent the use of CHASE's banking operations for the laundering of stolen tax refund  
5 monies, such as those stolen from PLAINTIFF by DEFENDANTS

6 55. PLAINTIFF is informed and believes, and thereupon alleges, that CHASE acted with a  
7 willful and conscious disregard for the safety and rights of the PLAINTIFF, even if CHASE acted only  
8 with an awareness of probable harm to any named accountholder, and not necessarily the PLAINTIFF,  
9 as CHASE knew that their conduct in failing to comply with mandatory statutory minimum  
10 requirements set forth by applicable California and federal law and/or regulations to prevent the use of  
11 CHASE's banking operations for the laundering of stolen tax refund monies, such as those stolen from  
12 PLAINTIFF by DEFENDANTS would have injurious consequences to someone.

13 56. PLAINTIFF is informed and believes, and thereupon alleges, that CHASE acted and/or  
14 engaged in fraud by misrepresenting or concealing a material fact, and did so intending to harm to the  
15 PLAINTIFF by failing to inform him of failing to comply with mandatory statutory minimum  
16 requirements set forth by applicable California and federal law and/or regulations to prevent the use of  
17 CHASE's banking operations for the laundering of stolen tax refund monies, such as those stolen from  
18 PLAINTIFF by DEFENDANTS.

19 57. PLAINTIFF is further informed and believes, and thereupon alleges, that CHASE made  
20 intentional misrepresentations, engaged in deceit, and/or concealed one or more materials fact known  
21 to CHASE related to their failing to comply with mandatory statutory minimum requirements set forth  
22 by applicable California and federal law and/or regulations to prevent the use of CHASE's banking  
23 operations for the laundering of stolen tax refund monies, such as those stolen from PLAINTIFF by  
24 DEFENDANTS with the intention on the part of CHASE to thereby deprive PLAINTIFF of his  
25 property or legal rights, or to otherwise cause injury to PLAINTIFF.

26 58. PLAINTIFF is informed and believes, and thereupon alleges, that CHASE's conduct in  
27 failing to comply with mandatory statutory minimum requirements set forth by applicable California  
28

1 and federal law and/or regulations to prevent the use of CHASE's banking operations for the  
2 laundering of stolen tax refund monies, such as those stolen from PLAINTIFF by DEFENDANTS  
3 were reprehensible in that this conduct, among other things: (1) proximately harmed PLAINTIFF; (2)  
4 constituted a disregard for the rights of PLAINTIFF and others; (3) was part of an unlawful or  
5 wrongful pattern and practice by CHASE; and (4) constituted trickery or deceit by CHASE directed  
6 towards PLAINTIFF and others.

7 59. PLAINTIFF is informed and believes, and thereupon alleges, that the acts of CHASE  
8 which harmed PLAINTIFF were intentional acts. PLAINTIFF is further informed and believes, and  
9 thereupon alleges, that these intentional acts by CHASE evinced indifference to, or reckless  
10 disregard, of the rights of PLAINTIFF and others, are were more reprehensible than negligence and  
11 hence may be the subject of punitive damages.

12 60. PLAINTIFF is informed and believes, and thereupon alleges, that the acts of CHASE  
13 which injured the PLAINTIFF were part of repeated misconduct, which was more reprehensible than  
14 an isolated instance of wrongdoing, and thus CHASE was a recidivist and should be punished more  
15 severely than a first-time offender in relation with CHASE's failure to comply with mandatory  
16 statutory minimum requirements set forth by applicable California and federal law and/or regulations  
17 to prevent the use of CHASE's banking operations for the laundering of stolen tax refund monies, such  
18 as those stolen from PLAINTIFF by DEFENDANTS

19 61. PLAINTIFF is informed and believes, and thereupon alleges, that CHASE's failure to  
20 comply with mandatory statutory minimum requirements set forth by applicable California and federal  
21 law and/or regulations to prevent the use of CHASE's banking operations for the laundering of stolen  
22 tax refund monies, such as those stolen from PLAINTIFF by DEFENDANTS, was motivated by  
23 monetary gain, and that CHASE reaped substantial profits from the conduct in question. PLAINTIFF  
24 is further informed and believes, and thereupon alleges, that this scale and profitability are relevant to  
25 reprehensibility to meet the public interest in deterrence.



1 criminal proceeds to DEFENDANTS, or any of them, or each of them, to the detriment and injury of  
2 PLAINTIFF.

3 67. PLAINTIFF is informed and believes, and thereupon alleges, that DEFENDANTS  
4 concealed from PLAINTIFF certain facts related to the theft of tax return refund checks for the tax  
5 years 2008 and 2012 in the aggregate amount of \$2,308,439.00 and the establishment of CHASE  
6 financial accounts to launder these criminal proceeds, and that DEFENDANTS know the time and  
7 place of each concealment. PLAINTIFF is further informed and believes, and thereupon alleges, that  
8 DEFENDANTS, fully know the facts upon which each fraud cause of action alleged herein is  
9 predicated upon.

10 **FIRST CAUSE OF ACTION**

11 **INTENTIONAL MISREPRESENTATION – CIV. CODE § 1709**

12 **(As Against All DEFENDANTS)**

13 68. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
14 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
15 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
16 stated.

17 69. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
18 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
19 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
20 services.

21 70. PLAINTIFF alleges that DEFENDANTS made one or more false representations that  
22 harmed PLAINTIFF.

23 71. DEFENDANTS represented to PLAINTIFF that a fact was true, when such  
24 representation was false. DEFENDANTS knew that the representation was false when they made it,  
25 or they made the representation recklessly and without regard for its truth.

26 72. DEFENDANTS intended that PLAINTIFF rely on the representation, and PLAINTIFF  
27 reasonably relied on DEFENDANTS' representation.

1 73. PLAINTIFF was harmed as a result of the representation and PLAINTIFF's reliance on  
2 DEFENDANTS' representation was a substantial factor in causing PLAINTIFF's harm.

3 74. The representation made by DEFENDANTS to PLAINTIFF was an affirmation of fact,  
4 as opposed to an opinion.

5 75. DEFENDANTS made a misrepresentation of fact that was either a false representation,  
6 concealment, or nondisclosure. DEFENDANTS had knowledge of the falsity of this representation,  
7 rising to the level of scienter. DEFENDANTS had the intent to defraud PLAINTIFF by inducing  
8 PLAINTIFF's reliance on the misrepresentation. PLAINTIFF justifiably relied upon the  
9 misrepresentation of DEFENDANTS and suffered resulting damage.

10 76. DEFENDANTS intended to defraud or deceive PLAINTIFF, and this element of intent  
11 was present in all of DEFENDANTS' misrepresentations to PLAINTIFF.

12 77. One or more of DEFENDANTS also owed a contractual and/or fiduciary duty to  
13 PLAINTIFF.

14 78. The misrepresentations made by DEFENDANTS that were implied by conduct, and/or  
15 made recklessly, and without regard for their truth, in order to induce action by PLAINTIFF, were the  
16 equivalent of misrepresentations knowingly and intentionally uttered.

17 79. PLAINTIFF's actual and justifiable reliance on the DEFENDANTS' misrepresentation  
18 caused PLAINTIFF to take a detrimental course of action which caused PLAINTIFF's damages.

19 80. There existed a complete causal relationship between DEFENDANTS' fraud or deceit  
20 and the PLAINTIFF's damages, in that DEFENDANTS' fraud or deceit was a substantial factor in  
21 bringing about the harm to PLAINTIFF.

22 81. DEFENDANTS' tortious conduct proximately caused a detrimental and resulting loss  
23 to PLAINTIFF and proximately caused a detriment to PLAINTIFF.

24 82. The actionable misrepresentations of DEFENDANTS to PLAINTIFF pertained to past  
25 or existing material facts, and were not statements or predictions regarding future events.

26 83. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
27 DEFENDANTS constituted "malice," "oppression" and/or "fraud," in that these acts were intended by  
28

1 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
2 the DEFENDANTS with willful and conscious disregard of the rights of PLAINTIFF, with the  
3 intention of the DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were  
4 not authorized or approved by PLAINTIFF, justifying an award of exemplary and punitive damages  
5 pursuant to Civ. Code § 3294(a) in an amount according to proof at time of trial, in order to deter  
6 DEFENDANTS from similar conduct in the future. PLAINTIFF claims such amounts as damages in  
7 addition to pre-judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other  
8 applicable provision of law providing for prejudgment interest.

9 **SECOND CAUSE OF ACTION**

10 **NEGLIGENT MISREPRESENTATION – CIV. CODE § 1710**

11 **(As Against All DEFENDANTS)**

12 84. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
13 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
14 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
15 stated.

16 85. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
17 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
18 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
19 services.

20 86. PLAINTIFF alleges that he was harmed by DEFENDANTS' negligent  
21 misrepresentation of facts.

22 87. DEFENDANTS represented to PLAINTIFF that a fact was true.

23 88. DEFENDANTS' representation to PLAINTIFF was not true.

24 89. Even if DEFENDANTS may have honestly believed that the representation was true,  
25 DEFENDANTS had no reasonable grounds for believing the representation was true when they made  
26 it to PLAINTIFF.

27 90. DEFENDANTS intended that PLAINTIFF rely on these representations.

1 91. PLAINTIFF reasonably relied on DEFENDANTS' representation.

2 92. PLAINTIFF was harmed as a result of DEFENDANTS' representation.

3 93. PLAINTIFF's reliance on DEFENDANTS' representation was a substantial factor in  
4 causing PLAINTIFF's harm.

5 94. DEFENDANTS made false statements of fact to PLAINTIFF without reasonable  
6 ground for such belief, which constituted negligent misrepresentation, a form of deceit.

7 95. DEFENDANTS made a misrepresentation of a past or existing material fact to  
8 PLAINTIFF without reasonable ground for believing it to be true. DEFENDANTS made this  
9 misrepresentation of material fact with the intent to induce another's reliance on the fact  
10 misrepresented.

11 96. PLAINTIFF justifiably relied upon the misrepresentation, and suffered damage as a  
12 result.

13 97. DEFENDANTS made an assertion, as a fact, to PLAINTIFF, which was not true,  
14 which DEFENDANTS had no reasonable ground for believing it to be true. DEFENDANTS made  
15 this factual assertion with the intent to induce PLAINTIFF to alter his position to his injury or to his  
16 risk.

17 98. DEFENDANTS owed a legal duty to PLAINTIFF, imposed by contract, statute or  
18 otherwise.

19 99. The misrepresentations made by DEFENDANTS to PLAINTIFF were positive  
20 assertions of fact.

21 100. PLAINTIFF's actual and justifiable reliance on DEFENDANTS' misrepresentation  
22 caused PLAINTIFF to take a detrimental course of action. This detrimental action taken by  
23 PLAINTIFF proximately caused this alleged damage.

24 101. The actionable misrepresentations of DEFENDANTS to PLAINTIFF pertained to past  
25 or existing material facts, and were not statements or predictions regarding future events.

26 102. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
27 DEFENDANTS constituted "malice," "oppression" and/or "fraud," in that these acts were intended by  
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1 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
2 the DEFENDANTS with willful and conscious disregard of the rights of PLAINTIFF, with the  
3 intention of the DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were  
4 not authorized or approved by PLAINTIFF, justifying an award of exemplary and punitive damages  
5 pursuant to Civ. Code § 3294(a) in an amount according to proof at time of trial, in order to deter  
6 DEFENDANTS from similar conduct in the future. PLAINTIFF claims such amounts as damages in  
7 addition to pre-judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other  
8 applicable provision of law providing for prejudgment interest.

9 **THIRD CAUSE OF ACTION**

10 **CONCEALMENT – CIV. CODE § 1710(3)**

11 **(As Against All DEFENDANTS)**

12 103. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
13 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
14 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
15 stated.

16 104. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
17 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
18 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
19 services.

20 105. PLAINTIFF alleges that he was harmed as a proximate result of DEFENDANTS  
21 having concealed certain information from PLAINTIFF.

22 106. DEFENDANTS owed a fiduciary relationship to PLAINTIFF.

23 107. DEFENDANTS intentionally failed to disclose an important fact to PLAINTIFF.

24 108. DEFENDANTS disclosed some facts to PLAINTIFF but intentionally failed to disclose  
25 other important facts, making the disclosure deceptive.

26 109. DEFENDANTS intentionally failed to disclose an important fact that was known only  
27 to them and that PLAINTIFF could not have discovered.

1 110. DEFENDANTS actively concealed an important fact from PLAINTIFF or prevented  
2 PLAINTIFF from discovering that fact.

3 111. PLAINTIFF did not know of the concealed facts.

4 112. DEFENDANTS intended to deceive PLAINTIFF by concealing these facts.

5 113. PLAINTIFF reasonably relied on DEFENDANT's deception.

6 114. PLAINTIFF was harmed by DEFENDANT's concealment.

7 115. DEFENDANT's concealment was a substantial factor in causing PLAINTIFF's harm.

8 116. Even if DEFENDANTS did not owe a fiduciary duty to PLAINTIFF, a duty to disclose  
9 material facts would still exist in that:

10 (a) DEFENDANTS made representations but did not disclose facts that materially  
11 qualify the facts disclosed, or that render his disclosure likely to mislead; or

12 (b) The facts were known or accessible only to DEFENDANTS, and DEFENDANTS  
13 knew they were not known to or reasonably discoverable by PLAINTIFF; or

14 (c) DEFENDANTS actively concealed discovery of the facts from PLAINTIFF.

15 117. PLAINTIFF alleges that DEFENDANTS concealed or suppressed a material fact, that  
16 DEFENDANTS were under a duty to disclose the fact to PLAINTIFF, and DEFENDANTS  
17 intentionally concealed or suppressed the fact with the intent to defraud PLAINTIFF.

18 118. PLAINTIFF further alleges that he was unaware of the fact and would not have acted as  
19 he did if he had known of the concealed or suppressed fact, and as a result of the concealment or  
20 suppression of the fact, the PLAINTIFF has sustained damage.

21 119. DEFENDANTS had a duty to speak, which arose in one or more of the following ways:

22 (a) It was directly imposed by statute or other prescriptive law;

23 (b) It was voluntarily assumed by contractual undertaking;

24 (c) It was an incident of a relationship between DEFENDANTS and PLAINTIFF; and

25 (d) As a result of other conduct by DEFENDANTS that made it wrongful for them to  
26 remain silent.

1           120. Even if the transactions as between DEFENDANTS and PLAINTIFF did not involve  
2 fiduciary or confidential relations, a cause of action for non-disclosure of material facts has arisen in  
3 that:

4                   (a) DEFENDANTS made representations but did not disclose facts which materially  
5                   qualified the facts disclosed, or which rendered the disclosures likely to mislead;

6                   (b) The facts were known or accessible only to DEFENDANTS, and DEFENDANTS  
7                   knew they were not known to or reasonably discoverable by PLAINTIFF; and

8                   (c) DEFENDANTS actively concealed discovery from PLAINTIFF.

9           121. Even if DEFENDANTS were under no duty to speak as to a matter, as they undertook  
10 to do so, either voluntarily or in response to inquiries, DEFENDANTS were bound not only to state  
11 truly what they told to PLAINTIFF, but also not to suppress or conceal any facts within their  
12 knowledge which materially qualified those facts stated. DEFENDANTS, in speaking, were required  
13 to have made full and fair disclosures to PLAINTIFF, which DEFENDANTS failed to do.

14           122. Had DEFENDANTS disclosed the omitted information, PLAINTIFF would have been  
15 aware of this information and would have behaved differently.

16           123. Even if any false statement by DEFENDANTS may have been obviously false to those  
17 who are trained and experienced, this did not change its character, nor take away its power to deceive  
18 others less experienced, such as PLAINTIFF. There was no duty resting upon PLAINTIFF to suspect  
19 the honesty of those with whom he transacted business.

20           124. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
21 DEFENDANTS constituted "malice," "oppression" and/or "fraud," in that these acts were intended by  
22 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
23 the DEFENDANTS with willful and conscious disregard of the rights of PLAINTIFF, with the  
24 intention of the DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were  
25 not authorized or approved by PLAINTIFF, justifying an award of exemplary and punitive damages  
26 pursuant to Civ. Code § 3294(a) in an amount according to proof at time of trial, in order to deter  
27 DEFENDANTS from similar conduct in the future. PLAINTIFF claims such amounts as damages in  
28

1 addition to pre-judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other  
2 applicable provision of law providing for prejudgment interest.

3 **FOURTH CAUSE OF ACTION**

4 **FALSE PROMISE – CIV. CODE § 1710**

5 **(As Against All Defendants)**

6 125. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
7 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
8 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
9 stated.

10 126. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
11 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
12 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
13 services.

14 127. PLAINTIFF was harmed because DEFENDANTS made false promises to PLAINTIFF.

15 128. DEFENDANTS made promises to PLAINTIFF.

16 129. DEFENDANTS' promises were important to the transaction with PLAINTIFF.

17 130. DEFENDANTS did not intend to perform these promises when they made them to  
18 PLAINTIFF.

19 131. DEFENDANTS intended that PLAINTIFF rely on these promises.

20 132. PLAINTIFF reasonably relied on DEFENDANTS' promises.

21 133. DEFENDANTS did not perform the promised acts.

22 134. PLAINTIFF was harmed, and PLAINTIFF's reliance on DEFENDANTS' promises  
23 were a substantial factor in causing PLAINTIFF's harm.

24 135. DEFENDANTS deceit included, but was not limited to suggestions, to PLAINTIFF, as  
25 a fact, of that which was not true, by DEFENDANTS, who did not believe it to be true or had no  
26 reasonable ground for believing it to be true.

1 136. DEFENDANTS suppressed facts, were bound to disclose such facts, and gave  
2 information of other facts which were likely to mislead PLAINTIFF for want of communication of  
3 those facts.

4 137. DEFENDANTS also made promises without any intention of performing them.

5 138. DEFENDANTS promised to PLAINTIFF to do things, necessarily implying the  
6 intention to performing such things. These promises of DEFENDANTS were made without such  
7 intention to perform, thus constituting an implied misrepresentation of fact rising to the level of fraud.

8 139. DEFENDANTS' promise of future conduct was made without a present intent to  
9 perform, as DEFENDANTS did not intend to perform at the time the promise was made.

10 140. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
11 DEFENDANTS constituted "malice," "oppression" and/or "fraud," in that these acts were intended by  
12 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
13 the DEFENDANTS with willful and conscious disregard of the rights of PLAINTIFF, with the  
14 intention of the DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were  
15 not authorized or approved by PLAINTIFF, justifying an award of exemplary and punitive damages  
16 pursuant to Civ. Code § 3294(a) in an amount according to proof at time of trial, in order to deter  
17 DEFENDANTS from similar conduct in the future. PLAINTIFF claims such amounts as damages in  
18 addition to pre-judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other  
19 applicable provision of law providing for prejudgment interest.

20 **FIFTH CAUSE OF ACTION**

21 **BREACH OF FIDUCIARY DUTY**

22 **(As Against All Defendants)**

23 141. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
24 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
25 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
26 stated.

1           142. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
2 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
3 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
4 services.

5           143. DEFENDANTS were business partners, agents, employees, and/or co-venturers of  
6 PLAINTIFF.

7           144. PLAINTIFF alleges that DEFENDANTS owed a fiduciary duty to PLAINTIFF as  
8 agents, co-venturers, employees and/or partners. DEFENDANTS failed to act with the utmost good  
9 faith in the best interests of their principals, clients, corporation, employers and/or partners.

10          145. From the commencement of the business dealings as between DEFENDANTS and  
11 PLAINTIFF, a relationship existed as between the parties wherein DEFENDANTS were duty bound  
12 to act with the utmost good faith for the benefit of PLAINTIFF. PLAINTIFF reposed confidence in the  
13 integrity of DEFENDANTS, and in this relation, DEFENDANTS, the parties in whom the confidence  
14 was reposed, voluntarily accepted or assumed to accept the confidence, and took advantage from their  
15 acts relating to the interests of PLAINTIFF, without the knowledge or consent of PLAINTIFF.

16          146. There existed a fiduciary duty in favor of PLAINTIFF, vested and entrusted in  
17 DEFENDANTS, who breached this duty to PLAINTIFF, and PLAINTIFF suffered damage  
18 proximately caused by that breach.

19          147. DEFENDANTS were charged with a fiduciary obligation existing in favor of  
20 PLAINTIFF by knowingly undertaking to act on behalf, and for the benefit, of PLAINTIFF.  
21 Additionally, or alternatively, DEFENDANTS entered into a relationship which imposed that  
22 fiduciary undertaking.

23          148. DEFENDANTS entered into a series of relationships that imposed a fiduciary  
24 obligation to act on behalf of, and for the benefit of, PLAINTIFF, including, but not limited to, joint  
25 ventureships, partnerships, agencies, confidential relationships, employee-employer, or investment  
26 adviser/client relationships.

1 149. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
2 DEFENDANTS constituted “malice,” “oppression” and/or “fraud,” in that these acts were intended by  
3 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
4 the DEFENDANTS with willful and conscious disregard of the rights of PLAINTIFF, with the  
5 intention of the DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were  
6 not authorized or approved by PLAINTIFF, justifying an award of exemplary and punitive damages  
7 pursuant to Civ. Code § 3294(a) in an amount according to proof at time of trial, in order to deter  
8 DEFENDANTS from similar conduct in the future. PLAINTIFF claims such amounts as damages in  
9 addition to pre-judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other  
10 applicable provision of law providing for prejudgment interest.

11 **SIXTH CAUSE OF ACTION**

12 **FAILURE TO USE REASONABLE CARE**

13 **(As Against All DEFENDANTS)**

14 150. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
15 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
16 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
17 stated.

18 151. DEFENDANTS acted on PLAINTIFF’s behalf for purposes of engaging in business-  
19 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
20 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
21 services.

22 152. PLAINTIFF claims that he was harmed by DEFENDANTS’ breach of the fiduciary  
23 duty to use reasonable care.

24 153. DEFENDANTS were PLAINTIFF’s agents, corporate officers, employees, partners,  
25 and/or co-venturers.

26 154. DEFENDANTS failed to act as reasonably careful agents, corporate officers,  
27 employees, partners, and/or co-venturers would have acted under the same or similar circumstances.

1 155. PLAINTIFF was harmed by the acts of DEFENDANTS.

2 156. DEFENDANTS' conduct was a substantial factor in causing PLAINTIFF's harm.

3 157. PLAINTIFF was the principal of DEFENDANTS.

4 158. A fiduciary relationship existed as between PLAINTIFF and DEFENDANTS wherein  
5 DEFENDANTS were in duty bound to act with the utmost good faith for the benefit of the  
6 PLAINTIFF. This relation ordinarily arose where a confidence was reposed by PLAINTIFF in the  
7 integrity of DEFENDANTS, and in such a relation, DEFENDANTS, in whom the confidence was  
8 reposed, and who voluntarily accepted or assumed to accept the confidence, took advantage from their  
9 acts relating to the interests of PLAINTIFF without the knowledge or consent of PLAINTIFF.

10 159. DEFENDANTS' breach of their fiduciary duties to PLAINTIFF, their principal,  
11 constituted negligence and/or fraud.

12 160. The relationship between DEFENDANTS and PLAINTIFF, their principal, was  
13 fiduciary in nature and imposed upon the DEFENDANTS the duty of acting in the highest good faith  
14 toward their principal, the PLAINTIFF.

15 161. The fiduciary duties that DEFENDANTS owed to PLAINTIFF required more than  
16 merely carrying out the stated objectives of PLAINTIFF.

17 162. DEFENDANTS determined PLAINTIFF's actual knowledge of his own financial  
18 situation, and/or lack thereof, and utilized this confidential and proprietary information to violate their  
19 fiduciary duties to PLAINTIFF in order to optimally exploit PLAINTIFF for their own personal and  
20 wrongful benefit.

21 163. DEFENDANTS made certain intentionally false representations, negligently false  
22 representations, or material omissions of fact which DEFENDANTS were obligated to disclose to  
23 PLAINTIFF, which PLAINTIFF relied upon in expressing speculative objectives, creating a further  
24 obligation on the part of DEFENDANTS to make this risk known to PLAINTIFF, and to refrain from  
25 acting based upon their intentionally false representations, negligently false representations, or  
26 material omissions of fact which DEFENDANTS were obligated to disclose to PLAINTIFF.





1           169. DEFENDANTS were PLAINTIFF's business partners, agents, employees, and/or co-  
2 venturers, owing a fiduciary duty to PLAINTIFF.

3           170. DEFENDANTS knowingly acted against PLAINTIFF's interests in connection with  
4 business transactions on behalf of PLAINTIFF, including, but not limited to: tax preparation,  
5 notarization of instruments, private banking, wealth management, financial planning, tax planning,  
6 and/or trust services. Further, DEFENDANTS acted on behalf of a party, or parties, whose interests  
7 was/were adverse to PLAINTIFF in connection with business transactions undertaken on behalf of  
8 PLAINTIFF, including, but not limited to: tax preparation, notarization of instruments, private  
9 banking, wealth management, financial planning, tax planning, and/or trust services.

10          171. PLAINTIFF did not give informed consent to the conduct of DEFENDANTS.

11          172. PLAINTIFF was harmed, and the conduct of DEFENDANTS were a substantial factor  
12 in causing PLAINTIFF's harm.

13          173. PLAINTIFF was the principal of DEFENDANTS.

14          174. DEFENDANTS had a fiduciary duty to act loyally for the benefit of PLAINTIFF in all  
15 matters connected with their agency relationship.

16          175. DEFENDANTS had a duty not to acquire a material benefit from any third party in  
17 connection with transactions conducted or other actions taken on behalf of PLAINTIFF, or otherwise  
18 through DEFENDANTS use of their agent's position.

19          176. DEFENDANTS had a duty not to deal with PLAINTIFF as, or on behalf of, an adverse  
20 party in a transaction connected with the agency relationship, but did so, nonetheless.

21          177. DEFENDANTS had a duty to not use property of PLAINTIFF for their own purposes  
22 or for purposes of a third party, and not to use or communicate confidential information of  
23 PLAINTIFF for their own purposes or those of a third party. However, DEFENDANTS in fact did  
24 both of these things, among other wrongful acts.

1 178. DEFENDANTS obtained the consent of PLAINTIFF, however:

2 (a) Without acting in good faith;

3 (b) Without disclosing all material facts that DEFENDANTS knew, had reason to  
4 know, or should have known would reasonably affect PLAINTIFF's judgment,  
5 PLAINTIFF not having manifested that such facts were already known to him, or  
6 that he did not wish to know them; and

7 (c) Without otherwise dealing fairly with PLAINTIFF.

8 179. DEFENDANTS were acting for more than one principal in a transaction between or  
9 among them, and PLAINTIFF, and failed in their duties to:

10 (a) Deal in good faith with PLAINTIFF;

11 (b) Disclose to PLAINTIFF (their principal) the fact that they were acting for the other  
12 principal or principals and all other facts that DEFENDANTS knew, had reason to  
13 know, or should have known would reasonably affect the PLAINTIFF's judgment,  
14 such facts having been unknown to PLAINTIFF; and

15 (c) Otherwise deal fairly with PLAINTIFF.

16 180. DEFENDANTS owed to PLAINTIFF a duty of undivided loyalty. During the course of  
17 this agency, DEFENDANTS undertook or participated in activities adverse to the interests of  
18 PLAINTIFF, their principal.

19 181. There existed as between DEFENDANTS and PLAINTIFF a fiduciary relationship  
20 where DEFENDANTS were duty bound to act with the utmost good faith for the benefit of  
21 PLAINTIFF. This relationship arose where a confidence was reposed by PLAINTIFF in the integrity  
22 of DEFENDANTS, and in such a relation the party in whom the confidence is reposed,  
23 DEFENDANTS, voluntarily accepted or assumed to accept the confidence. DEFENDANTS took  
24 advantage from their acts relating to the interests of PLAINTIFF without PLAINTIFF's knowledge or  
25 consent.

26 182. In the fiduciary relationship between DEFENDANTS and PLAINTIFF, there existed a  
27 duty of undivided loyalty that DEFENDANTS, the fiduciaries, owed to PLAINTIFF, imposing upon  
28

1 DEFENDANTS far more stringent duties than those required of ordinary contractors, and  
2 DEFENDANTS failed to have lived up to these stringent levels of duty, loyalty, and care.

3 183. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
4 DEFENDANTS constituted "malice," "oppression" and/or "fraud," in that these acts were intended by  
5 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
6 the DEFENDANTS in willful and conscious disregard of the rights of PLAINTIFF, with the intention  
7 of DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were not authorized  
8 or approved by PLAINTIFF, justifying an award of exemplary and punitive damages pursuant to Civ.  
9 Code § 3294(a) in an amount according to proof at time of trial, in order to DEFENDANTS from  
10 similar conduct in the future. PLAINTIFF claims such amounts as damages in addition to pre-  
11 judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision  
12 of law providing for prejudgment interest

13 **EIGHTH CAUSE OF ACTION**

14 **CONVERSION**

15 **(As Against all DEFENDANTS)**

16 184. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
17 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
18 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
19 stated.

20 185. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
21 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
22 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
23 services.

24 186. PLAINTIFF contend that DEFENDANTS wrongfully exercised control over his  
25 personal property and/or monies in a sum certain, to wit: **\$2,308,439.00**.

26 187. PLAINTIFF owned, possessed, and/or had a right to possess the subject personal  
27 property and/or monies.

1           188. DEFENDANTS intentionally and substantially interfered with PLAINTIFF's property  
2 by doing one or more of the following:

3           (a) taking possession of PLAINTIFF's personal property and/or monies; and/or

4           (b) preventing PLAINTIFF from having access to their personal property and/or monies;  
5           and/or

6           (c) destroying or disposing of PLAINTIFF's personal property and/or monies; and/or

7           (d) refusing to return the personal property and/or monies after PLAINTIFF demanded  
8           their return.

9           189. PLAINTIFF heretofore makes demand that DEFENDANTS return the personal  
10 property and/or monies of PLAINTIFF converted by DEFENDANTS, despite the fact that a demand  
11 for return of the property is not a condition precedent to institution of the action when possession was  
12 originally acquired by a tort as it was in this case.

13           190. PLAINTIFF did not consent to DEFENDANTS' conversion of PLAINTIFF's personal  
14 property and/or monies.

15           191. PLAINTIFF was harmed as a result of this conversion, and DEFENDANTS' conduct  
16 was a substantial factor in causing PLAINTIFF's harm.

17           192. DEFENDANTS wrongfully exercised dominion over the personal property and/or  
18 monies of PLAINTIFF. PLAINTIFF had a lawful and actual ownership or right to possession of the  
19 converted personal property and/or monies. DEFENDANTS disposed of the converted personal  
20 property and/or monies in a manner that was inconsistent with the PLAINTIFF's property rights, and  
21 PLAINTIFF suffered damages as a proximate result of DEFENDANTS' wrongful acts.

22           193. DEFENDANTS assumed control or ownership over the personal property and/or  
23 monies of PLAINTIFF, and/or applied the personal property and/or monies to their own use.

24           194. DEFENDANTS' wrongfully exerted dominion over the personal property and/or  
25 monies of PLAINTIFF, inconsistent with PLAINTIFF's ownership rights thereto.

1 195. DEFENDANTS breached their absolute duty to PLAINTIFF, in that the act of  
2 conversion itself was, and continues to be tortious; DEFENDANTS' purported good faith, lack of  
3 knowledge, and motive being immaterial.

4 196. With respect to any third party purchasers or receivers of the converted goods of  
5 PLAINTIFF, strict liability applies equally, or more generally to purchasers from DEFENDANTS  
6 who lacked the power to transfer ownership of the goods sold, with no exception known to  
7 PLAINTIFF to exist for any such purported bona fide purchasers.

8 197. PLAINTIFF, at the time of the conversion(s), had ownership or right(s) to possession of  
9 the personal property and/or monies at the time of the conversion. DEFENDANTS' refusal to turn  
10 over possession on demand constitutes conversion even where possession by the DEFENDANTS were  
11 originally obtained lawfully.

12 198. PLAINTIFF was entitled to possession of the personal property and/or monies at the  
13 time of conversion by DEFENDANTS, and even if PLAINTIFF regained possession of some or all of  
14 the converted property, PLAINTIFF is not precluded from suing for damages for the conversion.

15 199. Even if PLAINTIFF held neither legal title nor absolute ownership of the converted  
16 personal property and/or monies, PLAINTIFF alleges that he is, and was, at all times relevant to this  
17 action, entitled to immediate possession at the time of conversion.

18 200. In the instant action, money can, and does, serve as the subject of a cause of action for  
19 conversion in that there is a specific, identifiable sum involved. These circumstances include, but are  
20 not limited to, any transaction where DEFENDANTS accepted sums of money to be paid to another  
21 on PLAINTIFF's behalf and failed to make such payments.

22 201. To the extent applicable to the transactions underlying the instant action, any intangible  
23 property rights of PLAINTIFF, represented by documents, such as bonds, notes, bills of exchange,  
24 stock certificates, tax refunds, tax returns, tax transcripts, and/or warehouse receipts, permit recovery  
25 for conversion of assets reflected in such documents as accounts showing amounts owed and/or other  
26 evidentiary documents, constituting actionable financial or economic tort cases for conversion, as  
27 opposed to physical interference cases.

1           202. Further, confidential banking information of PLAINTIFF was misappropriated by  
2 DEFENDANTS, constituting a conversion.

3           203. The conversion by DEFENDANTS were knowingly or intentionally done, with a  
4 wrongful intent, even if such wrongful intent was not necessary. As DEFENDANTS knowingly  
5 committed an act, or acts, or conversion, DEFENDANTS' purported mistake, good faith, and due care  
6 are immaterial.

7           204. DEFENDANTS had an intention or purpose to convert the goods and/or monies of  
8 PLAINTIFF, and to exercise ownership over them, or to prevent PLAINTIFF from taking possession  
9 of their property and/or monies.

10          205. Accordingly, DEFENDANTS engaged in a willful failure to return the personal  
11 property and/or monies of PLAINTIFF and/or deprived PLAINTIFF of possession of same.

12          206. PLAINTIFF alleges that it was reasonably foreseeable that special injury or harm  
13 would result from the conversion by DEFENDANTS, and that reasonable care on PLAINTIFF's part  
14 would not have prevented the loss.

15          207. PLAINTIFF alleges that in doing the things herein alleged, the acts and conduct of  
16 DEFENDANTS constituted "malice," "oppression" and/or "fraud," in that these acts were intended by  
17 DEFENDANTS to cause injury to PLAINTIFF and/or constituted despicable conduct carried on by  
18 the DEFENDANTS willful and conscious disregard of the rights of PLAINTIFF, with the intention of  
19 DEFENDANTS being to deprive PLAINTIFF of property and legal rights, and were not authorized or  
20 approved by PLAINTIFF, justifying an award of exemplary and punitive damages pursuant to Civ.  
21 Code § 3294(a) in an amount according to proof at time of trial, in order to DEFENDANTS from  
22 similar conduct in the future. PLAINTIFF claims such amounts as damages in addition to pre-  
23 judgment interest thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision  
24 of law providing for prejudgment interest.

1 **NINTH CAUSE OF ACTION**

2 **CIVIL REMEDY FOR STOLEN PROPERTY – PEN. CODE § 496(c)**

3 **(As Against all DEFENDANTS)**

4 208. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
5 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
6 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
7 stated.

8 209. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
9 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
10 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
11 services.

12 210. PLAINTIFF alleges that DEFENDANTS embezzled, converted, or stole personal  
13 property belonging to PLAINTIFF, to wit: tax refund monies for the tax years 2008 and 2012 in an  
14 amount certain **(\$2,308,439.00)** which DEFENDANTS caused to be unlawfully redirected from the  
15 IRS to DEFENDANTS, which DEFENDANTS converted to their own personal and wrongful use.

16 211. DEFENDANTS embezzled or stole personal property and/or monies belonging to  
17 PLAINTIFF, victimizing PLAINTIFF and permanently depriving PLAINTIFF of possession of this  
18 personal property and/or monies, with a value in excess of \$950.00 (Nine-Hundred and Fifty Dollars),  
19 constituting grand theft as defined by PeN. Code § 487(a).

20 212. DEFENDANTS unlawfully withheld and converted PLAINTIFF's property, with a  
21 value in excess of \$950.00 (Nine-Hundred and Fifty Dollars). PLAINTIFF alleges that  
22 DEFENDANTS had no intention of returning PLAINTIFF's personal property and/or monies to him,  
23 despite demand for such return having been made by PLAINTIFF.

24 213. DEFENDANTS' concealment, withholding, aiding in concealment, and/or aiding in  
25 withholding property belonging to PLAINTIFF by DEFENDANTS, with DEFENDANTS having  
26 actual knowledge that such property was unlawfully obtained, gives rise to a civil remedy pursuant to  
27 Pen. Code § 496(c), by which PLAINTIFF may, and heretofore does, bring a civil action under this



1 statute as against DEFENDANTS for three times the amount of actual damages sustained by  
2 PLAINTIFF, costs of suit, reasonable attorney's fees, and any other relief authorized by law.

3 214. PLAINTIFF alleges that these damages by DEFENDANTS as to PLAINTIFF were  
4 incurred, in whole or in part, through DEFENDANTS' false pretenses, false statements, intentional  
5 representations, negligent misrepresentations, and/or actual fraud. PLAINTIFF further alleges that  
6 DEFENDANTS acted willfully, deliberately, and intentionally to cause such harm, damage, and/or  
7 injury to PLAINTIFF by engaging in one or more malicious acts which were wrongful and without  
8 just cause, or excessive.

9 215. PLAINTIFF alleges that DEFENDANTS, in causing some, or all, of the harm, damage,  
10 and/or injury to PLAINTIFF herein alleged, acted with fraudulent intent, to deprive PLAINTIFF, the  
11 rightful owners of certain property, either temporarily or permanently.

12 **TENTH CAUSE OF ACTION**

13 **BREACH OF CONTRACT**

14 **(As Against All Defendants)**

15 216. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
16 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
17 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
18 stated.

19 217. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
20 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
21 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
22 services.

23 218. PLAINTIFF and DEFENDANTS entered into contracts pertaining to, but not limited  
24 to: tax preparation, notarization of instruments, private banking, wealth management, financial  
25 planning, tax planning, and/or trust services, and DEFENDANTS breached these contracts in that the  
26 following occurred:

- 1 (a) PLAINTIFF and DEFENDANTS entered into a contract;
- 2 (b) PLAINTIFF did all, or substantially all, of the significant things that the contract
- 3 required him to do, or PLAINTIFF was excused from having to perform, or not
- 4 perform, certain acts set forth in the contract;
- 5 (c) The occurrence of all conditions required by the contract for DEFENDANTS'
- 6 performance under the contract manifested, or that such conditions were waived or
- 7 excused; and
- 8 (d) DEFENDANTS failed to do something that the contract required them to do, or did
- 9 something that the contract prohibited DEFENDANTS from doing; and
- 10 (e) PLAINTIFF was harmed by DEFENDANTS breach of contract.

11 219. In the alternative, PLAINTIFF also pleads that no such contractual agreement existed

12 as between PLAINTIFF and CHASE, nor did such contractual agreement exist as between

13 PLAINTIFF and NOTARY.

14 220. The terms of the partially oral and partially written contracts were that PLAINTIFF

15 would pay Defendants A. COTTON and H. COTTON for the provision of lawful tax services in

16 compliance with applicable California and federal law and/or regulations to PLAINTIFF in exchange

17 for fees.

18 221. If a contract existed as between PLAINTIFF and NOTARY, the terms of this

19 agreement was that NOTARY would acknowledge the POA for PLAINTIFF, by and through his

20 agents, A. COTTON and or H. COTTON, in compliance with applicable California and federal law

21 and/or regulations to PLAINTIFF in exchange for fees.

22 222. If a contract existed as between PLAINTIFF and CHASE, the terms of this agreement

23 were that CHASE would provide banking services in compliance with applicable California and

24 federal law and/or regulations to PLAINTIFF in exchange for fees. Since PLAINTIFF never

25 authorized the establishment of an account with CHASE to be opened, PLAINTIFF is not a party to

26 any arbitration agreement with CHASE.

1           223. DEFENDANTS breached these contracts by failing to provide services in compliance  
2 with applicable California and federal law and/or regulations to PLAINTIFF in exchange for fees, and  
3 instead embezzled and converted PLAINTIFF's funds for their own personal use, completely, in stark  
4 breach of the contract.

5           224. DEFENDANTS breaches of these contract caused harm to PLAINTIFF, for which  
6 DEFENDANTS should pay.

7           225. The terms of the contract were clear enough that PLAINTIFF and DEFENDANTS  
8 could understand what each was required to do. The terms of the contract were sufficiently definite, or  
9 called for such definite terms in the acceptance, and the performance promised was reasonably certain.

10          226. PLAINTIFF and DEFENDANTS agreed to give each other something of value; good  
11 consideration was exchanged as between PLAINTIFF and DEFENDANTS. This good consideration  
12 was bargained for and given in exchange for the mutual promises, and as a result, PLAINTIFF  
13 contends that any such promise was not gratuitous. Further, it was not essential that the contract  
14 specify the amount of the consideration or the means of ascertaining it.

15          227. PLAINTIFF and DEFENDANTS agreed to the terms of the contracts, in that under the  
16 circumstances, a reasonable person would conclude, from the words and conduct of PLAINTIFF and  
17 DEFENDANTS, that there was an agreement, despite any hidden intentions of DEFENDANTS. The  
18 parties' manifestation of assent to the contract, or any provisions thereof, may have been wholly or  
19 partly written or spoken words or other acts, or failure to act.

20          228. DEFENDANTS wrongful conduct emanating from, and beyond, this contract gave rise  
21 to resultant causes of action coming into existence in favor of PLAINTIFF sounding both in tort and in  
22 contract.

23          229. There never existed any frustration of purpose, impossibility, impracticability, or  
24 estoppel that prevented DEFENDANTS from performing and fulfilling their obligations under the  
25 contract.

1 230. DEFENDANTS' failure to perform a contractual obligation constituted a material  
2 breach of the contract, discharging PLAINTIFF from their duty to perform, if not already performed or  
3 excused.

4 231. With respect to any contract entered into between DEFENDANTS and any third party  
5 in relation to the stolen funds which PLAINTIFF was not a party to, PLAINTIFF contends that he is  
6 entitled to damages for any breach of such contract these parties intended for PLAINTIFF to benefit  
7 from by virtue of their contract, even if PLAINTIFF were not named in that contract.

8 232. PLAINTIFF qualifies as a beneficiary under any such contract in that the contracting  
9 parties intended to benefit PLAINTIFF and such intent appears from the terms of the agreement.  
10 Insofar as intent to benefit PLAINTIFF is at issue, PLAINTIFF contends that it is sufficient that any  
11 promisor had understood the promise to have had such intent, with no specific manifestation by the  
12 promisor of an intent to benefit PLAINTIFF being required.

13 233. DEFENDANTS intended to give the benefit of the promised performance of any such  
14 third party contract to PLAINTIFF, and in fact promised to PLAINTIFF that he would receive the  
15 benefit of the promised performance of any such third party contract entered into by DEFENDANTS.

16 234. PLAINTIFF claims such amounts as damages in addition to pre-judgment interest  
17 thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision of law providing  
18 for prejudgment interest.

19 **ELEVENTH CAUSE OF ACTION**

20 **BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING**

21 **(As Against All Defendants)**

22 235. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
23 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
24 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
25 stated.

26 236. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
27 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
28

1 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
2 services.

3 237. PLAINTIFF contend that DEFENDANTS breached the implied covenant of good faith  
4 and fair dealing as a result of, among other things, the following facts:

5 (a) PLAINTIFF and DEFENDANTS entered into a contract;

6 (b) That PLAINTIFF did all, or substantially all, of the significant things that the  
7 contract required them to do, or that they were excused from having to do those  
8 things;

9 (c) That all conditions required for DEFENDANTS' performance had occurred and  
10 were not excused;

11 (d) That DEFENDANTS unfairly interfered with PLAINTIFF's rights to receive the  
12 benefits of the contract; and

13 (e) That PLAINTIFF was harmed by DEFENDANTS' conduct.

14 238. This cause of action does not simply seek the same damages or other relief already  
15 claimed in the contract cause of action herein pled, it seeks additional damages.

16 239. DEFENDANTS violated the implied covenant of good faith and fair dealing in every  
17 contract that DEFENDANTS would not do anything which would injure the right of PLAINTIFF to  
18 receive the benefits of the agreement.

19 240. The contract herein pled imposed upon DEFENDANTS a duty of good faith and fair  
20 dealing in its performance and its enforcement, especially in cases such as this where DEFENDANTS  
21 invested with a discretionary power affecting the rights of PLAINTIFF, which DEFENDANTS failed  
22 to exercise in good faith.

23 241. To the extent that DEFENDANTS retained a unilateral right to amend the agreement  
24 governing the relationship as between PLAINTIFF and DEFENDANTS, the exercise of that right is  
25 constrained by the covenant of good faith and fair dealing, which precluded DEFENDANTS from  
26 enacting amendments that operated to retroactively impair accrued rights vested in PLAINTIFF.

1 242. PLAINTIFF claims such amounts as damages in addition to pre-judgment interest  
2 thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision of law providing  
3 for prejudgment interest.

4 **TWELFTH CAUSE OF ACTION**

5 **BREACH OF IMPLIED DUTY TO PERFORM WITH REASONABLE CARE**

6 **(As Against All Defendants)**

7 243. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
8 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
9 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
10 stated.

11 244. DEFENDANTS entered into an agreement on PLAINTIFF's behalf for purposes of  
12 engaging in business-related acts on behalf of PLAINTIFF, including, but not limited to: tax  
13 preparation, notarization of instruments, private banking, wealth management, financial planning, tax  
14 planning, and/or trust services.

15 245. It was implied in the contract that DEFENDANTS act competently and with reasonable  
16 care, which DEFENDANTS failed to do, in that:

- 17 (a) PLAINTIFF and DEFENDANTS entered into a contract;
- 18 (b) PLAINTIFF did all, or substantially all, of the significant things that the contracted  
19 required them to do, or refrain from doing, or PLAINTIFF were excused from having  
20 to do, or refrain from doing, such significant things;
- 21 (c) The occurrence of all conditions required by the contract for DEFENDANTS'  
22 performance occurred, and were not waived or excused;
- 23 (d) DEFENDANTS failed to use reasonable care in their performance under the contract;  
24 and
- 25 (e) PLAINTIFF was harmed by DEFENDANTS' conduct.

26 246. PLAINTIFF also alleges that DEFENDANTS acted negligently in respect to their  
27 performance under the contract.



1           253. PLAINTIFF contends that DEFENDANTS are responsible for the harm having acted in  
2 concert of action with other DEFENDANTS. DEFENDANTS are responsible as aiders and abettors in  
3 that each DEFENDANT:

4           (a) Knew a misrepresentation was being committed by the co-tortfeasor  
5 DEFENDANTS.

6           (b) Gave substantial assistance or encouragement to the other co-tortfeasor  
7 DEFENDANTS in perpetuating the misrepresentation; and

8           (c) that each co-tortfeasor DEFENDANTS' conduct was a substantial factor in causing  
9 harm to PLAINTIFF.

10          254. DEFENDANTS' conduct went beyond mere knowledge that a fraud was going to be,  
11 and was committed, and failed to prevent it. Rather, DEFENDANTS made a conscious decision to  
12 engage in conduct that was integral and necessary to the fraud upon PLAINTIFF, and had actual  
13 knowledge of the intentional wrong to be committed, and provided substantial assistance to the  
14 primary wrongdoer(s) and were active participants in the enterprise and/or provided substantial  
15 encouragement and assistance to the fraud.

16          255. DEFENDANTS, in pursuance of a common plan or design to commit a tortious act  
17 against PLAINTIFF, actively took part in this plan, and/or furthered it by cooperation or request, or  
18 lent aid or encouragement to the wrongdoers, or ratified and adopted the wrongful acts done for their  
19 benefit, and are thus equally liable with their co-tortfeasors.

20          256. Further, DEFENDANTS knew that the conduct of co-tortfeasor DEFENDANTS  
21 constituted a breach of duty and gave substantial assistance or encouragement to their co-tortfeasor  
22 DEFENDANTS to so conduct themselves, constituting a substantial factor in causing harm to  
23 PLAINTIFF.

24          257. DEFENDANTS participated in this tortious activity for the purpose of assisting their  
25 co-tortfeasors in performing a wrongful act which was a substantial factor in causing harm to  
26 PLAINTIFF by the breach of DEFENDANTS' duty to PLAINTIFF.



1 258. PLAINTIFF claims such amounts as damages in addition to pre-judgment interest  
2 thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision of law providing  
3 for prejudgment interest.

4 **FOURTEENTH CAUSE OF ACTION**

5 **NEGLIGENCE**

6 **(As Against All Defendants)**

7 259. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
8 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
9 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
10 stated.

11 260. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
12 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
13 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
14 services.

15 261. The failure of DEFENDANTS to fulfill the duties owed by DEFENDANTS to  
16 PLAINTIFF to exercise reasonable care are evidenced by the following negligent and/or criminal acts,  
17 which is not, however, intended to be an exhaustive list of all such negligent and/or criminal acts:

- 18 I. Violations of 18 U.S.C. § 286 – Conspiracy to Defraud the United States with Respect  
19 to Claims;
- 20 II. Violations of 18 U.S.C. § 215(a)(2) – Receipt of Bribes by a Bank Official;
- 21 III. Violations of 31 U.S.C. § 5324(a)(3) – Structuring Transactions to Evade Reporting  
22 Requirements;
- 23 IV. Violations of 18 U.S.C. § 2(b) – Causing an Act to be Done;
- 24 V. Violations of 18 U.S.C. § 1344 – Bank Fraud;
- 25 VI. Violations of Pen. Code § 470(d) – Forgery (Power of Attorney, False  
26 Acknowledgment by Notary Public);
- 27

- 1 VII. Violations of Pen. Code § 530.5 – Unauthorized Use of Personal Identifying  
2 Information of Another Person;
- 3 VIII. Violations of Pen. Code § 484g – Fraudulent Use of Access Cards or Account  
4 Information;
- 5 IX. Violations of Pen. Code § 487 – Grand Theft;
- 6 X. Violations of Pen. Code § 496 – Receiving Stolen Property;
- 7 XI. Violations of Pen. Code § 503 – Embezzlement;
- 8 XII. Establishing, or causing to be established, a bank account in the absence of the named  
9 account beneficiary, to wit: PLAINTIFF;
- 10 XIII. Establishing, or causing to be established, a bank account in the absence of the named  
11 account beneficiary, to wit: PLAINTIFF, in violation of corporate policies and/or  
12 applicable state or federal laws and/or regulations;
- 13 XIV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
14 established, by DEFENDANTS, without notifying the named account beneficiary, to  
15 wit: PLAINTIFF;
- 16 XV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
17 established, by DEFENDANTS, without notifying the named account beneficiary, to  
18 wit: PLAINTIFF, in violation of corporate policies and/or applicable state or federal  
19 laws and/or regulations;
- 20 XVI. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
21 other depletions of PLAINTIFF’s monies controlled by DEFENDANTS without  
22 notifying the named account beneficiary, to wit: PLAINTIFF;
- 23 XVII. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
24 other depletions of PLAINTIFF’s monies controlled by DEFENDANTS without  
25 notifying the named account beneficiary, to wit: PLAINTIFF, in violation of corporate  
26 policies and/or applicable state or federal laws and/or regulations;
- 27
- 28

- 1 XVIII. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
2 through fraudulent CHASE banking accounts;
- 3 XIX. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
4 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
5 applicable state or federal laws and/or regulations;
- 6 XX. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
7 PLAINTIFF through fraudulent CHASE banking accounts;
- 8 XXI. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
9 PLAINTIFF through fraudulent CHASE banking accounts, in violation of corporate  
10 policies and/or applicable state or federal laws and/or regulations;
- 11 XXII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
12 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
13 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
14 accounts;
- 15 XXIII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
16 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
17 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
18 accounts, in violation of corporate policies and/or applicable state or federal laws  
19 and/or regulations;
- 20 XXIV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
21 through fraudulent CHASE banking accounts;
- 22 XXV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
23 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
24 applicable state or federal laws and/or regulations;
- 25 XXVI. Widespread, systematic, and ongoing corporate policies which either violated, or failed  
26 to comply with, the mandatory statutory minimum requirements set forth by applicable  
27

1 California and federal law and/or regulations in relation to the money laundering  
2 allegations set forth herein;

3 XXVII. Failing to comply with mandatory statutory minimum requirements set forth by  
4 applicable California and federal law and/or regulations to prevent the use of federally-  
5 chartered banks for the laundering of stolen tax refund monies, such as those stolen from  
6 PLAINTIFF by DEFENDANTS;

7 XXVIII. Failing to provide training to DEFENDANTS' employees involved in the fraudulent  
8 and illegal transactions described herein, pursuant to the mandatory statutory minimum  
9 requirements set forth by applicable California and federal law and/or regulations;

10 XXIX. Violation of Civ. Code § 1185(a) – The taking of an acknowledgment of an instrument  
11 by a Notary Public without satisfactory evidence that the person making the  
12 acknowledgment is the individual who is described in and who executed the instrument.

13 XXX. Violation of Civ. Code § 1188 – A Notary Public taking the acknowledgment of an  
14 instrument endorsing thereon or attaching thereto a certificate pursuant to Civ. Code §  
15 1189.

16 XXXI. Violation of Civ. Code §1189 – A Notary Public willfully affixing a notary seal and/or  
17 certificate of acknowledgment based upon a material fact that the Notary Public knows  
18 to be false.

19 262. PLAINTIFF is informed and believes, and thereupon alleges, that agents, officers,  
20 and/or employees of CHASE were active participants and co-conspirators in the criminal transactions  
21 that proximately caused the foreseeable harm to PLAINTIFF set forth herein.

22 263. DEFENDANTS, by the conduct alleged above, acted so negligently and carelessly as to  
23 breach the duties that they owed to PLAINTIFF.

24 264. As a direct and proximate result of these breaches of duty by DEFENDANTS,  
25 PLAINTIFF has suffered injury and damage, general and special, and have been forced to incur  
26 additional fees, costs, expenses, including foreseeable and consequential legal expenses, foreseeable  
27

1 and consequential monetary loss, loss of use of monies, and other damages, in an amount to be proven  
2 at time of trial together.

3 265. PLAINTIFF claims such amounts as damages in addition to pre-judgment interest  
4 thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision of law providing  
5 for prejudgment interest.

6 **FIFTEENTH CAUSE OF ACTION**

7 **NEGLIGENCE PER SE**

8 **(As Against All Defendants)**

9 266. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
10 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
11 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
12 stated.

13 267. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
14 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
15 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
16 services.

17 268. At all material times, DEFENDANTS knew, or in the exercise of reasonable care  
18 should have known, that the their actions and/or inactions, causing interference with PLAINTIFF's  
19 legal and property rights, as set forth below:

- 20 I. Violations of 18 U.S.C. § 286 – Conspiracy to Defraud the United States with Respect  
21 to Claims;
- 22 II. Violations of 18 U.S.C. § 215(a)(2) – Receipt of Bribes by a Bank Official;
- 23 III. Violations of 31 U.S.C. § 5324(a)(3) – Structuring Transactions to Evade Reporting  
24 Requirements;
- 25 IV. Violations of 18 U.S.C. § 2(b) – Causing an Act to be Done;
- 26 V. Violations of 18 U.S.C. § 1344 – Bank Fraud;
- 27

- 1 VI. Violations of Pen. Code § 470(d) – Forgery (Power of Attorney, False  
2 Acknowledgment by Notary Public);
- 3 VII. Violations of Pen. Code § 530.5 – Unauthorized Use of Personal Identifying  
4 Information of Another Person;
- 5 VIII. Violations of Pen. Code § 484g – Fraudulent Use of Access Cards or Account  
6 Information;
- 7 IX. Violations of Pen. Code § 487 – Grand Theft;
- 8 X. Violations of Pen. Code § 496 – Receiving Stolen Property;
- 9 XI. Violations of Pen. Code § 503 – Embezzlement;
- 10 XII. Establishing, or causing to be established, a bank account in the absence of the named  
11 account beneficiary, to wit: PLAINTIFF;
- 12 XIII. Establishing, or causing to be established, a bank account in the absence of the named  
13 account beneficiary, to wit: PLAINTIFF, in violation of corporate policies and/or  
14 applicable state or federal laws and/or regulations;
- 15 XIV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
16 established, by DEFENDANTS, without notifying the named account beneficiary, to  
17 wit: PLAINTIFF;
- 18 XV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
19 established, by DEFENDANTS, without notifying the named account beneficiary, to  
20 wit: PLAINTIFF, in violation of corporate policies and/or applicable state or federal  
21 laws and/or regulations;
- 22 XVI. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
23 other depletions of PLAINTIFF’s monies controlled by DEFENDANTS without  
24 notifying the named account beneficiary, to wit: PLAINTIFF;
- 25 XVII. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
26 other depletions of PLAINTIFF’s monies controlled by DEFENDANTS without  
27

1 notifying the named account beneficiary, to wit: PLAINTIFF, in violation of corporate  
2 policies and/or applicable state or federal laws and/or regulations;

3 XVIII. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
4 through fraudulent CHASE banking accounts;

5 XIX. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
6 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
7 applicable state or federal laws and/or regulations;

8 XX. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
9 PLAINTIFF through fraudulent CHASE banking accounts;

10 XXI. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
11 PLAINTIFF through fraudulent CHASE banking accounts, in violation of corporate  
12 policies and/or applicable state or federal laws and/or regulations;

13 XXII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
14 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
15 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
16 accounts;

17 XXIII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
18 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
19 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
20 accounts, in violation of corporate policies and/or applicable state or federal laws  
21 and/or regulations;

22 XXIV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
23 through fraudulent CHASE banking accounts;

24 XXV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
25 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
26 applicable state or federal laws and/or regulations;

1 XXVI. Widespread, systematic, and ongoing corporate policies which either violated, or failed  
2 to comply with, the mandatory statutory minimum requirements set forth by applicable  
3 California and federal law and/or regulations in relation to the money laundering  
4 allegations set forth herein;

5 XXVII. Failing to comply with mandatory statutory minimum requirements set forth by  
6 applicable California and federal law and/or regulations to prevent the use of federally-  
7 chartered banks for the laundering of stolen tax refund monies, such as those stolen from  
8 PLAINTIFF by DEFENDANTS;

9 XXVIII. Failing to provide training to DEFENDANTS' employees involved in the fraudulent  
10 and illegal transactions described herein, pursuant to the mandatory statutory minimum  
11 requirements set forth by applicable California and federal law and/or regulations;

12 XXIX. Violation of Civ. Code § 1185(a) – The taking of an acknowledgment of an instrument  
13 by a Notary Public without satisfactory evidence that the person making the  
14 acknowledgment is the individual who is described in and who executed the instrument.

15 XXX. Violation of Civ. Code § 1188 – A Notary Public taking the acknowledgment of an  
16 instrument endorsing thereon or attaching thereto a certificate pursuant to Civ. Code §  
17 1189.

18 XXXI. Violation of Civ. Code §1189 – A Notary Public willfully affixing a notary seal and/or  
19 certificate of acknowledgment based upon a material fact that the Notary Public knows  
20 to be false.

21 269. DEFENDANTS knew, or in the exercise of reasonable care should have known, that  
22 PLAINTIFFS were persons particularly susceptible to injury and damage on account of the actions  
23 and/or inactions and/or illegal acts of DEFENDANTS, and that PLAINTIFF would foreseeably be  
24 caused to be injured and damaged in the absence of compliance with applicable state and federal laws  
25 and/or regulations; further, that PLAINTIFFS, were, and are, members of a class of persons for whose  
26 protection the statutes, ordinances and regulations were and are adopted. Further, DEFENDANTS'  
27 failure to with applicable state and federal laws and/or regulations as set forth, in part, above, created



1 conditions injurious to the legal and property rights of PLAINTIFF by creating conditions which  
2 allowed for the laundering of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent  
3 CHASE banking accounts by DEFENDANTS, such conditions possibly affecting a multitude of other  
4 identify theft victims similarly situated to PLAINTIFF.

5 270. As a direct and proximate result of these breaches of duty by DEFENDANTS,  
6 PLAINTIFF has suffered injury and damage, general and special, which injury and damage the  
7 statutes, ordinances and regulations were designed to prevent, and have been forced to incur additional  
8 fees, costs, expenses, including foreseeable and consequential legal expenses, foreseeable and  
9 consequential monetary loss, loss of use of monies, and other damages, in an amount to be proven at  
10 time of trial together with prejudgment interest thereon pursuant to Civ. Code §§ 3287, 3288 and/or  
11 any other provisions of law providing for prejudgment interest and reasonable attorney's fees.

12 **SIXTEENTH CAUSE OF ACTION**

13 **RESTITUTION**

14 **(As Against All Defendants)**

15 271. DEFENDANTS have been unjustly enriched by virtue of the theft of \$2,308,439.00 in  
16 funds stolen from PLAINTIFF through fraudulent CHASE banking accounts by DEFENDANTS, and  
17 DEFENDANTS have received a benefit that they otherwise would not have received, and would not  
18 have received absent their wrongful and unlawful conduct.

19 272. As the \$2,308,439.00 in tax return refunds were stolen from PLAINTIFF through  
20 fraudulent CHASE banking accounts by DEFENDANTS, PLAINTIFF is entitled to restitution from,  
21 and disgorgement by, DEFENDANTS of the \$2,308,439.00 in tax return refunds which were stolen  
22 from PLAINTIFF.

23 273. PLAINTIFF claims such amounts as damages in addition to pre-judgment interest  
24 thereon pursuant to Civ. Code §§ 3287, 3288, and/or any other applicable provision of law providing  
25 for prejudgment interest.

1 SEVENTEENTH CAUSE OF ACTION

2 VIOLATION OF BUS. & PROF. CODE §§ 17200, ET SEQ.

3 (As Against All Defendants)

4 274. PLAINTIFF realleges, and incorporates herein by their reference, each and every  
5 allegation contained in the foregoing Paragraphs, inclusive, as though fully set forth herein. Further,  
6 all allegations set forth in this cause of action are pled upon information and belief, unless otherwise  
7 stated.

8 275. DEFENDANTS acted on PLAINTIFF's behalf for purposes of engaging in business-  
9 related acts on behalf of PLAINTIFF, including, but not limited to: tax preparation, notarization of  
10 instruments, private banking, wealth management, financial planning, tax planning, and/or trust  
11 services.

12 276. DEFENDANTS' wrongful and/or illegal acts constitute unlawful activity prohibited by  
13 Bus. & Prof. Code §§ 17200, *et seq.*, as set forth below:

- 14 I. Violations of 18 U.S.C. § 286 – Conspiracy to Defraud the United States with Respect  
15 to Claims;
- 16 II. Violations of 18 U.S.C. § 215(a)(2) – Receipt of Bribes by a Bank Official;
- 17 III. Violations of 31 U.S.C. § 5324(a)(3) – Structuring Transactions to Evade Reporting  
18 Requirements;
- 19 IV. Violations of 18 U.S.C. § 2(b) – Causing an Act to be Done;
- 20 V. Violations of 18 U.S.C. § 1344 – Bank Fraud;
- 21 VI. Violations of Pen. Code § 470(d) – Forgery (Power of Attorney, False  
22 Acknowledgment by Notary Public);
- 23 VII. Violations of Pen. Code § 530.5 – Unauthorized Use of Personal Identifying  
24 Information of Another Person;
- 25 VIII. Violations of Pen. Code § 484g – Fraudulent Use of Access Cards or Account  
26 Information;
- 27 IX. Violations of Pen. Code § 487 – Grand Theft;

- 1 X. Violations of Pen. Code § 496 – Receiving Stolen Property;
- 2 XI. Violations of Pen. Code § 503 – Embezzlement;
- 3 XII. Establishing, or causing to be established, a bank account in the absence of the named  
4 account beneficiary, to wit: PLAINTIFF;
- 5 XIII. Establishing, or causing to be established, a bank account in the absence of the named  
6 account beneficiary, to wit: PLAINTIFF, in violation of corporate policies and/or  
7 applicable state or federal laws and/or regulations;
- 8 XIV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
9 established, by DEFENDANTS, without notifying the named account beneficiary, to  
10 wit: PLAINTIFF;
- 11 XV. Allowing multi-million dollar deposits into a bank account established, or caused to be  
12 established, by DEFENDANTS, without notifying the named account beneficiary, to  
13 wit: PLAINTIFF, in violation of corporate policies and/or applicable state or federal  
14 laws and/or regulations;
- 15 XVI. Allowing multi-million dollar cash withdrawals, wire transfers, check negotiations, and  
16 other depletions of PLAINTIFF’s monies controlled by DEFENDANTS without  
17 notifying the named account beneficiary, to wit: PLAINTIFF;
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21 policies and/or applicable state or federal laws and/or regulations;
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23 through fraudulent CHASE banking accounts;
- 24 XIX. Actively concealing the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
25 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
26 applicable state or federal laws and/or regulations;
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- 1 XX. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
2 PLAINTIFF through fraudulent CHASE banking accounts;
- 3 XXI. Failing to notify PLAINTIFF of the theft of \$2,308,439.00 in funds stolen from  
4 PLAINTIFF through fraudulent CHASE banking accounts, in violation of corporate  
5 policies and/or applicable state or federal laws and/or regulations;
- 6 XXII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
7 other affirmative acts of concealment to PLAINTIFF after PLAINTIFF discovered theft  
8 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
9 accounts;
- 10 XXIII. Making intentional misrepresentations, negligent misrepresentations, or engaging in  
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12 of \$2,308,439.00 in funds stolen from PLAINTIFF through fraudulent CHASE banking  
13 accounts, in violation of corporate policies and/or applicable state or federal laws  
14 and/or regulations;
- 15 XXIV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
16 through fraudulent CHASE banking accounts;
- 17 XXV. Failing to investigate the theft of \$2,308,439.00 in funds stolen from PLAINTIFF  
18 through fraudulent CHASE banking accounts, in violation of corporate policies and/or  
19 applicable state or federal laws and/or regulations;
- 20 XXVI. Widespread, systematic, and ongoing corporate policies which either violated, or failed  
21 to comply with, the mandatory statutory minimum requirements set forth by applicable  
22 California and federal law and/or regulations in relation to the money laundering  
23 allegations set forth herein;
- 24 XXVII. Failing to comply with mandatory statutory minimum requirements set forth by  
25 applicable California and federal law and/or regulations to prevent the use of federally-  
26 chartered banks for the laundering of stolen tax refund monies, such as those stolen from  
27 PLAINTIFF by DEFENDANTS;

1 XXVIII. Failing to provide training to DEFENDANTS' employees involved in the fraudulent  
2 and illegal transactions described herein, pursuant to the mandatory statutory minimum  
3 requirements set forth by applicable California and federal law and/or regulations;

4 XXIX. Violation of Civ. Code § 1185(a) – The taking of an acknowledgment of an instrument  
5 by a Notary Public without satisfactory evidence that the person making the  
6 acknowledgment is the individual who is described in and who executed the instrument.

7 XXX. Violation of Civ. Code § 1188 – A Notary Public taking the acknowledgment of an  
8 instrument endorsing thereon or attaching thereto a certificate pursuant to Civ. Code §  
9 1189.

10 XXXI. Violation of Civ. Code §1189 – A Notary Public willfully affixing a notary seal and/or  
11 certificate of acknowledgment based upon a material fact that the Notary Public knows  
12 to be false.

13 277. The actions of DEFENDANTS set forth above, and herein, constitute false, unfair,  
14 fraudulent, and deceptive business practices, within the meaning of Bus. & Prof. Code §§ 17200, *et*  
15 *seq.*

16 278. PLAINTIFF is entitled to injunctive relief against such unlawful practices in order to  
17 prevent further damage, for which there is no adequate remedy at law.

18 279. As a result of their unlawful acts, DEFENDANTS have reaped unfair benefits at the  
19 expense of PLAINTIFF. DEFENDANTS should be enjoined from this activity and made to disgorge  
20 these ill-gotten gains and restore PLAINTIFF with the \$2,308,439.00 in tax return refunds which were  
21 stolen from PLAINTIFF and laundered by DEFENDANTS through the fraudulent CHASE banking  
22 accounts.

23 280. DEFENDANTS have been unjustly enriched through their false, unfair, fraudulent, and  
24 deceptive business practices, as set forth above, and herein.

25 281. PLAINTIFF and the general public are prejudiced by DEFENDANTS' unfair trade  
26 practices.



- 1 7. Exemplary and/or punitive damages pursuant to Civ. Code § 3294(a), in an amount
- 2 according to proof at time of trial;
- 3 8. Restitution and disgorgement of profits realized in violation of Bus. & Prof. Code §§
- 4 17200, *et seq.* in order to deter future and similar violations;
- 5 9. An injunction enjoining further acts violative of Bus. & Prof. Code §§ 17200, *et seq.*;
- 6 10. Any and all other applicable civil or statutory penalties, as provided by law;
- 7 11. All other general, specific, direct, indirect, consequential, and incidental damages,
- 8 according to proof at time of trial;
- 9 12. All other such relief that the Court deems just and proper.

10  
11 **ROMERO LAW, APC**

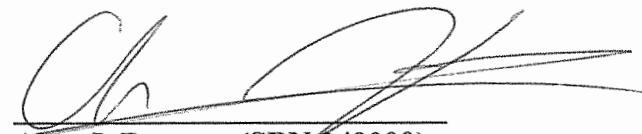
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14 **Dated: March 23, 2017**

15 **Alan J. Romero (SBN 249000)**  
16 **Attorneys for Plaintiff**  
17 **JUAN MANUEL MARQUEZ**

18  
19 **DEMAND FOR JURY TRIAL**

20  
21 **ROMERO LAW, APC**

22  
23  
24 

24 **Dated: March 23, 2017**

25 **Alan J. Romero (SBN 249000)**  
26 **Attorneys for Plaintiff**  
27 **JUAN MANUEL MARQUEZ**