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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF ORANGE, CENTRAL JUSTICE CENTER**

10
11 **THOMAS P. CRAWFORD,**)
12 **Plaintiff,**)
13 **vs.**)
14 **WORLDWIDE COLLECTIBLES, INC.,**)
15 **a California corporation; CARL J.**)
16 **STEVENS, an individual; MICHAEL**)
17 **HILTON, an individual doing business**)
18 **as REGINA COLLECTIBLES; KIRK**)
19 **ODOM, an individual; LIBERTY MINT,**)
20 **INC., a foreign corporation; and**)
21 **DOES 1 through 50, inclusive,**)
22 **Defendants.**)

CASE NO. 808856

**ASSIGNED FOR ALL PURPOSES
TO JUDGE RAYMOND J. IKOLA
DEPARTMENT C21**

**(PROPOSED) FIRST AMENDED
COMPLAINT FOR:**

- 1) **Larceny;**
- 2) **False Pretenses;**
- 3) **Conspiracy**
- 4) **Fraud;**
- 5) **Breach of Contract;**
- 6) **Breach of Fiduciary Duty;**
- 7) **Constructive Fraud;**
- 8) **Conversion;**
- 9) **Violation of Corporations Code §§
25401 & 25501 et seq.;**
- 10) **Unjust Enrichment; and**
- 11) **Money Had and Received**

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25 **Plaintiff, THOMAS P. CRAWFORD, an individual (hereinafter “CRAWFORD” or “plaintiff”),**
26 **alleges as follows:**

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1 **GENERAL ALLEGATIONS**

2 1. Plaintiff is informed and believes and thereon alleges that defendant WORLDWIDE
3 COLLECTIBLES, INC. (hereinafter "WWCI"), is, and at all times herein mentioned was, a California
4 corporation doing business in the city of Newport Beach, county of Orange, state of California.

5 2. Plaintiff is informed and believes and thereon alleges that CARL J. STEVENS
6 (hereinafter "STEVENS") is, and at all times herein mentioned was, a resident of the city of Newport
7 Beach, county of Orange, state of California, and is the president and sole shareholder of WWCI.

8 3. Plaintiff is informed and believes and thereon alleges that MICHAEL HILTON
9 (hereinafter "HILTON") is, and at all times herein mentioned was, a resident of the city of Dana Point,
10 county of Orange, state of California, and is doing business under the name and style of REGINA
11 COLLECTIBLES.

12 4. Plaintiff is informed and believes and thereon alleges that HILTON and WWCI are
13 partners in the development, design, and production of "collectible" gold and silver coins and ingots
14 bearing the likeness of various famous persons for sale over the Internet (hereinafter "Collectibles").

15 5. Plaintiff is informed and believes and thereon alleges that KIRK ODOM (hereinafter
16 "ODOM") is, and at all times herein mentioned was, a resident of the city of Newport Beach, county
17 of Orange, state of California, and was involved in the business of WWCI and HILTON.

18 6. Plaintiff is informed and believes and thereon alleges that defendant LIBERTY MINT,
19 INC. a.k.a. LIBERTY MINT MARKETING, INC. and/or LIBERTY MINT, LTD. (hereinafter
20 "LIBERTY"), is, and at all times herein mentioned was, a Utah Corporation fully authorized to conduct
21 business in the state of California and doing business in the city of Newport Beach, county of Orange,
22 state of California.

23 7.. Plaintiff is presently unaware of the true names and capacities of the defendants named
24 herein as DOES 1 through 50, inclusive, and therefore sues said defendants by such fictitious names.
25 Plaintiff will seek leave of court to amend this complaint to show said true names and capacities when
26 the same have been ascertained.

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1 8. Plaintiff is informed and believes and thereon alleges that defendants, including the
2 fictitiously named defendants, are the agents, servants, and/or employees of the remaining defendants
3 and, in doing the things herein alleged, were acting within the scope of such agency and/or
4 employment.

5 9. This action is not within or subject to the provisions of California Civil Code § 1812.10
6 or § 2984.4. The court in which this action is filed is the proper court for the trial of this matter because
7 the defendants conduct business or reside in the county of Orange, state of California.

8 **FIRST CAUSE OF ACTION**

9 **(Larceny By Trick or Device against**

10 **STEVENS and DOES 1 through 5, inclusive)**

11 10. Plaintiff refers to Paragraphs 1 through 9 of his General Allegations and by this
12 reference makes them a part of this cause of action.

13 11. On or about March 23, 1998, CRAWFORD, WWCI, and HILTON entered into a written
14 “joint venture” agreement whereby CRAWFORD would invest the sum of \$200,000.00 (“Crawford
15 investment”) in WWCI for the design, production, and sale of the Collectibles by WWCI and HILTON.

16 12. In order to induce CRAWFORD to make the Crawford investment, STEVENS
17 represented to CRAWFORD that his funds would be applied to the business project and a portion of
18 the funds would be held in trust for the benefit of CRAWFORD should the business project fail.

19 13. At the time STEVENS made the representations to CRAWFORD, he knew them to be
20 false and knowingly and designedly made them to induce CRAWFORD to turn over said funds to
21 WWCI which STEVENS controlled.

22 14. It was never STEVENS’ intention that the Crawford investment would go to the
23 business project or be held in trust, but would go directly to STEVENS for his own use and benefit.

24 15. Plaintiff, unaware of STEVENS’ false representations, tendered the Crawford
25 investment to WWCI in reasonable reliance upon the foregoing misrepresentations.

26 16. Plaintiff alleges that STEVENS then took the Crawford investment for his own use and
27 benefit.

28 17. As a result of the above-described larceny of STEVENS, plaintiff has been damaged in

1 an amount that has yet to be determined.

2 18. The aforementioned conduct of STEVENS was characterized by intentional
3 misrepresentations, deceit, or concealment of material facts known only to STEVENS with the
4 intention of depriving plaintiff of property or otherwise causing injury, and was illegal conduct that
5 subjected plaintiff to unjust hardship in conscious disregard of plaintiff's rights, so as to justify an
6 award of exemplary and punitive damages.

7 **SECOND CAUSE OF ACTION**

8 **(False Pretenses Against STEVENS, ODOM**
9 **and DOES 1 through 5, inclusive)**

10 19. Plaintiff refers to Paragraph 1 through 9 of his General Allegations and by this reference
11 makes them a part of this cause of action.

12 20. On or about November 26, 1998, CRAWFORD, WWCI, and HILTON entered into
13 another written "joint venture" agreement whereby CRAWFORD would invest the additional sum of
14 \$237,500.00 ("additional investment") in WWCI for the design, production, and sale of NFL authorized
15 SuperBowel Collectibles by WWCI and HILTON.

16 21. In order to induce CRAWFORD to make the additional investment, STEVENS
17 represented to CRAWFORD that ODOM was a NFL license owner and that \$145,000.00 of the
18 additional investment would be used to purchase the NFL SuperBowel license from ODOM .
19 STEVENS also represented to CRAWFORD that the balance of the additional investment would held
20 in trust for the benefit of CRAWFORD should the business project fail.

21 22. At the time STEVENS made the representations to CRAWFORD, he knew them to be
22 false and knowingly and designedly made them to induce CRAWFORD to turn over \$145,000.00 to
23 ODOM and the balance of the additional investment to WWCI which STEVENS controlled.

24 23. Plaintiff is informed and believes and thereon alleges that ODOM was not the owner of
25 an NFL SuperBowel product license nor was he associated with the NFL or the SuperBowel.

26 24. Plaintiff is informed and believes and thereon alleges that ODOM knew of STEVENS
27 false statements to CRAWFORD concerning the use of the funds and knew that the funds could not be
28 used to secure NFL SuperBowel license but would be diverted by himself for his own use and benefit.

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2 25. On or about November 28, 1998 CRAWFORD borrowed the additional investment and
3 from the loan proceeds had made a cashiers check in the amount of \$145,000.00 payable to ODOM for
4 the NFL SuperBowl licenses allegedly owned by ODOM and gave said check to ODOM.

5 26. Plaintiff is informed and believes and thereon alleges that ODOM cashed the check and
6 utilized the funds for the benefit of himself all to the detriment of CRAWFORD.

7 27. In order to further induce CRAWFORD to borrow the additional investment, STEVENS
8 agreed to make payments on a \$200,000.00 boat loan and \$37,500.00 personal note until said loans
9 were paid in full.

10 28. At the time STEVENS made the aforementioned representations to CRAWFORD, he
11 knew them to be false and were made to induce CRAWFORD to turn over the additional funds to
12 ODOM and WWCI.

13 29. It was never STEVENS' or ODOMS' intention that the additional investment would go
14 to "purchase" the NFL SuperBowl license or the business project, but would go directly to themselves
15 for their own use and benefit.

16 30. Plaintiff, unaware of STEVENS' and ODOM' false representations, tendered the
17 additional investment to ODOM and WWCI as directed by STEVENS in reasonable reliance upon the
18 foregoing misrepresentations.

19 31. Plaintiff alleges that STEVENS and ODOM then took the additional investment for their
20 own use and benefit.

21 32. As a result of the above-described false pretenses of STEVENS and ODOM, plaintiff
22 has been damaged in an amount that has yet to be determined.

23 33. The aforementioned illegal conduct of STEVENS and ODOM was characterized by
24 intentional misrepresentations, deceit, or concealment of material facts known only to STEVENS and
25 ODOM with the intention of depriving plaintiff of property or otherwise causing injury, and was such
26 conduct that subjected plaintiff to unjust hardship in conscious disregard of plaintiff's rights so as to
27 justify an award of exemplary and punitive damages.

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2 **THIRD CAUSE OF ACTION**
3 **(Conspiracy Against STEVENS, HILTON,**
4 **ODOM and DOES 1 through 20, inclusive)**

5 34. Plaintiff refers to Paragraphs 1 through 9 of his General Allegations and Paragraphs 20
6 through 32 of his Second Cause of Action and by this reference makes them a part of this cause of
7 action.

8 35. On or about November 28, 1998, defendants STEVENS, HILTON and ODOM
9 knowingly and willfully conspired and agreed among themselves to represent to CRAWFORD that
10 ODOM was the lawful holder of an NFL SuperBowl license that would allow WWCI to produce and
11 sell SuperBowl commemorative coins and ingots. ODOM was not the holder of said license and, in
12 fact, no such licenses are issued by the NFL.

13 36. On or about November 28, 1998, STEVENS represented to CRAWFORD that ODOM
14 was a NFL license owner and that \$145,000.00 of the additional investment would be used to purchase
15 the NFL SuperBowl license from ODOM .

16 37. At the time STEVENS made the representations to CRAWFORD, he knew them to be
17 false and knowingly and designedly made them to induce CRAWFORD to turn over \$145,000.00 to
18 ODOM.

19 38. Plaintiff is informed and believes and thereon alleges that ODOM was not the owner of
20 an NFL SuperBowl product license nor was he associated with the NFL or the SuperBowl.

21 39. Plaintiff is informed and believes and thereon alleges that ODOM knew of STEVENS
22 false statements to CRAWFORD concerning the use of the funds and knew that the funds could not be
23 used to secure NFL SuperBowl license but would be diverted by himself and others for his and their
24 own use and benefit.

25 40. On or about November 28, 1998 CRAWFORD had made a cashiers check in the amount
26 of \$145,000.00 payable to ODOM for the NFL SuperBowl licenses owned by ODOM and gave said
27 money to ODOM.

28 41. Plaintiff is informed and believes and thereon alleges that ODOM cashed the check and

1 utilized the funds for the benefit of himself, all to the detriment of CRAWFORD.

2 42. Defendants, and each of them, did the acts and things herein alleged pursuant to, and
3 furtherance of, the conspiracy and above-alleged agreement.

4 43. As a proximate result of the wrongful acts herein alleged, plaintiff has been generally
5 damaged according to proof.

6 44. In doing the things herein alleged, defendants acted willfully and with the intent to cause
7 injury to the plaintiff. Defendants are therefore guilty of malice, oppression and fraud, and plaintiff may
8 recover an award of exemplary or punitive damages.

9 **FOURTH CAUSE OF ACTION**

10 **(Fraud Against STEVENS,**

11 **and DOES 1 through 20, inclusive)**

12 45. Plaintiff refers to Paragraphs 1 through 9 of his General Allegations and Paragraphs 9
13 through 15 of his First Cause of Action and by this reference makes them a part of this cause of action.

14 46. Prior to the Crawford investment, STEVENS, who was a friend of over nineteen years,
15 represented to plaintiff that the investment was “safe,” would be held in trust to produce the
16 “Collectibles” and would be repaid within thirty days after the “Collectibles” went on sale over the
17 Internet.

18 47. The true facts were that the Crawford investment went directly to STEVENS and others,
19 was not held in trust, and could not be repaid within thirty days after the “Collectibles” went on sale.

20 48. STEVENS knowingly made these misleading and untrue representations and
21 nondisclosures to plaintiff with the intent to defraud and induce plaintiff’s reliance.

22 49. Plaintiff, unaware of defendants’ fraudulent statements, tendered the Crawford
23 investment to WWCI and STEVENS in reasonable reliance upon the foregoing misrepresentations.

24 50. As a proximate result of the above-described fraud and deceit of STEVENS, plaintiff
25 has been damaged in an amount that has yet to be determined.

26 51. The aforementioned conduct of STEVENS was characterized by intentional
27 misrepresentations, deceit, or concealment of material facts known to STEVENS with the intention of
28 depriving plaintiff of property or otherwise causing injury, and was despicable conduct that subjected

1 plaintiff to unjust hardship in conscious disregard of plaintiff's rights, so as to justify an award of
2 exemplary and punitive damages.

3 **FIFTH CAUSE OF ACTION**

4 **(Breach of Contract against WWCI,**

5 **HILTON, and DOES 6 through 10, inclusive)**

6 52. Plaintiff refers to Paragraphs 1 through 9 of his General Allegations and by this
7 reference makes them a part of this cause of action.

8 53. On or about March 23, 1998, CRAWFORD, WWCI, and HILTON entered into a
9 written "joint venture" agreement ("Agreement") whereby CRAWFORD would invest the sum of
10 \$200,000.00 ("Crawford investment") in WWCI for the design, production, and sale of the Collectibles
11 by WWCI and HILTON. As consideration for his \$200,000.00 investment, CRAWFORD was to
12 receive first priority for repayment of that investment from the net profits from the sale of the
13 Collectibles prior to the distribution of any proceeds to either WWCI and/or HILTON. A true and
14 correct copy of the Agreement is attached hereto and incorporated herein as Exhibit "1."

15 54. Pursuant to the Agreement, on March 25, 1998, CRAWFORD transferred to WWCI the
16 sum of \$200,000.00. True and correct copies of the cashier's checks totaling the \$200,000.00 are
17 attached hereto and incorporated herein as Exhibit "2."

18 55. CRAWFORD fully performed all of the funding requirements of him under the contract
19 and any and all other conditions, covenants, and promises required to be performed by him.

20 56. Pursuant to the terms of the Agreement, the Crawford investment was to be held in trust
21 specifically for the production of the Collectibles.

22 57. On or about November 28, 1998, WWCI and HILTON breached the contract by failing
23 to hold CRAWFORD'S funds in trust and by failing to pay CRAWFORD prior to distribution of funds
24 to themselves.

25 58. Plaintiff is informed and believes and thereon alleges that WWCI and HILTON directly
26 transferred the vast majority of the Crawford investment to themselves in violation of the terms of the
27 Agreement.

28 59. As a result of WWCI'S and HILTON'S breach of the Agreement, CRAWFORD has

1 been damaged in the sum of \$200,000.00 plus interest thereon from November 28, 1998.

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3 **SIXTH CAUSE OF ACTION**

4 **(Breach of Contract Against WWCI,**

5 **STEVENS, and DOES 1 through 5, inclusive)**

6 60. Plaintiff refers to Paragraphs 1 through 7 of his General Allegations and Paragraphs 9
7 through 15 of his First Cause of Action and by this reference makes them a part of this cause of action.

8 61. On or about November 28, 1998, and memorialized on or about January 5, 1999,
9 CRAWFORD, WWCI, and STEVENS entered into another written "joint venture" agreement dated
10 November 28, 1998 ("Second Agreement") whereby CRAWFORD would invest an additional sum of
11 \$237,500.00 ("additional investment") in WWCI for the design, production, and sale of the
12 Collectibles by WWCI and HILTON. As consideration for his additional investment, CRAWFORD
13 was to receive priority for repayment of the Crawford investment and the additional investment in the
14 amount of \$1,200,000.00 from WWCI and HILTON prior to the distribution of any proceeds to either
15 WWCI and/or HILTON. Further, WWCI and STEVENS agreed to make payments on a \$200,000.00
16 boat loan ("Boat Loan") and \$37,500.00 personal note ("Personal Note"), from where the additional
17 investment was borrowed, until said loans were paid in full. A true and correct copy of the Second
18 Agreement is attached hereto and incorporated herein as Exhibit "3." A true and correct copy of the
19 Personal Note is attached hereto and incorporated herein as Exhibit "4."

20 62. Pursuant to the Agreement, on or about November 28, 1998, CRAWFORD transferred
21 to WWCI and STEVENS the additional sum of \$237,500.00.

22 63. CRAWFORD fully performed all of the funding requirements of him under the Second
23 Agreement and any and all other conditions, covenants, and promises required to be performed by him.

24 64. Plaintiff is informed and believes and thereon alleges that WWCI and STEVENS
25 breached the Second Agreement by directly transferring the vast majority of the additional investment
26 to themselves in violation of the terms of the Agreement.

27 65. As a further breach of the Second Agreement, WWCI and STEVENS failed and refused,
28 and continue to fail and refuse, to make the Boat Loan or Personal Loan payments when due.

1 66. As a result of WWCI'S and STEVENS' breach of the Second Agreement, CRAWFORD
2 has been damaged in the sum of \$237,500.00 plus interest thereon from November 28, 1998.

3 **SEVENTH CAUSE OF ACTION**

4 **(Intentional Breach of Fiduciary Duty against**

5 **STEVENS and DOES 1 through 20, inclusive)**

6 67. Plaintiff refers to Paragraphs 1 through 9 of his General Allegations, Paragraphs 9
7 through 15 of his First Cause of Action, and by this reference makes them a part of this cause of action.

8 68. Plaintiff is informed and believes and thereon alleges that, at all times herein mentioned,
9 the relationship between joint venturers is fiduciary in nature, imposing on joint venturers a duty of
10 good faith and fair dealing, and requiring that no joint venturer take unfair advantage of the other joint
11 venturers.

12 69. At all times mentioned herein, the Crawford investment and the additional investment
13 were made during the course and scope of the joint venture.

14 70. Plaintiff is informed and believes and thereon alleges that STEVENS has intentionally
15 misappropriated for his own personal use, profit, and gain the original Crawford investment and the
16 additional investment.

17 71. Plaintiff is informed and believes and thereon alleges that STEVENS intentionally
18 engaged in said misappropriation pursuant to a malicious, oppressive, and fraudulent plan on his part
19 to appropriate the original Crawford investment and the additional investment for his own use and
20 benefit. This plan is evidenced by STEVENS' consistent refusal to provide plaintiff with an accounting
21 from WWCI of the use of the Crawford investment or the additional investment.

22 72. The conduct outlined above was not due to an honest error of judgment, but rather was
23 due to STEVENS' bad faith and was done in reckless disregard of plaintiff's rights and interests.

24 73. As a proximate result of STEVENS' intentional breach of his fiduciary duty, plaintiff
25 has sustained, and will continue to sustain, injury and damages.

26 74. The wrongful acts of STEVENS were done maliciously, oppressively, and fraudulently,
27 and plaintiff is entitled to punitive and exemplary damages in an amount to be ascertained according
28 to proof which is appropriate to punish or set an example of STEVENS.

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3 **EIGHT CAUSE OF ACTION**

4 **(Constructive Fraud Against STEVENS**

5 **and DOES 1 through 20, inclusive)**

6 75. Plaintiff refers to Paragraphs 1 through 7 of his General Allegations, Paragraphs 9
7 through 15 of his First Cause of Action, and Paragraphs 18 through 25 of his Second Cause of Action,
8 and by this reference makes them a part of this cause of action.

9 76. As a result of the tortious conduct described above, the defendants have committed
10 misrepresentations and concealed material facts from plaintiff upon which he justifiably relied and,
11 thus, have committed and/or aided and abetted constructive fraud.

12 77. As a proximate result of defendants' constructive fraud, the plaintiff has sustained and
13 will continue to sustain injury and damages.

14 **NINTH CAUSE OF ACTION**

15 **(Conversion Against STEVENS**

16 **and DOES 1 through 20, inclusive)**

17 78. Plaintiff refers to Paragraphs 1 through 7 of his General Allegations, Paragraphs 9
18 through 15 of his First Cause of Action, and Paragraphs 18 through 25 of his Second Cause of Action,
19 and by this reference makes them a part of this cause of action.

20 79. At all relevant times mentioned herein, plaintiff was and is entitled to possession of the
21 specific sums of money entrusted to the defendants. As described herein, the defendants have taken
22 the foregoing property from plaintiff's possession and converted the same to their own use.

23 80. As a proximate result of defendants' conversion, plaintiff has sustained, and will
24 continue to sustain, injury and damages.

25 81. At the time defendants converted plaintiff's property, defendants were guilty of malice,
26 oppression, unlawful behavior, and willful disregard for the rights of plaintiff. Further, after knowledge
27 and notice of plaintiff's interest in the converted property, defendants have failed and refused, and
28 continue to fail and refuse, to return the property. By reason of these acts, plaintiff has been oppressed

1 and is entitled to punitive and exemplary damages.

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3 **TENTH CAUSE OF ACTION**

4 **(Conversion Against LIBERTY**

5 **and DOES 1 through 10, inclusive)**

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7 82. Plaintiff refers to Paragraphs 1 through 9 of his General Allegations, Paragraphs 9
8 through 15 of his First Cause of Action, and by this reference makes them a part of this cause of action.

9 83. Plaintiff is informed and believes and thereon alleges that on or about March 23, 1998
10 WWCI and LIBERTY entered into an agreement for the benefit of the plaintiff whereby WWCI would
11 deposit with LIBERTY the sum of \$100,000.00 of monies received from plaintiff for the production
12 of the “collectable coins”. LIBERTY and WWCI further agreed that said funds were to be held in trust
13 in a separate, segregated trust account for the benefit of the plaintiff and were not to be used without
14 the specific authorization of WWCI.

15 84. Plaintiff is informed and believes and thereon alleges that LIBERTY received from
16 WWCI \$100,000.00 of the Crawford investment.

17 85. Plaintiff is informed and believes and thereon believes that LIBERTY failed to hold said
18 funds in trust for the benefit of plaintiff in a segregated separate trust account but commingled said
19 funds with it’s own funds and used said funds to pay the general obligations of LIBERTY.

20 86. Plaintiff is informed and believes and thereon alleges that at all times mentioned herein,
21 LIBERTY never intended to hold the monies that it received from WWCI on behalf of the plaintiff in
22 a segregated separate trust account but intentionally misappropriated said funds for it’s own use, profit,
23 and gain.

24 87. Plaintiff is informed and believes and thereon alleges that LIBERTY intentionally
25 engaged in said misappropriation pursuant to a malicious, oppressive, and fraudulent plan on its part
26 to appropriate the \$100,000.00 for its own use and benefit.

27 88. The conduct outlined above was not due to an honest error of judgment, but rather was
28 due to LIBERTIES’ bad faith and was done in reckless disregard of plaintiff’s rights and interests.

1 89. As a proximate result of the intentional breach of LIBERTY fiduciary duty, plaintiff
2 has sustained, and will continue to sustain, injury and damages.

3 90. The wrongful acts of LIBERTY were done maliciously, oppressively, and fraudulently,
4 and plaintiff is entitled to punitive and exemplary damages in an amount to be ascertained according
5 to proof which is appropriate to punish or set an example of LIBERTY.

6 **ELEVENTH CAUSE OF ACTION**
7 **(Violation of California Corporations Code §§**
8 **25401 & 25501 et seq. against All Defendants)**

9 91. Plaintiff refers to Paragraphs 1 through 7 of his General Allegations, Paragraphs 9
10 through 15 of his First Cause of Action, Paragraphs 18 through 25 of his Second Cause of Action, and
11 Paragraphs 28 through 32 of his Third Cause of Action, and by this reference makes them a part of this
12 cause of action.

13 92. The Crawford investment and the additional investment were made by means of
14 communications which included one or more untrue statements of material fact by defendants and/or
15 defendants omitted to state material facts necessary in order to make the statements made in such
16 communications, in the light of the circumstances under which they were made, not misleading.

17 93. Plaintiff participated in these transactions in reasonable reliance on defendants' untrue
18 statements and omissions. As a proximate result, plaintiff has sustained, and will continue to sustain,
19 injury and damage.

20 94. Defendants are jointly and severally liable to plaintiff as controlling persons, principal
21 members of management, and/or persons who materially assisted or aided and abetted in the subject
22 wrongful transactions.

23 95. As a result of these material misrepresentations and omissions by defendants, plaintiff
24 is entitled to restitution and/or rescission of the investments described above and, as appropriate, before
25 entry of judgment, will tender any consideration received in connection with these transactions. In lieu
26 of rescission, plaintiff is entitled to damages.

27 **TWELFTH CAUSE OF ACTION**
28 **(Unjust Enrichment against All Defendants)**

1 96. Plaintiff refers to Paragraphs 1 through 7 of his General Allegations, Paragraphs 9
2 through 15 of his First Cause of Action, Paragraphs 18 through 25 of his Second Cause of Action, and
3 Paragraphs 28 through 32 of his Third Cause of Action, and by this reference makes them a part of this
4 cause of action.

5 97. As a proximate result of the conduct described above, each of the defendants have been
6 unjustly enriched at the expense of plaintiff and/or has aided and abetted such unjust enrichment.

7 98. Defendants should be required to disgorge the gain which they have unjustly obtained
8 at the expense of plaintiff and a constructive trust should be imposed for the benefit of plaintiff.

9 **THIRTEENTH CAUSE OF ACTION**

10 **(Money Had and Received against All Defendants)**

11 99. Plaintiff refers to Paragraphs 1 through 7 of his General Allegations, Paragraphs 9
12 through 15 of his First Cause of Action, Paragraphs 18 through 25 of his Second Cause of Action, and
13 Paragraphs 28 through 32 of his Third Cause of Action, and by this reference makes them a part of this
14 cause of action.

15 100. Within the last two years, at Newport Beach, California, defendants became indebted
16 to plaintiff for money had and received by defendants for the use and benefit of plaintiff. Demand has
17 repeatedly been made and is hereby made again for payment from defendants of monies, which in
18 equity and good conscience, belong to plaintiff.

19 101. No payment has been made by defendants to plaintiff, and there remains due and owing
20 to plaintiff, by reason of the foregoing, the sums for money had and received as set forth above.

21 **WHEREFORE**, plaintiff prays judgment against defendants WWCI, STEVENS, HILTON, and
22 DOES 1 through 50, inclusive, and each of them, as follows:

23 1. **AS TO THE FIRST CAUSE OF ACTION:**

- 24 a. For damages in excess of \$200,000.00 according to proof;
25 b. For interest thereon at the legal rate; and
26 c. For punitive and exemplary damages according to proof.

27 2. **AS TO THE SECOND CAUSE OF ACTION:**

- 28 a. For damages in excess of \$237,500.00 according to proof;

- b. For interest thereon at the legal rate; and
c. For punitive and exemplary damages according to proof.

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3. **AS TO THE THIRD CAUSE OF ACTION:**

- a. For damages in excess of \$145,000.00 according to proof,
b. For interest thereon at the legal rate; and
c. For punitive and exemplary damages according to proof.

4. **AS TO THE FOURTH CAUSE OF ACTION:**

- a. For damages in excess of \$200,000.00 according to proof;
b. For interest thereon at the legal rate; and
c. For punitive and exemplary damages according to proof.

5. **AS TO THE FIFTH CAUSE OF ACTION:**

- a. For the sum of \$200,000.00; and
b. For interest thereon at the legal rate from November 28, 1998.

6. **AS TO THE SIXTH CAUSE OF ACTION:**

- a. For the sum of \$237,500.00; and
b. For interest thereon at the legal rate from November 28, 1998.

7. **AS TO THE SEVENTH CAUSE OF ACTION:**

- a. For damages in excess of \$437,500.00 according to proof;
b. For interest thereon at the legal rate; and
c. For punitive and exemplary damages according to proof.

8. **AS TO THE EIGHTH CAUSE OF ACTION:**

- a. For damages in excess of \$437,500.00 according to proof; and
b. For interest thereon at the legal rate.

9. **AS TO THE NINTH CAUSE OF ACTION:**

- a. For damages in excess of \$437,500.00 according to proof;
b. For interest thereon at the legal rate; and

1 c. For punitive and exemplary damages according to proof.

2 10. **AS TO THE TENTH CAUSE OF ACTION:**

3 a. For damages in excess of \$100,000.00 according to proof,

4 b. For interest thereon at the legal rate, and

5 c. For punitive and exemplary damages according to proof.

6 11. **AS TO THE ELEVENTH CAUSE OF ACTION:**

7 a. For the sum of \$437,500.00;

8 b. For interest thereon at the legal rate;

9 c. For exemplary damages pursuant to California Corporations Code § 25501; and

10 d. For reasonable attorney's fees.

11 12. **AS TO THE TWELFTH CAUSE OF ACTION:**

12 a. For the sum of \$437,500.00;

13 b. For interest thereon at the legal rate; and

14 c. For imposition of one or more constructive trusts.

15 11. **AS TO THE THIRTEENTH CAUSE OF ACTION:**

16 a. For the sum of \$437,500.00; and

17 b. For interest thereon at the legal rate.

18 12. **AS TO ALL CAUSES OF ACTION:**

19 a. For costs of suit incurred herein; and

20 b. For such other and further relief as the court deems just and proper.

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22 Dated: March ___, 2000

THOMAS L. SCHULMAN
Attorney for Plaintiff
THOMAS P. CRAWFORD

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25 **JURY DEMAND**

26 Plaintiff demands a trial by jury.

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Dated: March____, 2000

THOMAS L. SCHULMAN
Attorneys for Plaintiff
THOMAS P. CRAWFORD