

Superior Court of California

County of Orange



Case Number : 30-2012-00536505-CU-FR-CJC

Copy Request: 327836

Request Type: Case Documents

Prepared for: cns

Number of documents: 1

Number of pages: 8

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Superior Court of California,
County of Orange

01/11/2012 at 04:16:12 PM

Clerk of the Superior Court
By James M Haines, Deputy Clerk

9 **ORANGE COUNTY SUPERIOR COURT**

10 **CENTRAL JUSTICE CENTER**

11 ALFRED MENDOZA, DELFINO MORALES,
12 HERIBERTO NAVARRO, JESSICA DOMINGUEZ,
13 CESAR G. NAVA, GERARDO RODRIQUEZ
14 GRACIDA, JOSE LUIS RAMIREZ ZUNIGA, JAVIER
15 QUINTO ORTIZ, FERNANDO QUINTANA, MARIA
16 INES PALACIOS, FAUSTO PALACIOS, ELVA
17 PEREZ ALBOR, MARIA DE LOS ANGELES
18 PIEDRAS, GUILLERMO RODRIGUEZ, JAVIER
19 RODRIGUEZ BELTON, RUFINA JARDON, MIGUEL
20 A. ROJAS, M. ANGEL MELGOZA, NAZARIO
21 ROJAS, ALEJANDRO ROJAS, RUBEN ROJAS,
22 ROCIO ROJAS, BLANCA GUADALUPE
23 SANDOVAL, BETZABETH G. DE SILVA, JAIME
24 VARGAS, ALDENAHURA ANGELES, PEDRO
25 REBOLLEDO, MIGUEL BARAJAS, JOSE LUIS
26 BARRAGAN, OFELIA BECERRA, MARIA
27 MARGARITA BRAVO, MARILU BURCIAGA,
28 SOCORRO CAMACHO, MAGDALENA CANTE,
YANINA CORONA, ORLANDO CORTEZ,
VERONICA CUEVAS, OLGA ESQUIVEL, MARIA
DEL CARMEN GAMA, JAVIER GARCIA, MAJDIEL
GOMEZ, ALDO GUTIERREZ, FRANCISCO
GUZMAN, MANUEL HERNANDEZ, ALFONSO
JIMENEZ, RAFAELA LUNA, LUZ MARIA
MAGAÑA, PEDRO MAYO, LUIS GABRIEL MEJIA,
MELCHOR MENDOLA, PEREYRA GABRIELA,
CLAUDIO MEDIZA

Plaintiffs,

vs.

Case No. 30-2012-00536505-CU-FR-CJC

COMPLAINT FOR:

1. **FRAUD;**
2. **VIOLATION OF CALIFORNIA BUSINESS & PROFESSIONS CODE §§ 17200 ET SEQ; AND**
3. **BREACH OF CONTRACT.**

DEMAND FOR JURY TRIAL

Judge Gregory H. Lewis

Dept. C26

1 GOLDENEYE HOLDINGS, INC. dba STRATUS
2 BUILDING SOLUTIONS OF ORANGE, a California
3 Corporation; and DOES 1 through 10, inclusive,

4 Defendants.

5
6 FOR THEIR CLAIMS against Defendant, GOLDENEYE HOLDINGS, INC. dba
7 STRATUS BUILDING SOLUTIONS OF ORANGE, a California Corporation, (hereinafter referred
8 to as "STRATUS"); ALFRED MENDOZA, DELFINO MORALES, HERIBERTO NAVARRO,
9 JESSICA DOMINGUEZ, CESAR G. NAVA, GERARDO RODRIQUEZ GRACIDA, JOSE LUIS
10 RAMIREZ ZUNIGA, JAVIER QUINTO ORTIZ, FERNANDO QUINTANA, MARIA INES
11 PALACIOS, FAUSTO PALACIOS, ELVA PEREZ ALBOR, MARIA DE LOS ANGELES
12 PIEDRAS, GUILLERMO RODRIGUEZ, JAVIER RODRIGUEZ BELTON, RUFINA JARDON,
13 MIGUEL A. ROJAS, M. ANGEL MELGOZA, NAZARIO ROJAS, ALEJANDRO ROJAS,
14 RUBEN ROJAS, ROCIO ROJAS, BLANCA GUADALUPE SANDOVAL, BETZABETH G. DE
15 SILVA, JAIME VARGAS, ALDENAHURA ANGELES, PEDRO REBOLLEDO, MIGUEL
16 BARAJAS, JOSE LUIS BARRAGAN, OFELIA BECERRA, MARIA MARGARITA BRAVO,
17 MARILU BURCIAGA, SOCORRO CAMACHO, MAGDALENA CANTE, YANINA CORONA,
18 ORLANDO CORTEZ, VERONICA CUEVAS, OLGA ESQUIVEL, MARIA DEL CARMEN
19 GAMA, JAVIER GARCIA, MAJDIEL GOMEZ, ALDO GUTIERREZ, FRANCISCO GUZMAN,
20 MANUEL HERNANDEZ, ALFONSO JIMENEZ, RAFAELA LUNA, LUZ MARIA MAGAÑA,
21 PEDRO MAYO, LUIS GABRIEL MEJIA, MELCHOR MENDOLA, PEREYRA GABRIELA,
22 CLAUDIO MEDIZA and DOES 1 through 10, Plaintiffs (collectively, "Plaintiffs") allege as
23 follows:

24 **PARTIES**

25 1. Plaintiffs are, and at all times mentioned herein were, residents of the State of
26 California. All Plaintiffs purchased franchises from Defendant STRATUS, yet never actually
27 received the franchises nor the income that was promised to them by the Defendant.

28 2. Defendant GOLDENEYE HOLDINGS, INC. dba STRATUS BUILDING

1 SOLUTIONS OF ORANGE ("STRATUS"), is a California Corporation which is authorized to and
2 does business in the State of California. STRATUS is the entity with whom Plaintiffs entered into
3 franchise agreements.

4 3. Plaintiffs are ignorant of the true names and capacities of Defendants, whether
5 individual, corporate, associate or otherwise, sued herein as DOES 1 through 10, inclusive, and
6 therefore sue these Defendants by such fictitious names. Plaintiffs will amend this Complaint to
7 allege their true names when ascertained. Plaintiffs are informed and believe that each of the
8 fictitiously named Defendants is responsible in some manner for the occurrences herein alleged.

9 **JURISDICTION AND VENUE**

10 4. The Court has personal jurisdiction over the Defendants because STRATUS has
11 registered with the California Secretary of State, has identified an agent for service of process in the
12 State of California, has engaged in business activities in and directed to California residents and
13 consumers, and has committed tortious acts within the state. STRATUS has purposefully availed
14 itself of the opportunity to conduct commercial activities in this forum, and this Complaint arises
15 out of those activities.

16 5. Venue is proper in this county because the tortious acts were committed within
17 Orange County.

18 **GENERAL ALLEGATIONS**

19 6. For as long as the expression "The American Dream" has been around, it has been
20 linked to the ideal of the immigrant striver, crossing storm-tossed seas to make his way in the land
21 of opportunity. Harkening back to the Revolution, the U.S. profited by the arrival of
22 entrepreneurial immigrants drawn to America's lack of class lines and its unencumbered
23 opportunity for advancement. Immigrating to America and making a fortune has long been an
24 integral part of the "American Dream" and examples abound of success stories like Henry Kissinger
25 and Arnold Schwarzenegger.

26 7. For some however, the American Dream can become a nightmare. In this complaint,
27 the Plaintiffs will detail how the Plaintiffs' attempt to achieve the "American Dream" was thwarted
28 by the new American reality – the corporate scam.

1 **A. The Anatomy Of Stratus' Fraudulent Scam**

2 8. The first phase of the defendant's scam is simple -- target victims who don't speak
3 English. The Defendant accomplishes this goal by only advertising in Spanish speaking
4 publications. A true and correct copy of some of the advertisements used by Defendant STRATUS
5 is attached hereto to this complaint as Exhibit A and incorporated herein by reference.

6 9. The advertisements seeks to attract Latino immigrants with promises of financial
7 freedom if they purchase janitorial franchises from Defendant STRATUS. The advertisements
8 encourage prospective franchisees to immediately call or visit "Fernando", one of its sales
9 representatives.

10 10. The second phase of the fraud begins during the sales process. Whether the
11 prospective franchisees call in or shows up in person, the prospective franchisee is required to sit
12 down with "Fernando". "Fernando" proceeds to solicit the franchisees in Spanish, discussing all
13 issues related to their franchises in Spanish and explaining all terms and conditions of the alleged
14 franchise agreements in Spanish.

15 11. During his "pitch", "Fernando" informs those that are interested in purchasing a
16 STRATUS franchise that STRATUS sells sixteen (16) different franchises, franchises that will earn
17 the prospective franchisee between \$6,000 a year to \$204,000 a year. During this presentation,
18 Plaintiffs are enticed to purchase the franchises because STRATUS guarantees a certain monthly
19 income based upon the size of their franchise. Moreover, STRATUS promises the prospective
20 franchisees that their cleaning locations would be geographically located in close proximity to their
21 residence and that they would be guaranteed to make a higher hourly rate because their contracts
22 were extremely lucrative.

23 12. Once the prospective franchisee agrees to purchase a franchise, "Fernando"
24 immediately pulls out a franchise agreement in English and immediately insists that the prospective
25 franchisee sign the agreement in order to reserve a franchise since it contends that its franchising
26 opportunities are about to be sold out.

27 13. Once the prospective franchisee signs the agreement and pays the franchise fee, he is
28 informed by "Fernando" that STRATUS will be calling the franchisee shortly to inform them of the

1 location of their new franchise. Despite these promises, none of the prospective franchisees are ever
2 given the franchise they purchased nor are they ever provided with a refund from STRATUS for its
3 inability to provide the franchise it promised.

4 14. In the present case, each of the Plaintiffs purchased a franchise from STRATUS and
5 none of them ever received the franchise they were promised by "Fernando", while acting as an
6 agent for STRATUS.

7 **FIRST CAUSE OF ACTION FOR FRAUD**

8 **(By Plaintiffs Against All Defendants)**

9 15. Plaintiffs incorporate by reference paragraphs 1 through 14 and paragraphs of this
10 Complaint as set forth in full herein.

11 16. Each of the Plaintiffs was solicited by STRATUS to purchase a janitorial franchise
12 from STRATUS. Based on the representations discussed above, each of the Plaintiffs purchased a
13 janitorial franchise from STRATUS.

14 17. At the time of their purchase, Plaintiffs were unaware that STRATUS was selling
15 franchises even though it did not have enough janitorial franchises to provide to its prospective
16 franchisees.

17 18. As a result of STRATUS's material misrepresentations above, Plaintiffs have
18 suffered, and will continue to suffer, damages in amounts currently undetermined but subject to
19 proof at time of trial.

20 19. Plaintiffs allege on information and belief that STRATUS made said material
21 misrepresentations with conscious disregard of Plaintiffs' rights, and with the intent to vex, injure or
22 annoy such as to constitute oppression, fraud or malice, entitling Plaintiffs to punitive damages in
23 the amount appropriate to punish or set an example of STRATUS.

24 WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as set
25 forth below.

26 **SECOND CAUSE OF ACTION**

27 **[FOR VIOLATION OF BUSINESS & PROFESSIONS CODE §§ 17200 et seq.]**

28 **(By Plaintiffs Against All Defendants)**

20. Plaintiffs incorporate by reference paragraphs 1 through 19 of this Complaint as set forth in full herein. The Second Claim for Relief is asserted by Plaintiffs in their individual capacities.

21. The Unfair Practices of STRATUS, as described and defined herein, constitute fraudulent business acts or practices and unfair competition within the meaning of Cal. Bus. & Prof. Code §§ 17200 et seq. The harm to Plaintiffs and to the general public outweighs the utility of the Unfair Practices.

22. The Unfair Practices present a continuing threat to Plaintiffs and members of the public, in that STRATUS will continue to defraud members of the public.

23. As a direct and proximate result of the aforementioned acts, STRATUS received and continues to receive franchise fees for franchises it will never provide to its prospective franchisees.

WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as set forth below.

THIRD CAUSE OF ACTION

[BREACH OF WRITTEN CONTRACT]

(By Plaintiffs Against All Defendants)

24. Plaintiffs incorporate by reference paragraphs 1 through 22 of this Complaint as set forth in full herein.

25. At various times up to and including the present, Plaintiffs signed the Franchise Agreement with STRATUS to enable them to operate various franchises throughout the State of California.

26. Plaintiffs have performed, or offered to perform, all conditions, covenants and promises required on their part in accordance with the terms and conditions of the Franchise Agreement.

27. By engaging in the Unfair Practices mentioned above STRATUS, breached the Franchise Agreement by failing to provide the franchisees the franchises they were promised.

28. As a proximate result of STRATUS' breach of the Franchise Agreement, Plaintiffs have suffered, and will continue to suffer, damages in amounts currently undetermined but subject

1 to proof at time of trial. In addition to such damages, pursuant to the Franchise Agreement,
2 Plaintiffs are also entitled to recover attorney fees and costs incurred in pursuing this action.

3 WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as set
4 forth below.

5
6 **PRAYER FOR RELIEF –ALL CAUSES OF ACTION**

7 WHEREFORE Plaintiffs, on their own behalf and on behalf of members of the class which
8 they represent and the general public, pray for judgment on all causes of action as might be
9 appropriate against Defendants STRATUS, and DOES 1 through 10, inclusive, and each of them,
10 as follows:

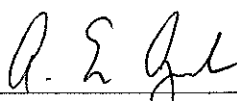
- 11
- 12 (A) For compensatory, general, statutory and other damages in an amount to be
13 determined according to proof presented during the course of trial;
 - 14 (B) For punitive damages in an amount to be determined according to proof
15 presented during the course of trial;
 - 16 (C) For costs and expenses of this litigation, including reasonable attorney fees,
17 accountant fees, expert fees and other costs and disbursements;
 - 18 (D) For pre-and-post judgment interest;
 - 19 (E) For a preliminary and a permanent injunction enjoining Defendant
20 STRATUS and all others acting in concert with it from engaging in illegal,
21 fraudulent or unfair trade practices in violation of the California Franchise
22 Investment Law and Cal. Bus. & Prof. Code §§ 17200 and 17500, and
23 compelling Defendant STRATUS to disgorge return to Plaintiffs all funds
24 acquired by means of any act or practice found to be illegal, fraudulent or
25 unfair, and imposing a constructive trust or other equitable relief regarding
26 the funds or benefits receiving by Defendant STRATUS from Plaintiffs;
 - 27 (F) For equitable relief as appropriate including rescission of contract and
28 ancillary damages; and

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(G) For such other and further relief as the court deems necessary, just and appropriate under the circumstances.

Dated: January 10, 2012

BOHM, MATSEN, KEGEL & AGUILERA, LLP

By: 
A. Eric Aguilera, Esq.
Attorneys for Plaintiffs