

1 EDMUND G. BROWN JR.
Attorney General of California
2 BELINDA J. JOHNS, Senior
Assistant Attorney General
3 TANIA M. IBANEZ, Acting
Supervising Deputy Attorney General
4 SONJA K. BERNDT
Deputy Attorney General, State Bar No. 131358
5 300 South Spring Street, Suite 1702
Los Angeles, CA 90013
6 Telephone: (213) 897-2179
Fax: (213) 897-7605
7 E-mail: sonja.berndt@doj.ca.gov

8 Attorneys for Plaintiff, the People of the
State of California

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Los Angeles Superior Court

JAN 29 2009

John A. Clarke, Executive Officer/Clerk

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10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
BY: *John A. Clarke*
John A. Clarke, Deputy

11 COUNTY OF LOS ANGELES - CENTRAL DISTRICT

12
13 BC 106558

14 People of the State of California,

15 Plaintiff,

16 v.

17 FOREVER LIGHT FOUNDATION, a
California Nonprofit Public Benefit
18 Corporation; Oscar Chang; Joan Chang; Joshua
Chang aka Joshua Hsiungchun Chang;
19 Wellington Chiang aka Wellington Man-Ching
Chiang aka Wellington Man-Chang Chiang;
20 Esther Chen aka Esther Chen Diaz; Hsien-Chih
Chuang aka Hsien-Chung Chuang; W-
21 COLINE MANAGEMENT COMPANY aka
W-COLINE MANAGEMENT
22 CORPORATION, a Corporation; Re-FRAME,
INC., a Corporation; Ticor Title Company of
23 California, a Corporation; Investors Title
Company, a Corporation; The Mili Group, Inc.,
24 a Corporation; Seacliff Diagnostics Medical
Group, a Corporation; Columbia Sportswear
25 Company, a Corporation; Innovative Mortgage
Group, Inc., a Corporation; Cornerstone
26 Financial Solutions, Inc. dba Proliance
27 Financial & Insurance Solutions, a
28

Case No.

COMPLAINT

1. For Cancellation of Written Instruments
2. To Quiet Title
3. For Damages for Breach of Fiduciary Duty
4. For Damages for Making Illegal Loans and Distributions
5. For Damages for Self-Dealing Transactions
6. For Damages for Negligence
7. For Damages for Constructive Fraud
8. For Damages for Conspiracy to Defraud
9. For Damages for Aiding and Abetting a Breach of Fiduciary Duty
10. To Impose a Constructive Trust and an Order of Conveyance for Wrongful Retention of Property/Unjust Enrichment
11. To Set Aside Fraudulent Conveyance
12. And for an Accounting, an Injunction, Removal of Officers and Directors and Other Relief

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Corporation; Caretrans Freight Service, Inc., a Corporation; JC CORE CORP., a Corporation; Bazkin Inc., a Corporation; Vincent Chui Consulting Engineer, Inc., a Corporation; All Persons Unknown, Claiming Any Legal or Equitable Right, Title, Estate, Lien, or Interest in the Property Described in the Complaint Adverse to FOREVER LIGHT FOUNDATION's Title, or any Cloud on FOREVER LIGHT FOUNDATION's Title Thereto; and DOES 1 through 75, Inclusive,

Defendants.

1 Plaintiff, the People of the State of California, complain and allege as follows:

2 **General Allegations**

3 1. Plaintiff, the People of the State of California, includes members of the class of
4 charitable beneficiaries of Forever Light Foundation, a California nonprofit public benefit
5 corporation. The Attorney General, Edmund G. Brown Jr. (hereinafter “the Attorney General”),
6 who brings this action on plaintiff’s behalf, is the duly elected Attorney General of the State of
7 California and is charged with the general supervision of all charitable organizations within this
8 State and with the enforcement and supervision over trustees and fiduciaries who hold or control
9 property in trust for charitable and eleemosynary purposes. The Attorney General is authorized to
10 enforce, in the name of the People, the provisions of the Supervision of Trustees and Fundraisers
11 for Charitable Purposes Act (Gov. Code, § 12580 et seq.) and the Nonprofit Corporation Law
12 (Corp. Code, § 5000 et seq.).

13 2. At all times material herein, defendants and each of them have been transacting
14 business in the County of Los Angeles. The violations of law hereinafter described have been
15 and are now being carried out in part within said county and elsewhere.

16 3. In June 2002, defendant FOREVER LIGHT FOUNDATION (hereinafter
17 “FOREVER LIGHT”) was formally incorporated as a California nonprofit public benefit
18 corporation under its former name HAKKA FOUNDATION (hereinafter “HAKKA”).¹
19 FOREVER LIGHT’s principal place of business is located in the County of Los Angeles.
20 FOREVER LIGHT holds, and at all times material herein held, all of its assets in trust for
21 charitable purposes. In or around 2002, FOREVER LIGHT applied for and received an
22 exemption from taxation under section 23701f of the California Revenue and Taxation Code, and
23 section 501(c)(3) of the Internal Revenue Code of the United States. Pursuant to its original
24 Articles of Incorporation, FOREVER LIGHT’s charitable purposes included to promote the

25 ¹ HAKKA was re-named FOREVER LIGHT, effective February 21, 2007. The conduct
26 complained of in this Complaint occurred both before and after that date. In an attempt to avoid
27 confusion, plaintiff uses the designation HAKKA (FOREVER LIGHT) when relevant to events
28 that occurred prior to February 21, 2007. Plaintiff uses the designation HAKKA/FOREVER
LIGHT when relevant to the corporation as to events occurring both before and after February 21,
2007. There is only one corporation.

1 learning of English, Chinese, and Hakka; to facilitate understanding and harmony in the
2 community; to perpetuate and foster an appreciation of Hakka arts and culture; to provide
3 facilities and services to senior citizens; to assist the poor, distressed and underprivileged
4 (especially in the Hakka community); and to acquire by purchase or gift, such property whether
5 real or personal, to facilitate the foregoing purposes. Plaintiff names FOREVER LIGHT as a
6 defendant in this action for jurisdictional purposes and seeks no affirmative relief against it.

7 4. On or about February 21, 2007, FOREVER LIGHT's officers signed and submitted a
8 Certificate of Amendment of Articles of Incorporation to the Secretary of State changing the
9 name of the corporation to FOREVER LIGHT and modifying its charitable purposes to include
10 facilitating understanding and harmony in the community, and providing scholarships to those in
11 need of financial assistance.

12 5. Defendant OSCAR CHANG (hereinafter "OSCAR") is a resident of Los Angeles
13 County. At all times relevant herein, defendant OSCAR is, and was, an officer and/or director
14 and/or *de facto* officer and/or *de facto* director of HAKKA/FOREVER LIGHT and has owed
15 fiduciary duties of care and loyalty to HAKKA/FOREVER LIGHT and its charitable
16 beneficiaries. Defendant OSCAR is the son of defendants JOAN and JOSHUA.

17 6. Defendant JOAN CHANG (hereinafter "JOAN") is a resident of Los Angeles
18 County. At all times relevant herein, defendant JOAN is, and was, an officer and/or director
19 and/or *de facto* officer and/or *de facto* director of HAKKA/FOREVER LIGHT and has owed
20 fiduciary duties of care and loyalty to HAKKA/FOREVER LIGHT and its charitable
21 beneficiaries. At all times relevant herein, defendant JOAN is/was the wife of defendant
22 JOSHUA and she is the mother of defendant OSCAR.

23 7. Defendant JOSHUA CHANG aka JOSHUA HSIUNGCHUN CHANG (hereinafter
24 "JOSHUA") is a resident of Los Angeles County. At all times relevant herein, defendant
25 JOSHUA is, and was, an officer and/or director and/or *de facto* officer and/or *de facto* director of
26 HAKKA/FOREVER LIGHT and has owed fiduciary duties of care and loyalty to
27 HAKKA/FOREVER LIGHT and its charitable beneficiaries. At all times relevant herein,
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1 defendant JOSHUA was/is the husband of defendant JOAN and he is the father of defendant
2 OSCAR.

3 8. Defendant WELLINGTON CHIANG aka WELLINGTON MAN-CHING CHIANG
4 aka WELLINGTON MAN-CHANG CHIANG (hereinafter "WELLINGTON") is a resident of
5 Los Angeles County. At all times relevant herein, defendant WELLINGTON is, and was, an
6 officer and/or director and/or *de facto* officer and/or *de facto* director of HAKKA/FOREVER
7 LIGHT and has owed fiduciary duties of care and loyalty to HAKKA/FOREVER LIGHT and its
8 charitable beneficiaries.

9 9. Defendant ESTHER CHEN aka ESTHER CHEN DIAZ (hereinafter "ESTHER") is a
10 resident of Los Angeles County. At all times relevant herein, defendant ESTHER is, and was, an
11 officer and/or director and/or *de facto* officer and/or *de facto* director of HAKKA/FOREVER
12 LIGHT and has owed fiduciary duties of care and loyalty to HAKKA/FOREVER LIGHT and its
13 charitable beneficiaries.

14 10. Defendant HSIEN-CHIH CHUANG aka HSIEN-CHUNG CHUANG (hereinafter
15 "HSIEN") is a resident of Los Angeles County. At all times relevant herein, defendant HSIEN
16 was, and is, an officer and/or director of defendant Re-FRAME, INC. and/or *de facto* officer
17 and/or *de facto* director and a principal of that corporation. On information and belief, defendant
18 HSIEN has a familial relationship with one or more of the other individual defendants.

19 11. Defendant W-COLINE MANAGEMENT COMPANY aka W-COLINE
20 MANAGEMENT CORPORATION (hereinafter "W-COLINE") is a California corporation
21 formed under California's General Corporation Law. W-COLINE was incorporated on or about
22 June 16, 2006, and its principal place of business is in Los Angeles County.

23 12. According to tax documents filed by W-COLINE, defendants JOAN and JOSHUA
24 are each 50 percent owners of W-COLINE. On information and belief plaintiff alleges that, at all
25 times relevant herein, defendants JOAN and JOSHUA were and are directors and/or officers
26 and/or *de facto* officers and/or *de facto* directors of W-COLINE. Plaintiff is informed and
27 believes and thereon alleges that defendants OSCAR and WELLINGTON and DOES 1 through
28 75 also have a material financial interest in W-COLINE.

1 13. There exists, and at all times relevant herein there existed, a unity of interest and
2 ownership between defendants JOAN, JOSHUA, OSCAR, WELLINGTON and DOES 1 through
3 75 and defendant W-COLINE, such that any individuality and separateness between defendants
4 JOAN, JOSHUA, OSCAR, WELLINGTON and DOES 1 through 75 and defendant W-COLINE
5 have ceased, and defendant W-COLINE is the alter ego of defendants JOAN, JOSHUA, OSCAR,
6 WELLINGTON and DOES 1 through 75. W-COLINE was and is a mere shell and sham without
7 adequate capital or assets. The aforementioned individual defendants have used assets of the
8 corporation for their personal use and caused corporate assets to be transferred to them without
9 adequate consideration and the activities and business of W-COLINE were carried out without
10 the observance of corporate formalities. Adherence to the fiction of the separate existence of W-
11 COLINE as an entity distinct from defendants JOAN, JOSHUA, OSCAR, WELLINGTON and
12 DOES 1 through 75 would permit an abuse of the corporate privilege and would sanction fraud
13 and promote injustice in that the aforementioned individual defendants used W-COLINE and
14 other entities to perpetrate a fraud on HAKKA/FOREVER LIGHT -- the improper and illegal
15 transfer of HAKKA/FOREVER LIGHT's most valued asset, a multimillion-dollar office
16 building, to W-COLINE for minimal or no consideration.

17 14. Defendant Re-FRAME, INC. (hereinafter "RE-FRAME") is a California corporation
18 formed under California's General Corporation Law. RE-FRAME was incorporated on or about
19 December 3, 2007, and its principal place of business is in Los Angeles County.

20 15. Defendant Ticor Title Company of California (hereinafter "TICOR") is a California
21 corporation doing business in California. TICOR is sued in this action solely in its capacity as
22 trustee under a trust deed in which defendant RE-FRAME transferred title to property located at
23 2100 Saturn in the City of Monterey Park, California to TICOR for defendant W-COLINE, the
24 beneficiary. That trust deed is one of the subjects of this action. Plaintiff names TICOR only in
25 the Quiet Title cause of action of this Complaint and seeks no monetary relief from it.

26 16. Defendant Investors Title Company (hereinafter "INVESTORS") is a California
27 corporation doing business in California. INVESTORS is sued in this action solely in its capacity
28 as trustee under a trust deed in which defendant W-COLINE transferred title to property located

1 at 2100 Saturn in the City of Monterey Park, California to INVESTORS for defendant
2 FOREVER LIGHT, the beneficiary. That trust deed is one of the subjects of this action. Plaintiff
3 names INVESTORS only in the Quiet Title cause of action of this Complaint and seeks no
4 monetary relief from it.

5 17. Defendant The Mili Group, Inc. (hereinafter "MILI GROUP") is a California
6 corporation formed under California's General Corporation Law. MILI GROUP was
7 incorporated on or about May 9, 2002, and its principal place of business is in San Jose,
8 California. Plaintiff is informed and believes and thereon alleges that MILI GROUP claims an
9 interest in the property at issue in this case, "2100 SATURN," by virtue of its lease of one of the
10 offices on the property.

11 18. Defendant Seacliff Diagnostics Medical Group. (hereinafter "SEACLIFF") is a
12 California corporation formed under California's General Corporation Law. SEACLIFF was
13 incorporated on or about August 6, 2003, and its principal place of business is in Los Angeles
14 County. Plaintiff is informed and believes and thereon alleges that SEACLIFF claims an interest
15 in the property at issue in this case, "2100 SATURN," by virtue of its lease of an office(s) on the
16 property.

17 19. Defendant Columbia Sportswear Company (hereinafter "COLUMBIA") is a foreign
18 corporation doing business in California, with its principal place of business in Portland, Oregon.
19 Plaintiff is informed and believes and thereon alleges that COLUMBIA claims an interest in the
20 property at issue in this case, "2100 SATURN," by virtue of its lease of an office(s) on the
21 property

22 20. Defendant Innovative Mortgage Group, Inc. (hereinafter "INNOVATIVE") is a
23 California corporation formed under California's General Corporation Law. INNOVATIVE was
24 incorporated on or about December 15, 2006, and its principal place of business is in Los Angeles
25 County. Plaintiff is informed and believes and thereon alleges that INNOVATIVE has an interest
26 in the property at issue in this case, "2100 SATURN," by virtue of its lease of one of the offices
27 on the property.

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1 21. Defendant Cornerstone Financial Solutions, Inc., dba Proliance Financial & Insurance
2 Solutions (hereinafter "PROLIANCE") is a California corporation formed under California's
3 General Corporation Law. PROLIANCE, has its principal place of business in Los Angeles
4 County. Plaintiff is informed and believes and thereon alleges that PROLIANCE claims an
5 interest in the property at issue in this case, "2100 SATURN," by virtue of its lease of one of the
6 offices on the property.

7 22. Defendant Caretrans Freight Service, Inc. (hereinafter "CARETRANS") is a
8 California corporation formed under California's General Corporation Law. CARETRANS was
9 incorporated on or about February 15, 1995, and its principal place of business is in Los Angeles
10 County. Plaintiff is informed and believes and thereon alleges that CARETRANS claims an
11 interest in the property at issue in this case, "2100 SATURN," by virtue of its lease of an office(s)
12 on the property.

13 23. Defendant JC CORE, CORP. (hereinafter "JC CORE") is a California corporation
14 formed under California's General Corporation Law. JC CORE was incorporated by defendant
15 JOSHUA on or about April 4, 2006, and its principal place of business is in Los Angeles County.
16 Plaintiff is informed and believes and thereon alleges that JC CORE claims an interest in the
17 property at issue in this case, "2100 SATURN," by virtue of its lease of an office(s) on the
18 property.

19 24. Defendant Bazkin Inc. (hereinafter "BAZKIN") is a California corporation formed
20 under California's General Corporation Law. BAZKIN was incorporated on or about June 29,
21 2004, and its principal place of business is in Los Angeles County. Plaintiff is informed and
22 believes and thereon alleges that BAZKIN claims an interest in the property at issue in this case,
23 "2100 SATURN," by virtue of its lease of one of the offices on the property.

24 25. Defendant Vincent Chui Consulting Engineer, Inc. (hereinafter "CHUI
25 CONSULTING") is a California corporation formed under California's General Corporation
26 Law. CHUI CONSULTING was incorporated on or about October 4, 2006, and its principal
27 place of business is in Los Angeles County. Plaintiff is informed and believes and thereon alleges
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1 that CHUI CONSULTING claims an interest in the property at issue in this case, "2100
2 SATURN," by virtue of its lease of one of the offices on the property.

3 26. The defendants herein named "all persons unknown, claiming any legal or equitable
4 right, title, estate, lien, or interest in the property described in the complaint adverse to
5 FOREVER LIGHT FOUNDATION's title, or any cloud on FOREVER LIGHT
6 FOUNDATION's title thereto" (hereinafter "the UNKNOWN DEFENDANTS") are unknown to
7 plaintiff. These UNKNOWN DEFENDANTS, and each of them, claim some right, title, estate,
8 lien, or interest in the hereinafter-described property adverse to FOREVER LIGHT's title; and
9 their claims, and each of them, constitute a cloud on FOREVER LIGHT's title to that property.

10 27. Defendants DOES 1 through 75 are named as fictitious defendants who have
11 participated with or acted in concert with one or more of the defendants, or who have acted on
12 behalf of or as agents, servants or employees of one or more of the defendants named herein, but
13 whose true names and capacities, whether individual, corporate, or otherwise, are presently
14 unknown to plaintiff. Plaintiff is informed and believes and thereon alleges that defendants
15 DOES 1 through 75 have directly or indirectly participated in and are responsible for the acts and
16 omissions that are more specifically described herein and plaintiff's damages as alleged herein
17 were proximately caused by such defendants. Because plaintiff is presently uninformed as to the
18 true names and capacities of defendants DOES 1 through 75, plaintiff sues them herein by
19 fictitious names, but will seek leave to amend this complaint when their true names and capacities
20 are discovered.

21 28. The named individual defendants and defendants DOES 1 through 75 have
22 committed and continue to commit the breaches of fiduciary duty, violations of trust, violations of
23 law and other wrongful acts as alleged hereafter in the Complaint. In order to preserve charitable
24 assets and to prevent waste, dissipation and loss of charitable assets in this State to the irreparable
25 damage of plaintiff, it is necessary that the requested injunctive relief and the appointment of a
26 receiver and/or director(s) herein prayed for be granted.

27 29. The actions and omissions upon which the causes of action alleged in this Complaint
28 are based occurred on or after February 13, 2006. Plaintiff and the Attorney General did not have

1 knowledge or information of the facts and circumstances underlying these causes of action prior
2 to February 13, 2008, did not discover them prior to that date, and could not in the exercise of
3 reasonable diligence have discovered them prior to that date.

4 **FIRST CAUSE OF ACTION**

5 **For Cancellation of Written Instruments**

6 **(Against Defendants OSCAR, JOAN, JOSHUA, WELLINGTON, W-COLINE,**
7 **HSIEN, RE-FRAME, and DOES 1 through 75)**

8 30. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
9 of the allegations of paragraphs 1 through 29 of the Complaint.

10 31. Each of the written instruments described below in this cause of action was executed
11 in Los Angeles County, California. The real property to which all of the written instruments
12 sought to be canceled relates is situated in Los Angeles County.

13 **A. Transfer of 2100 SATURN to HAKKA (FOREVER LIGHT)**

14 32. On or about October 7, 2004, Jing-Chein Jiang (defendant WELLINGTON's
15 adoptive father) (hereinafter "Jing Jiang"), through Jing Jiang's company Amson Investment
16 Company, LLC, donated to HAKKA (FOREVER LIGHT) the following described real property:
17 Parcel 1 of Parcel Map No. 16461 in the City of Monterey Park, County of Los Angeles, State of
18 California, as per map filed in Book 173 Pages 43 and 44 of Parcel Maps in the Office of the
19 Recorder of Los Angeles County, also known as APN No. 5265-026-055, and commonly referred
20 to as 2100 Saturn Street, Monterey Park, California (hereinafter "2100 SATURN"). On that
21 property was a newly constructed office building. Plaintiff is informed and believes that the
22 estimated value of 2100 SATURN at that time was approximately \$3.3 million. Plaintiff is
23 further informed and believes that Jing Jiang, through Amson Investment Company, LLC, also
24 donated approximately \$1 million to HAKKA (FOREVER LIGHT) at that time to be used to
25 finish the interior construction of the office building. Plaintiff is informed and believes that Jing
26 Jiang intended that HAKKA (FOREVER LIGHT) would use a portion of the building to conduct
27 community activities in furtherance of its charitable purposes and the remainder of the building
28 (individual offices) would be leased to provide income to fund HAKKA's (FOREVER LIGHT's)

1 charitable activities. The grant deed transferring 2100 SATURN to HAKKA (FOREVER
2 LIGHT) was recorded on November 22, 2004. Plaintiff is informed and believes and thereon
3 alleges that there were no encumbrances on the property at that time and that HAKKA
4 (FOREVER LIGHT) acquired 2100 SATURN “free and clear.”

5 33. Plaintiff is informed and believes and thereon alleges that prior to August 2006,
6 HAKKA (FOREVER LIGHT) completed the construction of the office building at 2100
7 SATURN and commenced conducting community activities there. The portion of the building
8 unused by HAKKA (FOREVER LIGHT) was finished and ready for leasing.

9 **B. Transfer of 2100 SATURN from HAKKA (FOREVER LIGHT) to W-COLINE**

10 34. On or about August 28, 2006, defendant WELLINGTON, purportedly on behalf of
11 HAKKA (FOREVER LIGHT), executed a Grant Deed (hereinafter “Grant Deed #1”) conveying
12 2100 SATURN to defendant W-COLINE. The form and contents of Grant Deed #1 are as set out
13 in the true and correct copy of it which is attached to this Complaint as Exhibit A and
14 incorporated by reference herein. Grant Deed #1 was recorded in the Los Angeles County
15 Recorder’s Office on September 25, 2006, and is in the possession, custody, or control of
16 defendants JOAN, JOSHUA, OSCAR, WELLINGTON, and/or W-COLINE.

17 35. Plaintiff is informed and believes and thereon alleges that the sales price W-COLINE
18 agreed to pay HAKKA (FOREVER LIGHT) for 2100 SATURN was \$5.2 million.

19 36. On or about August 28, 2006, defendant JOSHUA, on behalf of W-COLINE,
20 executed a document entitled “Long Form Deed of Trust and Assignment of Rents (Individual)”
21 (hereinafter “Deed of Trust #1”). The form and contents of Deed of Trust #1 are as set out in the
22 true and correct copy of it which is attached to this Complaint as Exhibit B and incorporated
23 herein by reference. Deed of Trust #1 was recorded in the Los Angeles County Recorder’s Office
24 on September 25, 2006, and is in the possession, custody, or control of defendants JOAN,
25 JOSHUA, OSCAR, WELLINGTON, and/or W-COLINE. In Deed of Trust #1, defendant
26 JOSHUA, on behalf of W-COLINE, conveyed title to 2100 SATURN to Stewart Title of
27 California, Inc. as trustee for HAKKA (FOREVER LIGHT), the beneficiary, to secure payment
28 of a loan W-COLINE purportedly received from HAKKA (FOREVER LIGHT), in the principal

1 amount of \$5.044 million – almost the entire purchase price W-COLINE agreed to pay to acquire
2 2100 SATURN.

3 37. Plaintiff alleges on information and belief that, on or about July 20, 2006, defendants
4 JOAN, JOSHUA, OSCAR, and WELLINGTON, and DOES 1 through 75, on behalf of W-
5 COLINE, caused to be executed a promissory note the terms of which included a provision that
6 W-COLINE would re-pay HAKKA (FOREVER LIGHT) the \$5.044 million it used to purchase
7 2100 SATURN (hereinafter “Promissory Note #1”). Plaintiff has never seen Promissory Note #1,
8 which is referenced in Deed of Trust #1, and it may not exist. W-COLINE, OSCAR, JOAN,
9 JOSHUA, WELLINGTON, and DOES 1 through 75 may have simply caused 2100 SATURN to
10 be transferred from HAKKA (FOREVER LIGHT) to W-COLINE without any loan or security at
11 all. To the extent Promissory Note #1 exists, it was executed to enable W-COLINE to obtain title
12 and possession to 2100 SATURN and the note is in the possession, custody, or control of
13 defendants OSCAR, JOAN, JOSHUA, WELLINGTON, and/or W-COLINE.

14 38. Plaintiff is informed and believes and thereon alleges that at least as of September
15 2006, defendants W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through
16 75 had entered into actual possession of 2100 SATURN and at least since that time have been in
17 continuous possession of 2100 SATURN and have received the rents and profits derived from
18 that property.

19 39. Plaintiff is informed and believes and thereon alleges that few if any payments were
20 ever made on W-COLINE’s \$5.044 million loan from HAKKA (FOREVER LIGHT) and it was
21 never paid off.

22 40. However, on or about September 26, 2007, defendant WELLINGTON, purportedly
23 on behalf of HAKKA (FOREVER LIGHT), executed a document entitled “Substitution of
24 Trustee and Full Reconveyance” which provided that HAKKA was substituted as trustee under
25 Deed of Trust #1, and HAKKA reconveyed title to 2100 SATURN to W-COLINE (hereinafter
26 “Reconveyance #1). The form and contents of Reconveyance #1 are as set out in the true and
27 correct copy of it which is attached to this Complaint as Exhibit C and incorporated herein by
28 reference. Reconveyance #1 was recorded in the Los Angeles County Recorder’s Office on or

1 about October 17, 2007, and is in the possession, custody, or control of defendants JOAN,
2 JOSHUA, OSCAR, WELLINGTON, and/or W-COLINE.

3 41. On or about September 26, 2007, defendant JOSHUA, purportedly on behalf of
4 defendant W-COLINE, executed a document entitled "Deed of Trust with Assignment of Rents
5 (Short Form)" (hereinafter "Deed of Trust #2"). The form and contents of Deed of Trust #2 are
6 as set out in the true and correct copy of it which is attached to this complaint as Exhibit D and
7 incorporated herein by reference. Deed of Trust #2 was recorded in the Los Angeles County
8 Recorder's Office on or about October 17, 2007, and is in the possession, custody, or control of
9 defendants JOAN, JOSHUA, OSCAR, WELLINGTON, and/or W-COLINE. In Deed of Trust
10 #2, defendant JOSHUA, purportedly on behalf of defendant W-COLINE, conveyed title to 2100
11 SATURN to Investors Title Company as trustee for FOREVER LIGHT, the beneficiary, to secure
12 payment of a loan W-COLINE purportedly received from FOREVER LIGHT in the principal
13 sum of \$4.3 million.

14 42. Plaintiff alleges on information and belief that, on or about September 26, 2007,
15 defendants JOAN, JOSHUA, OSCAR, WELLINGTON, and DOES 1 through 75, on behalf of
16 W-COLINE, caused to be executed a promissory note the terms of which included a provision
17 that W-COLINE would re-pay FOREVER LIGHT the \$4.3 million W-COLINE borrowed from it
18 (hereinafter "Promissory Note #2"). Plaintiff has never seen Promissory Note #2 and it may not
19 exist. To the extent it exists, it is in the possession, custody, or control of defendants OSCAR,
20 JOAN, JOSHUA, WELLINGTON, and/or W-COLINE.

21 43. Plaintiff is informed and believes and thereon alleges that few or no payments were
22 ever made on W-COLINE's \$4.3 million loan from FOREVER LIGHT and it was never paid off.

23 44. Grant Deed #1, Deed of Trust #1, Deed of Trust #2, Promissory Note #1, Promissory
24 Note #2 and Reconveyance #1 are all void and/or voidable for the following reasons:

25 a. At the time 2100 SATURN was transferred to W-COLINE, it constituted
26 substantially all of HAKKA's (FOREVER LIGHT's) assets within the meaning of
27 Corporations Code section 5911. In violation of Corporations Code section 5913, the
28 Attorney General was given no prior notice of the transfer by the defendants.

1 b. At the time 2100 SATURN was transferred to W-COLINE, defendants OSCAR,
2 JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 were officers and/or directors
3 and/or *de facto* officers and/or *de facto* directors of HAKKA (FOREVER LIGHT). At that
4 same time, defendants JOAN and JOSHUA were also principal shareholders of W-
5 COLINE and had a material financial interest in the transaction. On information and belief,
6 defendants OSCAR and WELLINGTON and DOES 1 through 75 also had a material
7 financial interest in W-COLINE when 2100 SATURN was transferred to W-COLINE and,
8 thus, had a material financial interest in the transaction. Given these facts, the transfer of
9 2100 SATURN from HAKKA (FOREVER LIGHT) to W-COLINE constituted a self-
10 dealing transaction within the meaning of Corporations Code section 5233 and none of the
11 exceptions set forth therein are applicable. Defendants JOAN, JOSHUA, OSCAR,
12 WELLINGTON, and DOES 1 through 75 failed to obtain pre-approval of the self-dealing
13 transaction from the Attorney General of California and failed to follow any of the
14 procedures for approving self-dealing transactions set forth in Corporations Code section
15 5233. The transaction was not fair and reasonable to HAKKA (FOREVER LIGHT) at the
16 time it entered into the transaction.

17 c. The loans to W-COLINE referenced in Deed of Trust #1 and Deed of Trust #2 which
18 were secured by 2100 SATURN, were made in violation of Corporations Code section
19 5236. At the time the loans were made, defendants OSCAR, JOAN, JOSHUA,
20 WELLINGTON, and DOES 1 through 75 were officers and/or directors of
21 HAKKA/FOREVER LIGHT and/or *de facto* officers and/or *de facto* directors of
22 HAKKA/FOREVER LIGHT and also had a material financial interest in W-COLINE. The
23 loans were not pre-approved by the Attorney General of California and were not fair and
24 reasonable to HAKKA/FOREVER LIGHT.

25 d. Plaintiff is informed and believes and thereon alleges that the transfer/conveyance of
26 2100 SATURN from HAKKA/FOREVER LIGHT to W-COLINE involved fraud on the
27 part of defendants W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1
28 through 75. At the time 2100 SATURN was transferred from HAKKA (FOREVER

1 LIGHT) to W-COLINE in 2006, these defendants intended that W-COLINE would not re-
2 pay its \$5.044 million loan from HAKKA (FOREVER LIGHT) used to purchase 2100
3 SATURN. Instead, defendants OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1
4 through 75, all fiduciaries of HAKKA (FOREVER LIGHT), conspired to improperly divert
5 2100 SATURN and all of its rental income and profits from HAKKA (FOREVER LIGHT)
6 to W-COLINE -- all to the material financial advantage of these individual defendants.
7 Plaintiff alleges on information and belief that W-COLINE has made few or no payments
8 on the loan. The fraud of defendants OSCAR, JOAN, JOSHUA, WELLINGTON, and
9 DOES 1 through 75 continued in 2007 when HAKKA (FOREVER LIGHT) purportedly re-
10 conveyed title to 2100 SATURN to W-COLINE even though few or no payments were ever
11 made on the \$5.044 million loan. When W-COLINE subsequently obtained the \$4.3
12 million loan from FOREVER LIGHT secured by 2100 SATURN, defendants OSCAR,
13 JOAN, JOSHUA, WELLINGTON and DOES 1 through 75 intended that W-COLINE
14 would not re-pay the loan. Instead, these defendants, all fiduciaries of FOREVER LIGHT,
15 conspired to improperly divert 2100 SATURN, and all of its rental income and profits from
16 FOREVER LIGHT to W-COLINE -- all to the material financial benefit of defendants
17 OSCAR, JOAN, JOSHUA WELLINGTON, W-COLINE, and DOES 1 through 75.

18 e. There was a failure of consideration for the 2006 transfer of title of 2100 SATURN
19 from HAKKA (FOREVER LIGHT) to W-COLINE and failure of consideration connected
20 to Deed of Trust #1, Deed of Trust #2, and Reconveyance #1. Plaintiff is informed and
21 believes and thereon alleges that few or no payments were made on either the \$5.044 loan
22 or the \$4.3 loan HAKKA/FOREVER LIGHT purportedly made to W-COLINE. Instead
23 defendants OSCAR, JOAN, JOSHUA, WELLINGTON, W-COLINE, and DOES 1 through
24 75 caused 2100 SATURN to be improperly and unlawfully diverted from
25 HAKKA/FOREVER LIGHT for only a very small fraction of the property's substantial
26 value.

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1 **C. Transfer of 2100 SATURN from W-COLINE to RE-FRAME**

2 45. On or about November 20, 2008, defendant JOSHUA, purportedly on behalf of W-
3 COLINE, executed a Grant Deed (hereinafter "Grant Deed #2") conveying 2100 SATURN to
4 defendant RE-FRAME. The form and contents of Grant Deed #2 are as set out in the true and
5 correct copy of it which is attached to this Complaint as Exhibit E and incorporated by reference
6 herein. Grant Deed #2 was recorded in the Los Angeles County Recorder's Office on or about
7 November 26, 2008, and is also in the possession, custody, or control of defendants OSCAR
8 JOAN, JOSHUA, WELLINGTON, HSIEN, and/or RE-FRAME.

9 46. On or about November 20, 2008, defendant HSIEN (who plaintiff is informed and
10 believes is a relative of defendants OSCAR, JOAN and/or JOSHUA), purportedly on behalf of
11 defendant RE-FRAME, executed a document entitled "Short Form Deed of Trust and Assignment
12 of Rents" (hereinafter "Deed of Trust #3"). The form and contents of Deed of Trust #3 are as set
13 out in the true and correct copy of it which is attached to this Complaint as Exhibit F and
14 incorporated herein by reference. Deed of Trust #3 was recorded in the Los Angeles County
15 Recorder's Office on November 26, 2008, and is in the possession, custody, or control of
16 defendants OSCAR JOAN, JOSHUA, WELLINGTON, HSIEN, and/or RE-FRAME. In Deed of
17 Trust #3, defendant HSIEN, purportedly on behalf of RE-FRAME, conveyed title to 2100
18 SATURN to defendant TICOR as trustee for defendant W-COLINE, the beneficiary, to secure
19 payment of a loan RE-FRAME purportedly received from W-COLINE in the principal amount of
20 \$3.4 million.

21 47. Plaintiff is informed and believes and thereon alleges that, in connection with the \$3.4
22 million loan RE-FRAME obtained from W-COLINE to purchase 2100 SATURN, defendant
23 HSIEN, on behalf of RE-FRAME, executed a promissory note the terms of which included a
24 provision that RE-FRAME would re-pay W-COLINE the \$3.4 million it borrowed from W-
25 COLINE (hereinafter Promissory Note #3"). Plaintiff has never seen Promissory Note #3 and it
26 may not exist. To the extent it exists, it is in the possession, custody, or control of defendants
27 OSCAR, JOAN, JOSHUA, WELLINGTON, HSIEN, and/or RE-FRAME.

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1 48. Grant Deed #2, Deed of Trust #3, and Promissory Note #3 are all void and/or
2 voidable for the following reasons:

3 a. At the time W-COLINE conveyed 2100 SATURN to RE-FRAME, the property was
4 encumbered with a Deed of Trust or Deeds of Trust in connection with the loans W-
5 COLINE received from HAKKA/FOREVER LIGHT and those loans had not been paid off.
6 Few or no payments had been made on either loan. Defendants OSCAR, JOAN, JOSHUA,
7 WELLINGTON, and DOES 1 through 75, all fiduciaries of HAKKA/FOREVER LIGHT,
8 failed to cause the charity to take any action to preserve the charity's interests upon the
9 default of W-COLINE to re-pay those loans. Defendants HSIEN, RE-FRAME, and DOES
10 1 through 75 aided and abetted that breach of fiduciary duty by causing title to be
11 transferred to RE-FRAME. Defendants HSIEN, RE-FRAME, and DOES 1 through 75 had
12 actual or constructive notice of the encumbrances on 2100 SATURN at the time the
13 property was transferred to RE-FRAME. Thus, HSIEN, RE-FRAME, and DOES 1 through
14 75 are not bona fide purchasers for value as to 2100 SATURN.

15 b. On information and belief, the transfer of 2100 SATURN from W-COLINE to RE-
16 FRAME involved a scheme on the part of defendants OSCAR, JOAN, JOSHUA,
17 WELLINGTON, HSIEN, W-COLINE, RE-FRAME, and DOES 1 through 75 to defraud
18 FOREVER LIGHT and improperly and unlawfully divert its substantial charitable asset,
19 2100 SATURN, from the charity without payment of adequate consideration, all to the
20 material financial benefit of the defendants named in this cause of action and DOES 1
21 through 75.

22 c. Grant Deed #2, Deed of Trust #3 and Promissory Note #3 are all void or voidable
23 because Grant Deed #1, Deeds of Trust ##1 and 2, Reconveyance #1 and Promissory Notes
24 ##1 and 2 are void and/or voidable, and HSIEN, RE-FRAME, and DOES 1 through 75 are
25 not bona fide purchasers for value.

26 49. The written instruments sought to be cancelled in this cause of action should be
27 cancelled and plaintiff is entitled to attorney fees. If the written instruments are not canceled,
28 FOREVER LIGHT and plaintiff, its charitable beneficiaries, will be deprived of title and

1 possession of 2100 SATURN, will be deprived of the means by which to accomplish FOREVER
2 LIGHT'S charitable activities in the community and deprived of the rental income from the
3 property to further its charitable purposes. Furthermore, if the instruments are not canceled, the
4 intent of the donors in donating 2100 SATURN to HAKKA (FOREVER LIGHT) will be
5 completely frustrated.

6 50. To the extent HAKKA/FOREVER LIGHT obtained anything of value from the
7 transactions underlying this cause of action, the damages HAKKA/FOREVER LIGHT sustained
8 as a result of defendants' conduct far exceed such benefit. However, to the extent
9 HAKKA's/FOREVER LIGHT's benefits, if any, from these transactions exceed its damages,
10 such benefit will be restored to defendants.

11 51. As a proximate result of defendants' conduct as alleged in this cause of action,
12 HAKKA/FOREVER LIGHT was denied the rental income and profits of 2100 SATURN from at
13 least the date W-COLINE was first in actual possession of the property. Further,
14 HAKKA/FOREVER LIGHT was forced to pay rent to W-COLINE or its agent for office space at
15 2100 SATURN, even though the charity conducted virtually no activities. FOREVER LIGHT
16 and plaintiff, the charitable beneficiaries of FOREVER LIGHT, have been damaged thereby in an
17 amount unknown to plaintiff, but exceeding \$600,000 over and above the value of 2100
18 SATURN.

19 52. In doing the acts alleged in this cause of action, defendants and each of them acted in
20 callous disregard of the rights of HAKKA/FOREVER LIGHT and its charity beneficiaries,
21 knowing that their conduct was substantially certain to injure the charity. In doing the acts
22 alleged in this cause of action, defendants and each of them engaged in fraudulent, oppressive and
23 malicious conduct and plaintiff is therefore entitled to an award of punitive damages in an amount
24 to be decided at the time of trial.

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1 Deeds ## 1 and 2, Deeds of Trust ## 1, 2 and 3, Promissory Notes ## 1, 2, and 3 and
2 Reconveyance #1.

3 d. Defendant TICOR claims an interest in 2100 SATURN adverse to FOREVER
4 LIGHT solely in its capacity as trustee in Deed of Trust #3, which encumbers 2100
5 SATURN. Plaintiff denies that Deed of Trust #3 is valid or enforceable.

6 e. Defendant INVESTORS claims an interest in 2100 SATURN adverse to FOREVER
7 LIGHT solely in its capacity as trustee in Deed of Trust #2, which encumbers 2100
8 SATURN. Plaintiff seeks to cancel Deed of Trust #2 in this action and claims that
9 FOREVER LIGHT is the lawful owner of 2100 SATURN with no encumbrances.

10 f. Plaintiff is informed and believes and thereon alleges that defendants MILI GROUP,
11 SEACLIFF, COLUMBIA, INNOVATIVE, PROLIANCE, CARETRANS, JC CORE,
12 BAZKIN, and CHUI CONSULTING each also claim leasehold interests in 2100 SATURN
13 by virtue of their leases of offices on the property. Plaintiff lacks sufficient information
14 upon which to admit or deny the validity of any adverse claim based upon the leasehold
15 interests of these defendants in 2100 SATURN.

16 g. The UNKNOWN DEFENDANTS claim some right, title, estate, lien, or interest in
17 2100 SATURN adverse to FOREVER LIGHT's title; and their claims, and each of them,
18 constitute a cloud on FOREVER LIGHT's title to that property. Plaintiff denies those
19 claims.

20 57. Plaintiff seeks to quiet title as of the date of filing this Complaint and is entitled to
21 payment of its attorney fees in this action.

22 58. Except as to the leasehold claims, the claims of defendants are without any right
23 whatever and such defendants have no right, title, estate, lien or interest whatever in 2100
24 SATURN or any part thereof. As to the leasehold claims, plaintiff lacks sufficient information to
25 admit or deny those claims.

26 59. To the extent FOREVER LIGHT obtained anything of value from the transactions
27 underlying this cause of action, the damages it sustained as a result of defendants' conduct exceed
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1 such benefit. However, to the extent FOREVER LIGHT received any benefit and it exceeds
2 FOREVER LIGHT's (and thus plaintiff's) damages, such benefit will be restored to defendants.

3 **THIRD CAUSE OF ACTION**

4 **For Damages for Breach of Fiduciary Duty**

5 **(Against Defendants OSCAR, JOAN, JOSHUA,**

6 **WELLINGTON, ESTHER, and DOES 1 through 75)**

7 60. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
8 of the allegations of paragraphs 1 through 59 of this Complaint.

9 61. Plaintiff is informed and believes and thereon alleges that defendants OSCAR,
10 JOAN, JOSHUA, WELLINGTON, ESTHER, and DOES 1 through 75 and each of them are, and
11 at all times relevant herein were, officers and/or directors and/or *de facto* officers and/or *de facto*
12 directors of HAKKA/FOREVER LIGHT and have owed fiduciary duties of due care and loyalty
13 to the charity. Plaintiff is further informed and believes and thereon alleges that each of the
14 aforementioned defendants have breached their duties of care and loyalty to HAKKA/FOREVER
15 LIGHT by engaging in, participating in, aiding and abetting, and facilitating unlawful actions, or
16 omissions, including, but not limited to, the following acts/omissions in violation of common law
17 trust principles and state statutes (including but not limited to Corporations Code section 5231):

- 18 a. They caused HAKKA'S (FOREVER LIGHT's) most valued asset, 2100 SATURN,
19 to be transferred to W-COLINE for grossly inadequate consideration;
- 20 b. They conspired to and caused 2100 SATURN to be improperly and illegally diverted
21 and/or misappropriated from HAKKA/FOREVER LIGHT;
- 22 c. They caused 2100 SATURN, which constituted substantially all of HAKKA's
23 (FOREVER LIGHT's) assets, to be transferred to W-COLINE without providing prior
24 notice to the California Attorney General as required by law;
- 25 d. They caused 2100 SATURN to be transferred to W-COLINE in violation of
26 Corporations Code section 5233;
- 27 e. They caused HAKKA/FOREVER LIGHT to enter into two substantial loans to
28 officers and/or directors and/or *de facto* officers and/or *de facto* directors without obtaining

1 prior approval from the California Attorney General in violation of Corporations Code
2 section 5236. The loans were not fair and reasonable to HAKKA/FOREVER LIGHT;

3 f. They failed to ensure that adequate, fair, and reasonable payments were made on
4 HAKKA's/FOREVER LIGHT's substantial loans to W-COLINE and failed to cause
5 HAKKA/FOREVER LIGHT to foreclose the liens of the deeds of trust on 2100 SATURN
6 or take any other action to ensure that the loans and interest were paid in full;

7 g. They conspired with defendants W-COLINE, HSIEN, RE-FRAME, and DOES 1
8 through 75 to permanently deprive FOREVER LIGHT of its valued asset, 2100 SATURN,
9 by transferring it from W-COLINE to RE-FRAME, in an attempt to put the property
10 beyond the reach of FOREVER LIGHT and they caused the transfer to occur;

11 h. They failed to ensure that FOREVER LIGHT's operations were continuously
12 conducted in a manner to further its charitable purposes;

13 i. They failed to observe corporate formalities as required by law and by
14 HAKKA's/FOREVER LIGHT'S bylaws;

15 j. They caused FOREVER LIGHT to engage in an unfair scholarship/grant program
16 that lacked adequate, or any, reasonable criteria for awarding such scholarships/grants and
17 they caused scholarships and grants to be given to friends and family members of officers
18 and/or directors and/or *de facto* officers and/or *de facto* directors of FOREVER LIGHT;

19 k. They caused misrepresentations about HAKKA's/FOREVER LIGHT's charitable
20 activities and program to be made on its web site and through other means; and

21 l. They caused a false and/or misleading Statement of Information to be filed with the
22 California Secretary of State in or around December 2006.

23 62. At all times relevant herein, the individual defendants named in this cause of action
24 have failed to act in good faith, in the best interests of HAKKA/FOREVER LIGHT, and with
25 such care as an ordinarily prudent person in a like position would use under similar
26 circumstances.

27 63. As a proximate cause of the breaches of fiduciary duty of care and loyalty of
28 defendants OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER, and DOES 1 through 75,

1 FOREVER LIGHT and its charitable beneficiaries have been damaged in an amount presently
2 unknown to the Attorney General and which cannot be ascertained without an accounting by
3 these defendants. The facts necessary to ascertain the exact amount of damages to FOREVER
4 LIGHT and its charitable beneficiaries are within the special knowledge of the aforementioned
5 defendants. However, the Attorney General estimates the total damages proximately caused by
6 the actions and omissions of the defendants set forth in this cause of action exceed \$5.8 million,
7 the estimated fair market value of 2100 SATURN when it was first transferred to W-COLINE
8 plus interest at the legal rate, plus the estimated total rental income lost by FOREVER LIGHT as
9 a result of that transfer plus interest at the legal rate. Plaintiff is also entitled to payment of its
10 attorney fees.

11 64. The acts as alleged in this cause of action were willful wanton, malicious and
12 oppressive and were undertaken with the intent to defraud HAKKA/FOREVER LIGHT and its
13 charitable beneficiaries and thus justify the awarding of exemplary and punitive damages against
14 the defendants named in this cause of action and DOES 1 through 75.

15 **FOURTH CAUSE OF ACTION**

16 **For Damages For Making Illegal Loans and Distributions**

17 **(Against Defendants OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER,**
18 **and DOES 1 through 75)**

19 65. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
20 of the allegations of paragraphs 1 through 64 of this Complaint.

21 66. Defendants OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER, and DOES 1
22 through 75 caused 2100 SATURN to be transferred to W-COLINE (a corporation in which
23 defendants OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 has/had a
24 material financial interest) at a time when defendants OSCAR, JOAN, JOSHUA,
25 WELLINGTON, ESTHER, and DOES 1 through 75 were officers and/or directors and/or *de*
26 *facto* officers and/or *de facto* directors of HAKKA (FOREVER LIGHT). This distribution was
27 not approved by the Attorney General of California and violated Corporations Code section 5236.
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1 officers and/or directors and/or *de facto* officers and/or *de facto* directors of HAKKA (FOREVER
2 LIGHT) and they had a material financial interest in the transaction. The transaction was not
3 approved by the California Attorney General, the transaction was not for the benefit of HAKKA
4 (FOREVER LIGHT) and the transaction was not fair and reasonable to (HAKKA) FOREVER
5 LIGHT at the time it occurred.

6 72. As a proximate result of the transfer of 2100 SATURN from HAKKA (FOREVER
7 LIGHT) to W-COLINE, FOREVER LIGHT and its charitable beneficiaries have been damaged
8 in the amount of the fair market value of the property at the time of its transfer (estimated to be
9 \$5.2 million), all rents and profits from the property HAKKA/FOREVER LIGHT failed to
10 receive as a result of the transfer, and all rents HAKKA/FOREVER LIGHT paid for office space
11 as a result of the transfer. Plaintiff is also entitled to payment of its attorney fees in this action.

12 73. As to defendants OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through
13 75, the loans referenced in Deeds of Trust #1 and #2, constituted self-dealing transactions within
14 the meaning of Corporations Code section 5233 and none of the exceptions set forth therein
15 applies. At the time of the loans, these defendants were officers and/or directors and/or *de facto*
16 officers and/or *de facto* directors of HAKKA/FOREVER LIGHT and they had a material
17 financial interest in the transactions. The transactions were not approved by the California
18 Attorney General, and they were not for the benefit of HAKKA/FOREVER LIGHT. The loans
19 were not fair and reasonable to HAKKA/FOREVER LIGHT at the time they were made

20 74. As a proximate result of the loans HAKKA/FOREVER LIGHT purportedly made to
21 W-COLINE, FOREVER LIGHT and its charitable beneficiaries have been damaged in the
22 amount of the loans plus interest at the legal rate from the time they were made to the time they
23 are paid and any and all rents and profits defendants named in this cause of action and W-
24 COLINE and DOES 1 through 75 received as a result of the loans, plus interest at the legal rate.

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1 **SIXTH CAUSE OF ACTION**

2 **For Damages for Negligence**

3 **(Against Defendants OSCAR, JOAN, JOSHUA, WELLINGTON,**

4 **ESTHER, and DOES 1 through 75)**

5 75. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
6 of the allegations of paragraphs 1 through 64 of this Complaint.

7 76. At all times relevant herein, each of the defendants named in this cause of action and
8 DOES 1 through 75, voluntarily undertook the duties and responsibilities of director and/or
9 officer of HAKKA/FOREVER LIGHT whether or not formally elected as director or officer and
10 whether or not they had resigned as such. The voluntary undertaking of these duties and
11 responsibilities created a duty on the part of these defendants to exercise due care in the
12 performance of those duties and responsibilities.

13 77. The defendants and DOES 1 through 75 breached the duty of care they owed to
14 HAKKA/FOREVER LIGHT by committing the actions and omissions set forth in paragraph 61,
15 above, and committing other actions and omissions of which plaintiff is currently unaware.

16 78. Plaintiff is informed and believes and thereon alleges that, as a proximate result of
17 defendants' breach of the duty of care owed to HAKKA/FOREVER LIGHT as alleged in this
18 cause of action and as a result of the failure of defendants to operate the corporation in the
19 manner required by law, charitable assets have been improperly diverted from
20 HAKKA/FOREVER LIGHT to the defendants named in this cause of action and DOES 1
21 through 75 and to defendants W-COLINE, HSIEN, and RE-FRAME.

22 79. As a proximate result of defendants' breaches of the duty of due care, FOREVER
23 LIGHT and its charitable beneficiaries have been damaged in an amount presently unknown to
24 the Attorney General and which cannot be ascertained without an accounting by defendants. The
25 facts necessary to ascertain the exact amount of damages to FOREVER LIGHT and its charitable
26 beneficiaries are within the special knowledge of the individual defendants. The Attorney
27 General is entitled to an accounting from defendants for their expenditures and disposition of all
28 income and assets which they obtained from HAKKA/FOREVER LIGHT, or improperly diverted

1 from HAKKA/FOREVER LIGHT to one or more of the other defendants or otherwise wasted
2 through their breach of duty of due care, fraud, or other wrongful acts. Plaintiff estimates the
3 total damages proximately caused by defendants' actions and omissions set forth in this cause of
4 action exceed \$5.8 million. Plaintiff is also entitled to its attorney fees.

5 **SEVENTH CAUSE OF ACTION**

6 **For Damages for Constructive Fraud**

7 **(Against Defendants OSCAR, JOAN, JOSHUA, WELLINGTON**

8 **and DOES 1 through 75)**

9 80. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
10 of the allegations of paragraphs 1 through 74 of this Complaint.

11 81. By virtue of the fact that, at all times relevant herein, defendants OSCAR, JOAN,
12 JOSHUA, WELLINGTON and DOES 1 through 75 were officers and/or directors and/or *de facto*
13 officers and/or directors of HAKKA/FOREVER LIGHT, they owed fiduciary duties of care and
14 loyalty to the corporation and to the charitable beneficiaries thereof.

15 82. Defendants named in this cause of action breached their fiduciary duties to
16 HAKKA/FOREVER LIGHT and its charitable beneficiaries by causing 2100 SATURN to be
17 diverted and misappropriated from HAKKA/FOREVER LIGHT to W-COLINE in violation of
18 law, both in November 2006 and in September 2007, as more specifically alleged in paragraph
19 61, above. Title to 2100 SATURN has not been restored to FOREVER LIGHT.

20 83. Defendants named in this cause of action breached their fiduciary duties to
21 HAKKA/FOREVER LIGHT and its charitable beneficiaries by failing to ensure that W-COLINE
22 made adequate payments of principal and interest on its substantial loans from
23 HAKKA/FOREVER LIGHT. On information and belief both loans remain outstanding.

24 84. Defendants named in this cause of action breached their fiduciary duties to
25 FOREVER LIGHT and its charitable beneficiaries by causing 2100 SATURN to be conveyed
26 from W-COLINE to RE-FRAME in November 2008 as more specifically alleged in paragraph
27 61, above. Title to 2100 SATURN has not been restored to FOREVER LIGHT.

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1 85. Defendants named in this cause of action did the acts complained of in this cause of
2 action with the intent to deceive and defraud HAKKA/FOREVER LIGHT and its charitable
3 beneficiaries. On information and belief defendants caused HAKKA/FOREVER LIGHT to enter
4 into the loans alleged herein with the intent to induce reliance on the part of the charity and its
5 beneficiaries on the representation/IMPLIED representation that adequate consideration would be
6 paid for 2100 SATURN, all the while concealing defendants' intent that the loans would not be
7 repaid. Defendants concealed their intent to permanently deprive HAKKA/FOREVER LIGHT of
8 2100 SATURN without adequate consideration therefor, and concealed the fact that defendants
9 had a material financial interest in the transfer of 2100 SATURN to W-COLINE.

10 86. At all times while defendants acted in their fiduciary capacity to HAKKA/FOREVER
11 LIGHT, the corporation and its charitable beneficiaries placed confidence and reliance on
12 defendants to act in their best interests and in good faith and this reliance was reasonable. Had
13 defendants' acts constituting fraud not occurred and had defendants not violated applicable
14 provisions of law alleged herein, the transfer of 2100 SATURN from HAKKA/FOREVER
15 LIGHT to W-COLINE and the subsequent transfer to RE-FRAME would not have occurred.

16 87. As a result of the fraud of defendants alleged in this cause of action, FOREVER
17 LIGHT and plaintiff have been damaged in the amount of approximately \$5.8 million, the fair
18 market value of 2100 SATURN plus rents lost as a result of the transfer, plus interest at the legal
19 rate from the date of the transfer to the date the judgment is paid. Plaintiff is also entitled to
20 payment of its attorney fees.

21 88. The acts alleged in this cause of action were willful, wanton, malicious and
22 oppressive and were undertaken with the intent to defraud HAKKA/FOREVER LIGHT and its
23 charitable beneficiaries and thus justify the awarding of exemplary and punitive damages against
24 the defendants named in this cause of action and DOES 1 through 75.

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EIGHTH CAUSE OF ACTION

**For Damages for Conspiracy to Defraud HAKKA/FOREVER LIGHT
(Against Defendants OSCAR, JOAN, JOSHUA, WELLINGTON,
W-COLINE, HSIEN, RE-FRAME and DOES 1 through 75)**

89. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each of the allegations of paragraphs 1 through 74, and 80 through 88 of this Complaint.

90. Plaintiff is informed and believes and thereon alleges that on or about April 1, 2006, defendants OSCAR, JOAN, JOSHUA, WELLINGTON W-COLINE and DOES 1 through 75 intentionally and willfully conspired and agreed to defraud HAKKA (FOREVER LIGHT) by unlawfully diverting 2100 SATURN to W-COLINE without adequate consideration, all for the material financial benefit of these defendants.

91. Subsequently, in November 2006, in furtherance of the conspiracy, defendants OSCAR, JOAN, JOSHUA, WELLINGTON, W-COLINE and DOES 1 through 75 caused 2100 SATURN to be transferred to W-COLINE for grossly inadequate consideration and in violation of law. Defendants furthered the conspiracy by causing HAKKA/FOREVER LIGHT to enter into two illegal loans to W-COLINE related to the transfer of 2100 SATURN – loans plaintiff is informed and believes defendants never intended would be repaid. Defendants furthered the conspiracy by failing to take any action to ensure the loans were paid off. Subsequently, defendants OSCAR, JOAN, JOSHUA, WELLINGTON, W-COLINE, HSIEN, RE-FRAME and DOES 1 through 75 caused 2100 SATURN to be transferred to RE-FRAME, which was not a bona fide purchaser/transferee.

92. Plaintiff is informed and believes and thereon alleges that the last overt act in pursuance of the above-described conspiracy occurred on or about November 20, 2008.

93. As a proximate result of the wrongful acts alleged in this cause of action, FOREVER LIGHT and its charitable beneficiaries have been damaged in an amount in excess of \$5.8 million plus interest thereon at the legal rate from the date 2100 SATURN was first conveyed to W-COLINE until the judgment is paid. Plaintiff is entitled to its attorney fees as well.

1 transaction, at least "on paper," all in a scheme to improperly divert 2100 SATURN from
2 FOREVER LIGHT without paying adequate consideration for it.

3 98. As a proximate result of the aiding and abetting and/or participating in the breach of
4 duty of defendants as alleged in this cause of action, FOREVER LIGHT and its charitable
5 beneficiaries have been damaged in the amount of the loans W-COLINE obtained from
6 HAKKA/FOREVER LIGHT that were secured by 2100 SATURN and all interest thereon at the
7 legal rate until the judgment is paid. Plaintiff is also entitled to its attorney fees in this action.

8 99. In doing the acts alleged in this cause of action, defendants W-COLINE, HSIEN, RE-
9 FRAME, and DOES 1 through 75 and each of them acted in callous disregard of the rights of
10 FOREVER LIGHT and its charity beneficiaries, knowing that their conduct was substantially
11 certain to injure them. In doing the acts alleged in this cause of action, defendants and each of
12 them engaged in fraudulent, oppressive and malicious conduct and plaintiff is, therefore, entitled
13 to an award of punitive damages in an amount to be decided at the time of trial.

14 **TENTH CAUSE OF ACTION**

15 **To Impose A Constructive Trust and an Order of Conveyance**

16 **For Wrongful Retention of Property/Unjust Enrichment**

17 **(Against Defendants HSIEN, RE-FRAME, and DOES 1 through 75)**

18 100. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
19 of the allegations of paragraphs 1-52, 61-74, and 81-94 of this Complaint.

20 101. The transfer of 2100 SATURN from W-COLINE to RE-FRAME, HSIEN, and DOES
21 1 through 75 was in breach of trust and occurred as a result of fraud. But for this breach of trust
22 and fraud, the transfer would not have taken place.

23 102. Plaintiff is informed and believes and thereon alleges that defendants RE-FRAME,
24 HSIEN on behalf of RE-FRAME, and DOES 1 through 75 took 2100 SATURN with knowledge
25 of the breach of trust and fraud of defendants W-COLINE, OSCAR, JOAN, JOSHUA,
26 WELLINGTON, ESTHER, and DOES 1 through 75. Plaintiff is further informed and believes
27 and thereon alleges that HSIEN, RE-FRAME, and DOES 1 through 75 acted to further that
28 breach of trust and fraud by taking title to 2100 SATURN and entering into a loan with W-

1 COLINE secured by 2100 SATURN, in an attempt to place the property beyond the reach of
2 FOREVER LIGHT and to hinder, delay, and frustrate FOREVER LIGHT in collecting on its
3 loans to W-COLINE secured by the property.

4 103. The transfers of 2100 SATURN from HAKKA/FOREVER LIGHT to W-COLINE
5 and then from W-COLINE to RE-FRAME, HSIEN, and DOES 1 through 75 were wrongful. The
6 retention of 2100 SATURN by RE-FRAME, HSIEN, and DOES 1 through 75 constitutes unjust
7 enrichment. The property is thus subject to a constructive trust for the benefit of FOREVER
8 LIGHT and its charitable beneficiaries. Plaintiff is also entitled to its attorney fees in this action.

9 104. Plaintiff is informed and believes and thereon alleges that defendants REFRAME,
10 HSIEN, and DOES 1 through 75 have received rental income and profits from the leasing of
11 offices at 2100 SATURN. The retention of this rental income and profits by RE-FRAME,
12 HSIEN, and DOES 1 through 75 is wrongful and constitutes unjust enrichment. This income and
13 the profits are thus subject to a constructive trust for the benefit of FOREVER LIGHT and its
14 charitable beneficiaries. Plaintiff does not know the amount of rental income and profits
15 FOREVER LIGHT and its beneficiaries are owed and an accounting from defendants RE-
16 FRAME, HSIEN, and DOES 1 through 75 is necessary to determine that amount.

17 105. In doing the acts alleged in this cause of action, defendants RE-FRAME, HSIEN, and
18 DOES 1 through 75 acted in callous disregard of the rights of FOREVER LIGHT and its charity
19 beneficiaries, knowing that their conduct was substantially certain to injure them. In doing the
20 acts alleged in this cause of action, defendants engaged in fraudulent, oppressive and malicious
21 conduct and plaintiff is, therefore, entitled to an award of punitive damages in an amount to be
22 decided at the time of trial.

23 **ELEVENTH CAUSE OF ACTION**

24 **To Set Aside Fraudulent Conveyance – Uniform Fraudulent Transfer Act**
25 **(Against Defendants W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON,**
26 **HSIEN, RE-FRAME, and DOES 1 through 75)**

27 106. Plaintiff re-alleges and incorporates by reference as though fully set forth herein each
28 of the allegations of paragraphs 1-52, 61-64, and 81-94 of this Complaint

1 107. From and after approximately July 20, 2006, defendants W-COLINE and its
2 principals OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 became indebted
3 to HAKKA (FOREVER LIGHT) in the amount of \$5.044 million in connection with the transfer
4 of 2100 SATURN to W-COLINE. The debt was secured by 2100 SATURN. Plaintiff has not
5 seen the note, Promissory Note #1, and does not know if it exists, but the note is referenced in
6 Deed of Trust # 1 which is attached to this Complaint as Exhibit B and incorporated by reference
7 as if fully set forth herein.

8 108. Plaintiff is informed and believes and thereon alleges that after the \$5.044 million
9 debt was incurred, W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1
10 through 75 failed to make payments on the debt. In breach of their fiduciary duty to HAKKA
11 (FOREVER LIGHT), and in a scheme to defraud HAKKA (FOREVER LIGHT) and its
12 charitable beneficiaries, defendants OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER, and
13 DOES 1 through 75 failed to commence foreclosure proceedings or take any other reasonable,
14 good faith action to collect on the debt. HAKKA (FOREVER LIGHT) performed all conditions
15 under Promissory Note # 1 and Deed of Trust #1. Plaintiff is informed and believes and thereon
16 alleges that only a very small fraction of the sum due on Promissory Note #1 has been paid.
17 There is now due and unpaid from defendants W-COLINE, OSCAR, JOAN, JOSHUA,
18 WELLINGTON, and DOES 1 through 75 the sum of approximately \$5.044 million together with
19 interest at the legal rate per annum from the date Promissory Note #1 was executed.

20 109. From and after approximately September 26, 2007, defendants W-COLINE and its
21 principals OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 became indebted
22 to FOREVER LIGHT in the amount of \$4.3 million. The debt was secured by 2100 SATURN.
23 Plaintiff has not seen the note, Promissory Note #2, and does not know if it exists, but the note is
24 referenced in Deed of Trust # 2, which is attached to this Complaint as Exhibit D and
25 incorporated by reference as if fully set forth herein.

26 110. Plaintiff is informed and believes and thereon alleges that after the \$4.3 million debt
27 was incurred, W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75
28 failed to make payments on the loan. In breach of their fiduciary duty to FOREVER LIGHT and

1 its charitable beneficiaries, and in a scheme to defraud FOREVER LIGHT and its charitable
2 beneficiaries, defendants OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER, and DOES 1
3 through 75 failed to commence foreclosure proceedings or take any other reasonable, good faith
4 action to collect on the debt. FOREVER LIGHT performed all conditions under Promissory Note
5 # 2 and Deed of Trust #2. Plaintiff is informed and believes and thereon alleges that only a very
6 small fraction of the sum due on Promissory Note #2 has been paid. There is now due and unpaid
7 from defendants W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through
8 75 the sum of \$4.3 million together with interest at the legal rate per annum from the date
9 Promissory Note #2 was executed.

10 111. As of approximately September 26, 2006, defendants W-COLINE and its principals
11 OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 were in possession and
12 control of 2100 SATURN.

13 112. Plaintiff is informed and believes and thereon alleges that on or about November 20,
14 2008, defendant W-COLINE and its principals OSCAR, JOAN, JOSHUA, WELLINGTON, and
15 DOES 1 through 75 transferred 2100 SATURN by Grant Deed to defendant RE-FRAME and its
16 principals, defendants HSIEN and DOES 1 through 75. This Grant Deed, which is referenced
17 herein as Grant Deed #2, is attached as Exhibit E to this Complaint and is incorporated by
18 reference as if fully set forth herein. Grant Deed #2 was recorded by the Los Angeles County
19 Recorder on November 26, 2008.

20 113. Plaintiff is informed and believes that the transfer of 2100 SATURN from W-
21 COLINE to RE-FRAME was made with an actual intent on the part of OSCAR, JOAN,
22 JOSHUA, WELLINGTON, HSIEN, W-COLINE, RE-FRAME, and DOES 1 through 75 to
23 hinder, delay and/or defraud FOREVER LIGHT and its charitable beneficiaries, defendant W-
24 COLINE's creditor, in their collection of the \$5.044 million and \$4.3 million debts.

25 114. In exchange for the transfer of 2100 SATURN, defendant W-COLINE purportedly
26 took a note from RE-FRAME in the amount of \$3.4 million, which was secured by a Deed of
27 Trust on 2100 SATURN. This Deed of Trust is referred to herein as Deed of Trust #3 and is
28 attached as Exhibit F to this Complaint and incorporated by reference as if fully set forth herein.

1 Plaintiff is informed and believes and thereon alleges that this transaction was a sham and that
2 defendants W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, HSIEN, RE-FRAME, and
3 DOES 1 through 75 intended that minimal or no payments would be made on this loan; that W-
4 COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 would remain *de*
5 *facto* owners and in possession and control of 2100 SATURN. Thus, defendants W-COLINE,
6 OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 did not receive reasonably
7 equivalent value in exchange for 2100 SATURN.

8 115. Plaintiff is informed and believes and thereon alleges that 2100 SATURN was
9 acquired by defendants RE-FRAME, HSIEN, and DOES 1 through 75 with knowledge that
10 defendants W-COLINE, OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75
11 intended to hinder, delay and/or defraud the collection of FOREVER LIGHT's aforementioned
12 claims. Thus, HSIEN, RE-FRAME and DOES 1 through 75 who acquired 2100 SATURN are
13 not good faith transferees.

14 116. Plaintiff is entitled to its attorney fees in this action.

15 WHEREFORE, plaintiff prays judgment as follows:

16 On the First Cause of Action:

- 17 1. That Grant Deeds #1 and 2, Deeds of Trust ## 1, 2 and 3, Promissory Notes ## 1, 2,
18 and 3, and Reconveyance #1 all be declared void;
- 19 2. That defendants deliver the aforementioned written instruments to the clerk of the
20 court for cancellation;
- 21 3. For damages, in the event that defendant fails to surrender the written instruments for
22 cancellation pursuant to the judgment in the sum of \$5.2 million, plus interest
23 thereon, from and after August 28, 2006, at the legal rate of interest per annum, as
24 compensation and in lieu of cancellation;
- 25 4. For damages in the sum of at least \$600,000, plus interest thereon from and after
26 August 28, 2006, at the legal rate of interest per annum;
- 27 5. For exemplary and punitive damages according to proof; and
28

- 1 6. For an order enjoining defendants from transferring or encumbering the property
2 referenced herein as 2100 SATURN pending determination of this action.

3 On the Second Cause of Action

- 4 1. For a judgment that FOREVER LIGHT is the owner in fee of 2100 SATURN and
5 that all defendants other than FOREVER LIGHT have no interest in the property
6 adverse to FOREVER LIGHT;
- 7 2. For an order granting possession of 2100 SATURN to FOREVER LIGHT;
- 8 3. That all defendants and each of them other than FOREVER LIGHT be enjoined from
9 making any further claim to or interest in 2100 SATURN adverse to FOREVER
10 LIGHT, by legal action or otherwise, on the basis of any fact or facts which were
11 proved, or which might have been proved, in this action; and
- 12 4. For an order preliminarily enjoining defendants and their agents, servants, and
13 employees and all persons acting under, in concert with or for them, from causing any
14 injury to 2100 SATURN and to plaintiff's and FOREVER LIGHT's beneficial
15 interest therein that would substantially depreciate the market value of the property.

16 On the Third Cause of Action

- 17 1. For a preliminary and permanent injunction, enjoining defendants OSCAR, JOAN,
18 JOSHUA, WELLINGTON, ESTHER and DOES 1 through 75, their employees,
19 agents, servants, representatives, successors, and assigns, any and all persons acting
20 in concert or participation with them, and all other persons, corporations, or other
21 entities acting under, by, through, or on their behalf, from doing any of the following
22 until they have first provided a full and complete accounting for all funds received by,
23 and disbursed from, any and all financial accounts of HAKKA/FOREVER LIGHT
24 from November 1, 2004 to the present: (1) expending, disbursing, transferring,
25 encumbering, withdrawing or otherwise exercising control over any funds received
26 by or on behalf of FOREVER LIGHT or rightfully due FOREVER LIGHT except as
27 authorized by the Court; (2) conducting business of any kind on behalf of, or relating
28 to, FOREVER LIGHT, other than as necessary to assist the appointed Receiver or

1 appointed director(s), to comply with discovery requests and orders, and as permitted
2 by the Court; and (3) controlling or directing the operations and affairs of any
3 California nonprofit public benefit corporation;

- 4 2. That an order issue directing that defendants OSCAR, JOAN, JOSHUA,
5 WELLINGTON, ESTHER, and DOES 1-75 and each of them, render to the Court
6 and to the Attorney General a full and complete accounting of the financial activities
7 and condition of HAKKA/FOREVER LIGHT and their dealings with
8 HAKKA/FOREVER LIGHT from November 1, 2004, to the present, to include the
9 expenditure and disposition of all revenues and assets received by or on behalf of
10 HAKKA/FOREVER LIGHT. Upon the rendering of such accounting, that the Court
11 determine the property, real or personal, or the proceeds thereof, to which FOREVER
12 LIGHT and the charitable beneficiaries thereof are lawfully entitled, in whatsoever
13 form in whosoever hands they may now be, and order and declare that all such
14 property or the proceeds thereof is impressed with a trust for charitable purposes, that
15 defendants are constructive trustees of all such charitable funds and assets in their
16 possession, custody or control, and that the same shall be deposited forthwith in Court
17 by each and every defendant now holding or possessing the same or claiming any
18 rights, title or interest therein. In addition, that all defendants named in the Third
19 Cause of Action and defendants DOES 1 through 75 be surcharged and held liable
20 and judgment entered against each of them for any and all such assets for which they
21 fail to properly account, together with interest thereon at the legal rate from the date
22 of liability thereon; and that any and all expenses and fees incurred by defendants in
23 this action be borne by the individual defendants and each of them and not by
24 FOREVER LIGHT or any other public or charitable corporation or fund;
- 25 3. For appointment of a Receiver pursuant to Corporations Code sections 6511,
26 subdivision (c), and 6513, and/or appointment of a director or directors by this Court,
27 to take over and manage the affairs of FOREVER LIGHT and preserve its property
28 pending the hearing and determination of the Complaint;

- 1 4. For damages due FOREVER LIGHT and its charitable beneficiaries resulting from
2 the breaches of fiduciary duty of defendants in an amount to be determined following
3 an accounting from defendants, plus interest at the legal rate until the judgment is
4 paid;
- 5 5. For the removal of OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER and DOES
6 1 through 75 as officers and/or directors of FOREVER LIGHT as provided by
7 Corporations Code section 5223 and as otherwise authorized by law and for an order
8 prohibiting each of them from exercising any control or influence in the operations
9 and affairs of FOREVER LIGHT during the existence of the corporation; and
- 10 6. For punitive and exemplary damages according to proof.

11 On the Fourth Cause of Action

- 12 1. For damages due FOREVER LIGHT and its charitable beneficiaries for the illegal
13 distribution in the amount of the fair market value of 2100 SATURN at the time it
14 was first transferred to W-COLINE plus interest at the legal rate from the date of the
15 transfer until the judgment is paid, plus reasonable costs for an appraisal or other
16 valuation plus all rents and profits FOREVER LIGHT lost due to the illegal transfer
17 of 2100 SATURN with interest at the legal rate; and/or
- 18 2. In the alternative, for damages due FOREVER LIGHT and its charitable beneficiaries
19 for the illegal loans in the amount of the loans plus interest at the legal rate from the
20 date the loans were made until the judgment is paid.

21 On the Fifth Cause of Action

- 22 1. For the self-dealing action transferring 2100 SATURN from HAKKA (FOREVER
23 LIGHT) to W-COLINE: damages in the amount of the fair market value of 2100
24 SATURN at the time of the transfer, plus interest at the legal rate from the date of the
25 transfer to the date the judgment is paid. And, for an accounting by the defendants
26 and W-COLINE of all rents and profits they received from the transaction. And, for
27 an order that, following the accounting, defendants and W-COLINE pay to
28

1 FOREVER LIGHT all such rents and profits they received as a result of the transfer,
2 plus interest at the legal rate until the judgment is paid; and/or

- 3 2. For the self-dealing transactions consisting of the loans HAKKA/FOREVER LIGHT
4 made to W-COLINE, damages consisting of the amount of the loans together with
5 interest at the legal rate from the time the loans were made to the date the judgment is
6 paid. And for an accounting by the defendants of all rents and profits they and W-
7 COLINE received as a result of the loans; and, following such accounting, for an
8 order that the defendants and W-COLINE pay all such rents and profits to FOREVER
9 LIGHT, plus interest at the legal rate until the judgment is paid.

10 On the Sixth Cause of Action

11 For damages due FOREVER LIGHT and its charitable beneficiaries from defendants
12 OSCAR, JOAN, JOSHUA, WELLINGTON, ESTHER and DOES 1 through 75
13 resulting from the breach of fiduciary duty of the defendants, plus interest at the legal
14 rate until the judgment is paid.

15 On the Seventh Cause of Action

- 16 1. For damages due FOREVER LIGHT and its charitable beneficiaries from defendants
17 OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 resulting from
18 the fraud of the defendants, plus interest at the legal rate until the judgment is paid;
19 and
20 2. For exemplary and punitive damages from defendants OSCAR, JOAN, JOSHUA,
21 WELLINGTON, and DOES 1 through 75.

22 On the Eighth Cause of Action

- 23 1. For damages due FOREVER LIGHT and its charitable beneficiaries from defendants
24 OSCAR, JOAN, JOSHUA, WELLINGTON, and DOES 1 through 75 resulting from
25 the conspiracy to defraud HAKKA/FOREVER LIGHT, plus interest at the legal rate
26 until the judgment is paid; and
27 2. For exemplary and punitive damages from defendants OSCAR, JOAN, JOSHUA,
28 WELLINGTON, and DOES 1 through 75.

1 million plus interest thereon at the legal rate per annum from July 20, 2006, on the
2 \$5.044 million debt and from September 26, 2007 on the \$4.3 million debt;

- 3 2. That defendants RE-FRAME, HSIEN, W-COLINE, OSCAR, JOAN, JOSHUA,
4 WELLINGTON and DOES 1 through 75 and their representatives and agents be
5 enjoined and restrained from selling, transferring, conveying, assigning or otherwise
6 disposing of 2100 SATURN or any interest therein until further order of the Court;

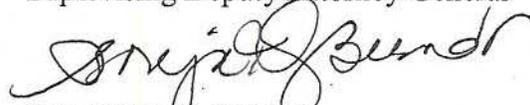
7 On Each and Every Cause of Action

- 8 1. For plaintiff's costs of suit and other costs pursuant to Government Code sections
9 12597 and 12598, and as otherwise permitted by law;
10 2. For attorney fees as provided in Government Code section 12598 and Code of Civil
11 Procedure section 1021.8, and as otherwise permitted by law; and
12 3. For such other and further relief as the Court may deem just and proper.

13 Dated: January 28, 2009

Respectfully Submitted,

14 EDMUND G. BROWN JR.
15 Attorney General of California
16 BELINDA J. JOHNS, Senior
17 Assistant Attorney General
18 TANIA M. IBANEZ, Acting
19 Supervising Deputy Attorney General



20 BY: SONJA K. BERNDT
21 Deputy Attorney General

22 Attorneys for the People of the,
23 State of California
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