

**ROBB EVANS &
ROBB EVANS & ASSOCIATES, LLC
Temporary Receiver of
Fortune Hi-Tech Marketing, Inc., et al.**

11450 Sheldon Street
Sun Valley, California 91352-1121
Telephone No.: (818) 768-8100
Facsimile No.: (818) 768-8802

**Federal Trade Commission, State of Illinois,
Commonwealth of Kentucky and State of North Carolina**

v.

Fortune Hi-Tech Marketing, Inc., et al.

**Complaint for Recovery of Fraudulent Transfers,
Unjust Enrichment, Turnover of Receivership Property and
Alter Ego/Piercing the Corporate Veil
(Re: Anna Burrell)**

Filed August 12, 2014

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF KENTUCKY**

ROBB EVANS and ROBB EVANS &
ASSOCIATES LLC as Receiver for
FORTUNE HI-TECH MARKETING, INC.,
FHTM, INC., ALAN CLARK HOLDINGS,
LLC, FHTM CANADA, INC. AND
FORTUNE NETWORK MARKETING (UK)
LIMITED, and their affiliates, subsidiaries,
divisions, or sales or customer service
operations,

Plaintiff,

v.

ANNA BURRELL, an individual; MICHAEL
CHOROST, an individual; LIGER
MARKETING INTERNATIONAL, LLC, an
Oklahoma limited liability company; DALIA
MOLINA aka DALIA DE LUNA aka DALIA
DELUNA, an individual; TERESA
MORALES, an individual; EQUIPO LATINO
CORP., a Nevada corporation; MINHTUYEN
NGUYEN, an individual; QUANG NGUYEN,
an individual; QUANG & CRYSTAL
ENTERPRISE, LLC, a California limited
liability company; THANG VU, an individual;
TOM WAGGONER, an individual;
GLOBALCOM NETWORK, LLC, a Nevada
limited liability company; TOMMY CHAPA,
an individual,

Defendants.

No.

**COMPLAINT FOR RECOVERY
OF FRAUDULENT TRANSFERS,
UNJUST ENRICHMENT,
TURNOVER OF RECEIVERSHIP
PROPERTY AND ALTER
EGO/PIERCING THE
CORPORATE VEIL**

Plaintiff Robb Evans and Robb Evans & Associates LLC as Receiver for Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc. and Fortune Network Marketing (UK) Limited, and their affiliates, subsidiaries, divisions, or sales or customer service operations (“Receiver”) hereby complains and alleges as follows:

STATEMENT OF JURISDICTION AND VENUE

1. On January 24, 2013, the Receiver was appointed as Temporary Equity Receiver for Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc. and Fortune Network Marketing (UK) Limited, and their affiliates, subsidiaries, divisions, or sales or customer service operations pursuant to the Ex Parte Temporary Restraining Order (“TRO”) issued that date in the civil enforcement action entitled *Federal Trade Commission, et al. v. Fortune Hi-Tech Marketing, Inc., et al.*, Case No. 13cv123 in the United States District Court for the Northern District of Illinois (“FTC Action”). A true and correct copy of the TRO is attached hereto as Exhibit I and incorporated herein by this reference.

2. On February 7, 2013, the United States District Court for the Northern District of Illinois in the FTC Action issued an order pursuant to stipulation of the parties extending the TRO and continuing the hearing scheduled on the motion by the plaintiffs in the FTC Action for a preliminary injunction to February 26, 2013.

3. After the hearing conducted on February 26, 2013, the United States District Court for the Northern District of Illinois in the FTC Action issued an order continuing the TRO in effect and postponing the hearing on the motion for a preliminary injunction order to May 1, 2013.

4. The defendants in the FTC Action filed a motion to transfer venue of the FTC Action to the United States District Court for the Eastern District of Kentucky which was heard on May 1, 2013, concurrently with the motion for a preliminary injunction order. At the May 1, 2013 hearing, the United States District Court for the Northern District of Illinois in the FTC Action issued an order granting the motion to transfer venue and transferred venue of the FTC Action to this Court, the United States District Court for the Eastern District of Kentucky.

5. At the May 1, 2013 hearing, the United States District Court for the Northern District of Illinois in the FTC Action also issued an order continuing the TRO in effect for additional time.

6. The United States District Court for the Eastern District of Kentucky issued an order, pursuant to a joint motion of the parties to the FTC Action, to extend the TRO until further order of the Court. On May 28, 2013, the United States District Court for the Eastern District of Kentucky entered the Stipulated Preliminary Injunction (“Preliminary Injunction”), a true and correct copy of which is attached hereto as Exhibit 2 and incorporated herein by this reference.

7. On May 9, 2014, the United States District Court for the Eastern District of Kentucky entered the Stipulated Order for Permanent Injunction and Monetary Judgment in the FTC Action (the “Permanent Injunction”), a true and correct copy of which is attached hereto as Exhibit 3 and incorporated herein by this reference.

8. Pursuant to the TRO, the Preliminary Injunction and the Permanent Injunction (collectively, the “Receivership Orders”), the Receiver is the equity receiver for Fortune Hi-Tech Marketing, Inc., FHTM, Inc., Alan Clark Holdings, LLC, FHTM Canada, Inc. and Fortune Network Marketing (UK) Limited, and their affiliates, subsidiaries, divisions, or sales or customer service operations (individually and collectively the “Receivership Defendants”). The Receivership Orders provide that the Receiver is authorized to institute actions or proceedings in federal courts as the Receiver deems necessary or advisable to preserve or recover the assets of the Receivership Defendants or that the Receiver deems necessary or advisable to carry out the Receiver’s duties under the Receivership Orders, including instituting actions challenging fraudulent or otherwise voidable transfers. Further, the Receiver has been authorized by the Court in the FTC Action to commence litigation against the highly compensated representatives formerly associated with the Receivership Defendants pursuant to the Order filed January 30, 2014, a true and correct copy of which is attached hereto as Exhibit 4.

9. This Court has supplemental and/or ancillary jurisdiction over the instant action pursuant to 28 U.S.C. sections 1331 and 1367, and applicable federal receivership law.

10. Venue is proper in the Eastern District of Kentucky pursuant to (a) 28 U.S.C. section 1391(b)(2) in that a substantial part of the events or omissions giving rise to the claims occurred in the Lexington Division of the federal judicial district for the Eastern District of

Kentucky, and (b) pursuant to 28 U.S.C. section 1391(b)(3) in that the defendants, and each of them, are subject to personal jurisdiction in this District, as more particularly set forth herein.

11. This Court has personal jurisdiction over the defendants, and each of them, under 28 U.S.C. sections 754 and 1692 and applicable receivership law as a result of, *inter alia*, the Receiver's filing of certified copies of the complaint and Preliminary Injunction in the FTC Action pursuant to 28 U.S.C. section 754 in the following courts: the United States District Court for the Northern District of Illinois, the United States District Court for the Central District of California, the United States District Court for the Southern District of California, the United States District Court for the Western District of Oklahoma, the United States District Court for the Southern District of Texas, the United States District Court for the Northern District of Texas, the United States District Court for the Central District of California, the United States District Court for the Northern District of Georgia, and the United States District Court for the Western District of Texas, among other courts.

12. Plaintiff is the Receiver Robb Evans and Robb Evans & Associates LLC, and Robb Evans & Associates LLC is a limited liability company organized under the laws of the State of California with its principal place of business in the County of Los Angeles, California.

13. Plaintiff is informed and believes and thereon alleges that defendant Anna Burrell ("Burrell") is an individual who resides in the State of Oklahoma, County of Oklahoma.

14. Plaintiff is informed and believes and thereon alleges that defendant Michael Chorost ("Chorost") is an individual who resides in the State of Oklahoma, County of Oklahoma.

15. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, defendant Liger Marketing International, LLC ("Liger") was a limited liability company organized and existing under the laws of the State of Oklahoma, with its principal place of business located in the County of Oklahoma, Oklahoma and beneficially owned, dominated and controlled by defendants Burrell and Chorost.

16. Plaintiff is informed and believes and thereon alleges that defendant Dalia Molina is also known as Dalia De Luna and Dalia Deluna (“Molina”) and is an individual who resides in the State of Texas, County of Hidalgo.

17. Plaintiff is informed and believes and thereon alleges that defendant Teresa Morales (“Morales”) is an individual who resides in the State of Texas, County of Tarrant.

18. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, defendant Equipo Latino Corp. (“Equipo”) was a corporation organized and existing under the laws of the State of Nevada, with its principal place of business located in the County of Tarrant, Texas and beneficially owned, dominated and controlled by defendant Morales.

19. Plaintiff is informed and believes and thereon alleges that defendant Minhtuyen Nguyen (“M. Nguyen”) is an individual who resides in the State of California, County of Orange.

20. Plaintiff is informed and believes and thereon alleges that defendant Quang Nguyen (“Q. Nguyen”) is an individual who resides in the State of California, County of Orange.

21. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, defendant Quang & Crystal Enterprise, Inc. (“Quang”) was a corporation organized and existing under the laws of the State of California, with its principal place of business located in the County of Orange, California and beneficially owned, dominated and controlled by defendant Q. Nguyen.

22. Plaintiff is informed and believes and thereon alleges that defendant Thang Vu (“Vu”) is an individual who resides in the State of Georgia, County of Fulton.

23. Plaintiff is informed and believes and thereon alleges that defendant Tom Waggoner (“Waggoner”) is an individual who resides in the State of Texas, County of Williamson.

24. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, defendant Globalcom Network, LLC (“Globalcom”) was a corporation organized and existing under the laws of the State of Nevada, with its principal place of business located in the

County of Williamson, Texas, and beneficially owned, dominated and controlled by defendant Waggoner.

25. Plaintiff is informed and believes and thereon alleges that defendant Tommy Chapa (“Chapa”) is an individual who resides in the State of Texas, County of Comal.

26. Plaintiff is informed and believes and thereon alleges that the Court also has personal jurisdiction over the defendants, and each of them, based on their minimum contacts with the State of Kentucky relating to their participation in the fraudulent scheme perpetrated by the Receivership Defendants, including without limitation based on (a) as to defendants Morales, Equipo, Q. Nguyen, Quang, Waggoner, Globalcom and Chapa, their participation in activities in the forum State of Kentucky, including without limitation attendance at sales and company meetings in Lexington, Kentucky and making videos in connection with the solicitation of new representatives in Lexington, Kentucky; (b) as to all defendants, their participation in activities directed toward the State of Kentucky based on those defendants’ ongoing business relationship with the Receivership Defendants in Kentucky and their activities aimed at perpetuating the fraudulent business scheme of the Receivership Defendants through the promotion of the fraudulent scheme and solicitation of new representatives to participate in the fraudulent scheme, their receipt of substantial monetary payments from the Receivership Defendants from Kentucky in connection with their activities in connection with the promotion of the fraudulent scheme and solicitation of new representatives, their ongoing contacts with the Receivership Defendants in Kentucky through communications with the Receivership Defendants in Kentucky, and their status, titles and positions with the Receivership Defendants, by which the defendants have purposefully availed themselves of the benefits of this forum within the standards of the minimum contacts test; (c) as to all defendants, the effects of the defendants’ forum-related activities in fueling the fraudulent scheme conducted by the Receivership Defendants in Kentucky and out of which these claims for relief arise and this State’s substantial interest in redressing the claims and injuries alleged herein; and (d) as to all defendants, the fact that exercise of personal jurisdiction over the defendants, and each of them,

in this case under these facts and circumstances is reasonable and comports with notions of fair play and substantial justice.

GENERAL ALLEGATIONS

27. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto until the date the FTC Action commenced, the Receivership Defendants engaged in a common enterprise by which they conducted an unlawful multilevel marketing “pyramid” scheme which collectively generated gross revenues of approximately \$252 million from January 1, 2009 through December 31, 2012 (the “Pyramid Scheme”).

28. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the Receivership Defendants’ business ostensibly offered interested persons the opportunity to become “Independent Representatives” (“IRs”) who paid fees to the Receivership Defendants to enroll in the sales force in order to be able to sell products, including health and beauty products, and services provided by third party companies and earn income through those sales and through bonuses paid for recruiting new IRs into the Receivership Defendants’ network.

29. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the Receivership Defendants’ IRs received payments from the Receivership Defendants, including those designated as Customer Acquisition Bonus (“CAB”) bonus payments and/or Customer Generated Usage (“CGU”) commission payments.

30. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the Receivership Defendants’ IRs received CAB bonuses based on new representatives they and members of their downline recruited to enroll with the Receivership Defendants and received CGU commissions based on their sales of products and services.

31. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the business and financial structure of the Receivership Defendants’ business and the

financial incentives offered to the IRs emphasized recruitment of new representatives rather than the actual selling of products and services.

32. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, including without limitation between January 1, 2009 and December 31, 2012, the vast majority of the commissions paid to IRs were CAB commissions paid for recruitment of new IRs, with the Receivership Defendants paying an average total of CAB bonus payments of approximately \$27.9 million per year from January 1, 2009 through December 31, 2012, but only paying an average total of other commissions, primarily CGU commissions, related to product sales of approximately \$5.6 million per year during that time frame.

33. Plaintiff is informed and believes and thereon alleges that between January 1, 2009 and December 31, 2012, a total of more than \$66 million in enrollment and renewal fees were paid by the representatives to the Receivership Defendants.

34. Plaintiff is informed and believes and thereon alleges that between January 1, 2009 and December 31, 2012, more than 74% of the active IRs earned less than \$10 per year of CAB bonuses and CGU commissions compared to the enrollment and renewal fees which varied but ranged generally from \$99 to \$299.

35. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the vast majority of active IRs did not obtain payments sufficient to cover their enrollment fees and earned commissions totaling \$1,000 or less, with those IRs being referred to herein as the "Injured Consumers," and that specifically between January 1, 2009 and December 31, 2012, more than 88% of the IRs active during that time period did not obtain payments sufficient to recover their enrollment fees, and 98% of the active IRs during that time frame earned commissions totaling \$1,000 or less.

36. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, only a very small percentage of all of the active IRs earned commissions and bonuses of \$10,000 or more per year, that an even smaller percentage earned more than \$100,000 per year in commissions and bonuses, that the vast majority of IRs either earned very little or lost money

and were damaged as a result of their association with the Receivership Defendants, and that there was a significant concentration of commission and bonuses paid to only a few representatives at the very top level. Plaintiff is informed and believes and thereon alleges specifically that between January 1, 2009 and December 31, 2012, only approximately .17% to .36% of the IRs earned commissions and bonuses of \$10,000 per year or more, and that between approximately .02% and .04% of the IRs received more than \$100,000 per year in commissions and bonuses.

37. Plaintiff is informed and believes and thereon alleges that from January 1, 2009 through December 31, 2012, approximately 50 of the highest paid representatives generated commissions and bonuses totaling more than \$46 million.

38. Plaintiff is informed and believes and thereon alleges that the unlawful Pyramid Scheme conducted by the Receivership Defendants operated in a manner similar to a Ponzi scheme in that the continuation of the Pyramid Scheme required IRs to continually recruit new IRs and to obtain renewal fees from IRs in order to fuel the scheme to provide funds to pay the commissions to those IRs who were the most highly compensated IRs, and that the funds generated through new IRs being recruited and paying their enrollment fees and renewal fees and purchasing product and paying administrative fees required to participate in the Receivership Defendants' payment plan were essential to the Pyramid Scheme's continued financial viability prior to the appointment of the Receiver. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the Receivership Defendants' profits were insufficient to fund the payments which were offered to all IRs, the vast majority of accrued payments were perpetually unfunded and that operation of the Receivership Defendants' business was inherently unsustainable.

39. Plaintiff is informed and believes and thereon alleges that from the design and operation of the Receivership Defendants' business which constituted the Pyramid Scheme, the vast majority of IRs were destined to lose money and be damaged.

40. Plaintiff is informed and believes and thereon alleges that the top 50 of the highest paid IRs of the Receivership Defendants (“Highly Compensated IRs”) fueled the Pyramid Scheme operated by the Receivership Defendants for their personal gain in order to continue payments by the Receivership Defendants to them in the form of the CAB bonuses and CGU commissions they received, as well as any other payments and other forms of compensation received.

41. Plaintiff is informed and believes and thereon alleges that the eight owners and shareholders of the Receivership Defendants received dividends and other payments from the Receivership Defendants from January 1, 2009 until the Receiver was appointed totaling over \$24 million.

42. Plaintiff is informed and believes and thereon alleges that since at least January 1, 2009, the Injured Consumers who were the vast majority of the IRs who earned \$1,000 or less during their association with the Receivership Defendants have sustained estimated damages of not less than \$169 million as reflected in the stipulated monetary judgment in the Permanent Injunction and who have aggregate claims against the Receivership Defendants in that amount as a result of the Receivership Defendants’ operation of the Pyramid Scheme.

43. Plaintiff is informed and believes and thereon alleges that any contracts or agreements between the Receivership Defendants and the IRs and the Highly Compensated IRs by which CAB bonuses and CGU commissions were paid are illegal, void and unenforceable as contracts made in contemplation of and in furtherance of an unlawful Pyramid Scheme and as made without consideration and/or based on illusory consideration. Further, the CGU commissions offered and paid by the Receivership Defendants and which were promoted by the Highly Compensated IRs in connection with their recruitment of new IRs to fuel the Pyramid Scheme were also unlawful, made without consideration or based on illusory consideration in that the CGU commissions were excessive, unrelated to any legitimate business purpose, and made with knowledge by the Receivership Defendants and the Highly Compensated IRs that the vast majority of the IRs would lose money or made by the Receivership Defendants and Highly

Compensated IRs with reckless disregard of the truth or falsity of the income disclosure statements which falsely represented the potential earning of the IRs through their association with the Receivership Defendants.

44. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, one or more of the plaintiffs in the FTC Action has had claims against the Receivership Defendants based on false and deceptive advertising and based on other violations of section 5 of the FTC Act and applicable state consumer laws and regulations in the State of Illinois, the Commonwealth of Kentucky, and the State of North Carolina and that the amount of such claims and other liabilities of the Receivership Defendants exceeded the assets on the books and records of the Receivership Defendants.

45. Plaintiff is informed and believes and thereon alleges that at all times relevant hereto, the Receivership Defendants have been insolvent or were rendered insolvent by the CAB bonuses and CGU commissions paid to the Highly Compensated IRs.

46. Plaintiff is informed and believes and thereon alleges that the Highly Compensated IRs helped perpetuate and implement the Pyramid Scheme by continuing to recruit new IRs who would pay enrollment fees to the Receivership Defendants and encouraging IRs to continue to renew their association with the Receivership Defendants and pay their renewal fees to the Receivership Defendants in order to continue the operation of the Pyramid Scheme and for the Highly Compensated IRs' personal gain with knowledge or reckless disregard of the fact that the vast majority of the IRs would not recover the monies they paid to participate in the Receivership Defendants' program and would lose money and be damaged as a result of their association with the Receivership Defendants.

47. Plaintiff is informed and believes and thereon alleges that the Receivership Defendants made transfers of funds and payments to the Highly Compensated IRs with intent to provide them with substantial personal financial incentives to perpetuate and continue the operations of the Pyramid Scheme and to conceal or not disclose to the other IRs the true facts that the vast majority of IRs would not recover the monies they paid to participate in the

Receivership Defendants' program and would lose money and be damaged as a result of their association with the Receivership Defendants.

48. Plaintiff is informed and believes and thereon alleges that prior to January 24, 2013 when the Receiver was appointed as Temporary Receiver, the Receivership Defendants made payments and transferred funds to the defendants, and each of them, as follows:

A. As to defendant Burrell, payments and transfers of funds in the aggregate sum of not less than \$884,180.32, including CAB bonuses and CGU commissions (“Burrell Transfers”);

B. As to defendant Chorost, payments and transfers of funds in the aggregate sum of not less than \$525,620.83 (“Chorost Transfers”);

C. As to defendant Molina, payments and transfers of funds in the aggregate sum of not less than \$495,433.16, including CAB bonuses and CGU commissions (“Molina Transfers”);

D. As to defendant Morales, payments and transfers of funds in the aggregate sum of not less than \$2,271,223.07, including CAB bonuses and CGU commissions (“Morales Transfers”);

E. As to defendant M. Nguyen, payments and transfers of funds in the aggregate sum of not less than \$395,062.48, including CAB bonuses and CGU commissions (“M. Nguyen Transfers”), as to which Plaintiff is informed and believes and thereon alleges the sum of \$45,889.32 was transferred to M. Nguyen indirectly through Fan Huong Thuong Mai, Inc. (“Fan”), a former California corporation that has been dissolved;

F. As to defendant Q. Nguyen, payments and transfers of funds in the aggregate sum of not less than \$620,407.03, including CAB bonuses and CGU commissions (“Q. Nguyen Transfers”);

G. As to defendant Vu, payments and transfers of funds in the aggregate sum of not less than \$324,980.61, including CAB bonuses and CGU commissions (“Vu Transfers”);

H. As to defendant Waggoner, payments and transfers of funds in the aggregate sum of not less than \$1,026,702.92, including CAB bonuses and CGU commissions (“Waggoner Transfers”); and

I. As to defendant Chapa, payments and transfers of funds in the aggregate sum of not less than \$389,780.52, including CAB bonuses and CGU commissions (“Chapa Transfers”).

49. The Burrell Transfers, Chorost Transfers, Molina Transfers, Morales Transfers, M. Nguyen Transfers, Q. Nguyen Transfers, Vu Transfers, Waggoner Transfers, and Chapa Transfers, are sometimes referred to individually and collectively herein as the “Subject Transfers.”

50. Plaintiff and the Receivership Defendants over which the Receiver was appointed did not discover that the Receivership Defendants had been conducting the Pyramid Scheme and that they made the Subject Transfers to defendants, and each of them, until sometime after January 24, 2013 when the Receiver was appointed as Temporary Receiver for the Receivership Defendants.

51. Plaintiff is informed and believes and thereon alleges that the Receivership Defendants who made the Subject Transfers, and each of them, became increasingly insolvent as a result of the Subject Transfers as the Receivership Defendants transferred their assets to the defendants and other Highly Compensated IRs.

52. Plaintiff is informed and believes and thereon alleges that the Receivership Defendants who made the Subject Transfers, and each of them, did not receive valuable consideration in exchange for the Subject Transfers.

53. Plaintiff is informed and believes and thereon alleges that the Receivership Defendants were injured by the Subject Transfers to the defendants, and each of them, and by the conduct of the defendants, and each of them, as Highly Compensated IRs because the Receivership Defendants received no valuable consideration in exchange for the Subject Transfers, because the contracts or agreements with the Highly Compensated IRs pursuant to which the Subject Transfers were made were illegal, void and unenforceable, and because the Subject Transfers and the conduct of the defendants, and each of them, and other Highly Compensated IRs which was the basis for the Receivership Defendants making the Subject Transfers in fact created additional claims against the Receivership Defendants in favor of

creditors, including but not limited to the Injured Consumers, the FTC, the Commonwealth of Kentucky, the State of Illinois and the State of North Carolina.

54. Plaintiff is entitled to recover the Subject Transfers and/or the value thereof for and on behalf of the estate of the Receivership Defendants pursuant to the Receivership Orders and for distribution to creditors of the Receivership Defendants.

55. Plaintiff is informed and believes that to the extent that the Burrell Transfers and Chorost Transfers were made to Liger, Liger (a) acted as a mere conduit for the purpose of receiving and transferring the Burrell Transfers and the Chorost Transfers to or for the benefit of Burrell and Chorost, respectively, and that serving as such a conduit for the Burrell Transfers and Chorost Transfers was one of the primary business purposes for the formation and existence of Liger, and (b) was not a good faith transferee for value and received any such transfers for the purpose of conveying such transfers to or for the benefit of defendants Burrell and Chorost, respectively, as subsequent transferees.

56. Plaintiff is informed and believes that to the extent that the Morales Transfers were made to Equipo, Equipo (a) acted as a mere conduit for the purpose of receiving and transferring the Morales Transfers to or for the benefit of Morales and that serving as such a conduit for the Morales Transfers was one of the primary business purposes for the formation and existence of Equipo, and (b) was not a good faith transferee for value and received any such transfers for the purpose of conveying such transfers to or for the benefit of defendant Morales as subsequent transferee.

57. Plaintiff is informed and believes that to the extent that the M. Nguyen Transfers were made to Fan, Fan (a) acted as a mere conduit for the purpose of receiving and transferring the M. Nguyen Transfers to or for the benefit of M. Nguyen and that serving as such a conduit for the M. Nguyen Transfers was one of the primary business purposes for the formation and existence of Fan, and (b) was not a good faith transferee for value and received any such transfers for the purpose of conveying such transfers to or for the benefit of defendant M. Nguyen as subsequent transferee.

58. Plaintiff is informed and believes that to the extent that the Q. Nguyen Transfers were made to Quang, Quang (a) acted as a mere conduit for the purpose of receiving and transferring the Q. Nguyen Transfers to or for the benefit of Q. Nguyen and that serving as such a conduit for the Q. Nguyen Transfers was one of the primary business purposes for the formation and existence of Quang, and (b) was not a good faith transferee for value and received any such transfers for the purpose of conveying such transfers to or for the benefit of defendant Q. Nguyen as subsequent transferee.

59. Plaintiff is informed and believes that to the extent that the Waggoner Transfers were made to Globalcom, Globalcom (a) acted as a mere conduit for the purpose of receiving and transferring the Waggoner Transfers to or for the benefit of Waggoner and that serving as such a conduit for the Waggoner Transfers was one of the primary business purposes for the formation and existence of Globalcom, and (b) was not a good faith transferee for value and received any such transfers for the purpose of conveying such transfers to or for the benefit of defendant Waggoner as subsequent transferee.

FIRST CLAIM FOR RELIEF

(Avoidance of Fraudulent Transfers –

Kentucky Revised Statutes § 378.010 – As to All Defendants)

60. Plaintiff repeats and realleges the allegations of paragraphs 1 through 59, inclusive, and incorporates the same herein as though more fully set forth at length.

61. Plaintiff is informed and believes and thereon alleges that the Subject Transfers were made to or for the benefit of the defendants, and each of them, with intent to hinder, delay and defraud creditors of the Receivership Defendants, purchasers or other persons dealing with the Receivership Defendants, specifically including but not limited to the Injured Consumers and the FTC and other plaintiffs in the FTC Action, within the meaning of Kentucky Fraudulent Transfer Act, Kentucky Revised Statutes § 378.010.

62. Plaintiff is informed and believes and thereon alleges that the defendants, and each of them, did not receive the Subject Transfers as a purchaser for a valuable consideration within the meaning of Kentucky Fraudulent Transfer Act, Kentucky Revised Statutes § 378.010.

63. By reason of the foregoing, pursuant to Kentucky Revised Statutes § 378.010, the Subject Transfers should be deemed void, and Plaintiff is entitled to recover from the defendants, and each of them, as follows:

A. As to defendants Burrell, Chorost and Liger, jointly and severally, the sum of not less than \$525,620.83 and as to Burrell alone the sum of \$358,559.49, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

B. As to defendant Molina, the sum of not less than \$495,433.16 constituting the Molina Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

C. As to defendants Morales and Equipo, jointly and severally, the sum of not less than \$823,233.13 and as to Morales alone, the sum of not less than \$1,447,989.94 collectively constituting the Morales Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

D. As to defendant M. Nguyen, the sum of not less than \$395,062.48 constituting the M. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or

transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

E. As to defendants Q. Nguyen and Quang, jointly and severally, the sum of not less than \$81,581.15 and as to Q. Nguyen alone the sum of not less than \$538,825.88 collectively constituting the Q. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

F. As to defendant Vu, the sum of not less than \$324,980.61 constituting the Vu Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

G. As to defendants Waggoner and Globalcom, jointly and severally, the sum of not less than \$921,399.77 and as to Waggoner alone the sum of not less than \$105,303.15 collectively constituting the Waggoner Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment; and

H. As to defendant Chapa, the sum of not less than \$389,780.52 constituting the Chapa Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment.

SECOND CLAIM FOR RELIEF

(Avoidance of Fraudulent Transfer –

Kentucky Revised Statutes § 378.020 – As to All Defendants)

64. Plaintiff repeats and re-alleges the allegations of paragraphs 1 through 59, inclusive, and by reference thereto, incorporates the same herein as though more fully set forth at length.

65. Plaintiff is informed and believes and thereon alleges that the Subject Transfers were made to or for the benefit of the defendant, and each of them, without valuable consideration therefor at a time when the Receivership Defendants had existing creditors, including without limitation one or more of the Injured Consumers and the FTC, the Commonwealth of Kentucky, the State of Illinois and/or the State of North Carolina, and that the Subject Transfers are therefore void pursuant to and within the meaning of the Kentucky Fraudulent Transfer Act, Kentucky Revised Statutes § 378.020, as to those existing creditors.

66. Plaintiff is informed and believes and thereon alleges that the Subject Transfers are void as to creditors and purchasers from the Receivership Defendants arising after the Subject Transfers were made, including without limitation one or more of the Injured Consumers and the FTC, the Commonwealth of Kentucky, the State of Illinois and/or the State of North Carolina within the meaning of and pursuant to Kentucky Fraudulent Transfer Act, Kentucky Revised Statutes § 378.020.

67. By reason of the foregoing, pursuant to Kentucky Revised Statutes § 378.020, the Subject Transfers should be avoided, and Plaintiff is entitled to recover from the defendants, and each of them, as follows:

A. As to defendants Burrell, Chorost and Liger, jointly and severally, the sum of not less than \$525,620.83 and as to Burrell alone the sum of \$358,559.49, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry

of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

B. As to defendant Molina, the sum of not less than \$495,433.16 constituting the Molina Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

C. As to defendants Morales and Equipo, jointly and severally, the sum of not less than \$823,233.13 and as to Morales alone, the sum of not less than \$1,447,989.94 collectively constituting the Morales Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

D. As to defendant M. Nguyen, the sum of not less than \$395,062.48 constituting the M. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

E. As to defendants Q. Nguyen and Quang, jointly and severally, the sum of not less than \$81,581.15 and as to Q. Nguyen alone the sum of not less than \$538,825.88 collectively constituting the Q. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

F. As to defendant Vu, the sum of not less than \$324,980.61 constituting the Vu Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are

repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

G. As to defendants Waggoner and Globalcom, jointly and severally, the sum of not less than \$921,399.77 and as to Waggoner alone the sum of not less than \$105,303.15 collectively constituting the Waggoner Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment; and

H. As to defendant Chapa, the sum of not less than \$389,780.52 constituting the Chapa Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment.

THIRD CLAIM FOR RELIEF

(Turnover of Receivership Property – As to All Defendants)

68. Plaintiff repeats and re-alleges the allegations of paragraphs 1 through 59, inclusive, and by reference thereto, incorporates the same herein as though more fully set forth at length.

69. Plaintiff is informed and believes and thereon alleges that funds and assets comprising the Subject Transfers received by the defendant, and each of them, constitute transfers from the Receivership Defendants of ill-gotten gains and the proceeds of illegal and fraudulent activities obtained in violation of applicable law, including without limitation the FTC Act, and the FTC rules and regulations and applicable Kentucky state consumer protection laws.

70. The funds and payments comprising the Subject Transfers received by the defendants, and each of them, constitute property of the receivership estate which the defendants,

and each of them, are required to turn over to Plaintiff as the Receiver pursuant to the Receivership Orders.

71. There is now due and owing from the defendants, and each of them, the following:

A. As to defendants Burrell, Chorost and Liger, jointly and severally, the sum of not less than \$525,620.83 and as to Burrell alone the sum of \$358,559.49, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

B. As to defendant Molina, the sum of not less than \$495,433.16 constituting the Molina Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

C. As to defendants Morales and Equipo, jointly and severally, the sum of not less than \$823,233.13 and as to Morales alone, the sum of not less than \$1,447,989.94 collectively constituting the Morales Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

D. As to defendant M. Nguyen, the sum of not less than \$395,062.48 constituting the M. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

E. As to defendants Q. Nguyen and Quang, jointly and severally, the sum of not less than \$81,581.15 and as to Q. Nguyen alone the sum of not less than \$538,825.88 collectively constituting the Q. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

F. As to defendant Vu, the sum of not less than \$324,980.61 constituting the Vu Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

G. As to defendants Waggoner and Globalcom, jointly and severally, the sum of not less than \$921,399.77 and as to Waggoner alone the sum of not less than \$105,303.15 collectively constituting the Waggoner Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment; and

H. As to defendant Chapa, the sum of not less than \$389,780.52 constituting the Chapa Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment.

72. Defendants, and each them, wrongfully refuse to turn over said sums set forth in paragraph 70 to the receivership estate and the Plaintiff despite wrongfully obtaining said funds and despite Plaintiff's demand therefor.

FOURTH CLAIM FOR RELIEF

(Unjust Enrichment/Constructive Trust – As to All Defendants)

73. Plaintiff repeats and re-alleges the allegations of paragraphs 1 through 59, inclusive, and by reference thereto incorporates the same herein as though more fully set forth at length.

74. Plaintiff is informed and believes and thereon alleges that prior to the commencement of the receivership, the defendants, and each of them, received the Subject Transfers from the Receivership Defendants, and that the source of payment of the Subject Transfers were funds paid by Injured Consumers to the Receivership Defendants.

75. Plaintiff is informed and believes and thereon alleges that the funds transferred to defendant comprising the Subject Transfers as alleged hereinabove constitute ill-gotten gains and the proceeds of illegal and fraudulent activities obtained in violation of applicable law, including without limitation the FTC Act, the FTC rules and regulations and applicable Kentucky consumer protection statutes, which rightfully belong to the receivership estate for the benefit of the claimants against the receivership estate, including without limitation the Injured Consumers, the FTC, the Commonwealth of Kentucky, the State of Illinois and/or the State of North Carolina, and the retention of which would leave defendant unjustly enriched.

76. Plaintiff is informed and believes and thereon alleges that the defendants, and each of them, have retained the Subject Transfers which equity and good conscience demand should be returned to the Receiver on behalf of the receivership estate of the Receivership Defendants for payment to their creditors, despite Plaintiff's demand for return of the value of the Subject Transfers to the receivership estate.

77. Plaintiff is entitled to the imposition of a constructive trust against the defendants, and each of them, as follows:

A. For imposition of a constructive trust deeming that defendants Burrell, Chorost and Liger, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of

Plaintiff, the sum of not less than \$525,620.83 and as to Burrell the sum of not less than \$358,559.49, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

B. For imposition of a constructive trust deeming that defendant Molina is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$495,433.16 constituting the Molina Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

C. For imposition of a constructive trust deeming that defendants Morales and Equipo, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$823,233.13 and as to Morales alone the sum of not less than \$1,447,989.94 collectively constituting the Morales Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

D. For imposition of a constructive trust deeming that defendant M. Nguyen is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$395,062.48 constituting the M. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

E. For imposition of a constructive trust deeming that defendants Q. Nguyen and Quang, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$81,581.15 and as to Q. Nguyen alone the sum of not less than

\$538,825.88 collectively constituting the Q. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

F. For imposition of a constructive trust deeming that defendant Vu is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$324,980.61 constituting the Vu Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

G. For imposition of a constructive trust deeming that defendants Waggoner and Globalcom, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$921,399.77 and as to Waggoner alone the sum of not less than \$105,303.15 collectively constituting the Waggoner Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment; and

H. For imposition of a constructive trust deeming that defendant Chapa is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$389,780.52 constituting the Chapa Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment.

78. Defendants, and each of them, wrongfully refuse to turn over said sums to the receivership estate and the Plaintiff despite wrongfully obtaining said funds and despite Plaintiff's demand therefor.

FIFTH CLAIM FOR RELIEF

(Alter Ego – Piercing the Corporate Veil – As to Defendants Burrell, Chorost, Liger, Morales, Equipo, M. Nguyen, Q. Nguyen, Quang, Globalcom and Waggoner)

79. Plaintiff repeats and re-alleges the allegations of paragraphs 1 through 59, inclusive, and by reference thereto incorporates the same herein as though more fully set forth at length.

80. Plaintiff is informed and believes and thereon alleges that certain of the individual defendants as hereinafter set forth are the alter egos of certain of the corporate defendants which they own, dominate and control under the standards set forth by the Kentucky Supreme Court in *Inter-Tel Technologies, Inc. v. Linn Station Properties, LLC*, 360 S.W.3d 152 (Sup. Ct. Ky. 2012) and other decisions:

A. As to Burrell and Chorost, Plaintiff is informed and believes and thereon alleges that at all times relevant hereto Burrell and Chorost, and each of them, were and are the alter egos of defendant Liger in that, *inter alia* (1) Liger had grossly inadequate capital; (2) Liger was a shell company with no assets and no business operations and/or no employees other than Burrell and Chorost and as to which the sole purpose was to receive and transfer payments to or for the benefit of Burrell and Chorost; (3) Liger failed to observe formal legal requirements for the conduct of business of a corporation; (4) Liger, Burrell and Chorost disregarded the separate corporate existence of Liger; and (5) Liger was owned, dominated and controlled by Burrell and Chorost who operated Liger for their personal benefit;

B. As to Morales, Plaintiff is informed and believes and thereon alleges that at all times relevant hereto Morales was and is the alter ego of defendant Equipo in that, *inter alia* (1) Equipo had grossly inadequate capital; (2) Equipo was a shell company with no assets and no

business operations and/or employees other than Morales and as to which the sole purpose was to receive and transfer payments to or for the benefit of Morales; (3) Equipo failed to observe formal legal requirements for the conduct of business of a corporation; (4) Equipo and Morales disregarded the separate corporate existence of Equipo; and (5) Equipo was owned, dominated and controlled by Morales who operated Equipo for his personal benefit;

C. As to M. Nguyen, Plaintiff is informed and believes and thereon alleges that at all times relevant hereto M. Nguyen was and is the alter ego of the entity Fan in that, *inter alia* (1) Fan had grossly inadequate capital; (2) Fan was a shell company with no assets and no business operations and as to which the sole purpose was to receive and transfer payments to or for the benefit of M. Nguyen; (3) Fan failed to observe formal legal requirements for the conduct of business of a corporation; and (4) Fan and M. Nguyen disregarded the separate corporate existence of Fan;

D. As to Q. Nguyen, Plaintiff is informed and believes and thereon alleges that at all times relevant hereto Q. Nguyen was and is the alter ego of defendant Quang in that, *inter alia* (1) Quang had grossly inadequate capital; (2) Quang was a shell company with no assets and no business operations and/or employees other than Q. Nguyen and as to which the sole purpose was to receive and transfer payments to or for the benefit of Q. Nguyen; (3) Quang failed to observe formal legal requirements for the conduct of business of a corporation; (4) Quang and Q. Nguyen disregarded the separate corporate existence of Quang; and (5) Quang was owned, dominated and controlled by Q. Nguyen who operated Quang for his personal benefit; and

E. As to Waggoner, Plaintiff is informed and believes and thereon alleges that at all times relevant hereto Waggoner was and is the alter ego of defendant Globalcom in that, *inter alia* (1) Globalcom had grossly inadequate capital; (2) Globalcom was a shell company with no assets and no business operations and/or employees other than Waggoner and as to which the sole purpose was to receive and transfer payments to or for the benefit of Waggoner; (3) Globalcom failed to observe formal legal requirements for the conduct of business of a corporation; (4) Globalcom and Waggoner disregarded the separate corporate existence of

Globalcom; and (5) Globalcom was owned, dominated and controlled by Waggoner who operated Globalcom for his personal benefit.

81. Plaintiff contends that under the circumstances a judgment should be entered piercing the corporate veil of the following corporate defendants and relief granted against such corporate defendants and the individual defendants who are their alter egos as follows:

A. As to Burrell, Chorost and Liger, that Burrell and Chorost, and each of them, are the alter egos of Liger, that the facts and circumstances warrant the Court piercing the corporate veil of Liger and that Burrell and Chorost, and each of them, shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Liger;

B. As to Morales and Equipo, that Morales is the alter ego of Equipo, that the facts and circumstances warrant the Court piercing the corporate veil of Equipo and that Morales shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Equipo;

C. As to M. Nguyen, that M. Nguyen is the alter ego of Fan, that the facts and circumstances warrant the Court piercing the corporate veil of Fan and that M. Nguyen shall be personally liable for any and all of the M. Nguyen Transfers made to Fan by entry of a monetary and/or other judgment or relief as requested herein in favor of Plaintiff and against M. Nguyen based on the M. Nguyen Transfers, including those M. Nguyen Transfers that were paid to Fan;

D. As to Q. Nguyen and Quang, that Q. Nguyen is the alter ego of Quang, that the facts and circumstances warrant the Court piercing the corporate veil of Quang and that Q. Nguyen shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Quang; and

E. As to Globalcom and Waggoner, that Waggoner is the alter ego of Globalcom, that the facts and circumstances warrant the Court piercing the corporate veil of Globalcom and that Waggoner shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Globalcom.

WHEREFORE, Plaintiff prays for entry of judgment against defendants, and each of them, as follows:

1. AS TO THE FIRST, SECOND, and THIRD CLAIMS FOR RELIEF against the defendants, and each of them, as follows:

A. As to defendants Burrell, Chorost and Liger, jointly and severally, the sum of not less than \$525,620.83 and as to Burrell alone the sum of \$358,559.49, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

B. As to defendant Molina, the sum of not less than \$495,433.16 constituting the Molina Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

C. As to defendants Morales and Equipo, jointly and severally, the sum of not less than \$823,233.13 and as to Morales alone, the sum of not less than \$1,447,989.94 collectively constituting the Morales Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

D. As to defendant M. Nguyen, the sum of not less than \$395,062.48 constituting the M. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

E. As to defendants Q. Nguyen and Quang, jointly and severally, the sum of not less than \$81,581.15 and as to Q. Nguyen alone the sum of not less than \$538,825.88 collectively constituting the Q. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

F. As to defendant Vu, the sum of not less than \$324,980.61 constituting the Vu Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

G. As to defendants Waggoner and Globalcom, jointly and severally, the sum of not less than \$921,399.77 and as to Waggoner alone the sum of not less than \$105,303.15 collectively constituting the Waggoner Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment; and

H. As to defendant Chapa, the sum of not less than \$389,780.52 constituting the Chapa Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

2. AS TO THE FOURTH CLAIM FOR RELIEF against defendants, and each of them, as follows:

A. .For imposition of a constructive trust deeming that defendants Burrell, Chorost and Liger, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$525,620.83 and as to Burrell the sum of not less than

\$358,559.49, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

B. For imposition of a constructive trust deeming that defendant Molina is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$495,433.16 constituting the Molina Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

C. For imposition of a constructive trust deeming that defendants Morales and Equipo, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$823,233.13 and as to Morales alone the sum of not less than \$1,447,989.94 collectively constituting the Morales Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

D. For imposition of a constructive trust deeming that defendant M. Nguyen is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$395,062.48 constituting the M. Nguyen Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

E. For imposition of a constructive trust deeming that defendants Q. Nguyen and Quang, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$81,581.15 and as to Q. Nguyen alone the sum of not less than \$538,825.88 collectively constituting the Q. Nguyen Transfers, according to proof at trial or at

the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

F. For imposition of a constructive trust deeming that defendant Vu is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$324,980.61 constituting the Vu Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

G. For imposition of a constructive trust deeming that defendants Waggoner and Globalcom, jointly and severally, are deemed to hold, as constructive trustees, for the benefit of Plaintiff, the sum of not less than \$921,399.77 and as to Waggoner alone the sum of not less than \$105,303.15 collectively constituting the Waggoner Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment; and

H. For imposition of a constructive trust deeming that defendant Chapa is deemed to hold, as constructive trustee, for the benefit of Plaintiff, the sum of not less than \$389,780.52 constituting the Chapa Transfers, according to proof at trial or at the time of entry of judgment, plus interest thereon at the legal rate from the date of each payment or transfer until such payments or transfers are repaid to Plaintiff in full or date of entry of judgment, whichever occurs first, according to proof at trial or at the time of entry of judgment;

3. AS TO THE FIFTH CLAIM FOR RELIEF as to defendants Burrell, Chorost, Liger, Morales, Equipo, M. Nguyen, Q. Nguyen, Quang, Globalcom, and Waggoner:

A. As to Burrell, Chorost and Liger, that Burrell and Chorost, and each of them, are the alter egos of Liger, that the facts and circumstances warrant the Court piercing the corporate veil of Liger and that Burrell and Chorost, and each of them, shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Liger;

B. As to Morales and Equipo, that Morales is the alter ego of Equipo, that the facts and circumstances warrant the Court piercing the corporate veil of Equipo and that Morales shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Equipo;

C. As to M. Nguyen, that M. Nguyen is the alter ego of Fan, that the facts and circumstances warrant the Court piercing the corporate veil of Fan and that M. Nguyen shall be personally liable for any and all of the M. Nguyen Transfers made to Fan by entry of a monetary and/or other judgment or relief as requested herein in favor of Plaintiff and against M. Nguyen based on the M. Nguyen Transfers, including those M. Nguyen Transfers that were paid to Fan;

D. As to Q. Nguyen and Quang, that Q. Nguyen is the alter ego of Quang, that the facts and circumstances warrant the Court piercing the corporate veil of Quang and that Q. Nguyen shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Quang; and

E. As to Globalcom and Waggoner, that Waggoner is the alter ego of Globalcom, that the facts and circumstances warrant the Court piercing the corporate veil of Globalcom and that Waggoner shall be personally liable for any and all monetary or other judgment or relief granted herein in favor of Plaintiff and against Globalcom.

4. AS TO ALL CLAIMS FOR RELIEF:
 - A. For costs of suit herein incurred; and
 - B. For such other and further relief as this Court may deem just and proper.

DATED: August 11, 2014

McKENNA LONG & ALDRIDGE LLP

By: /s/ Gary Owen Caris
Gary Owen Caris (Cal. SBN 088918)
Lesley Anne Hawes (Cal. SBN 117101)
McKENNA LONG & ALDRIDGE LLP
300 S. Grand Avenue, 14th Floor
Los Angeles, CA 90071
Tel.: (213) 688-1000
Fax: (213) 243-6330
E-mail: gcaris@mckennalong.com;
E-mail: lhawes@mckennalong.com

DATED: August 11, 2014

WYATT, TARRANT & COMBS, LLP

By: /s/ Mary L. Fullington
Mary L Fullington (KY 85335)
WYATT, TARRANT & COMBS, LLP
250 West Main Street, Suite 1600
Lexington, Kentucky 40507-1746
Tel.: (859) 233-2012
Fax: (859) 259-0649
E-mail: Lexbankruptcy@wyattfirm.com

Attorneys for Plaintiff Robb Evans and Robb
Evans & Associates LLC as Receiver