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**FILED**  
 LOS ANGELES SUPERIOR COURT

OCT 10 2007

JOHN A. CLARKE, CLERK  
 BY MARY GARCIA, DEPUTY

Case assigned to Judge *Maureen Duffy-Lewis*

6 Attorneys for Plaintiff  
 7 C&M Investment Group, Ltd.

8 SUPERIOR COURT FOR THE STATE OF CALIFORNIA

9 COUNTY OF LOS ANGELES, CENTRAL DISTRICT

10 UNLIMITED JURISDICTION

BC378888

12 C&M Investment Group, Ltd., a partnership, )  
 13 Plaintiff, )  
 14 vs. )  
 15 Philip Richard Powers, individually; Powers )  
 16 Investments and Management, Inc., S.A., a )  
 17 corporation (a.k.a. Powers Investment and )  
 18 Management; Powers Management and )  
 19 Investment; Powers Management & Investments )  
 20 Inc.; Powers Investments; Powers Management )  
 21 & Investments Co.; Powers Investment & )  
 Management Co.; Powers Investments & )  
 Management Co.); Guanana Gris, S.A., a )  
 corporation; Protección Forestal de Teca, S.A., a )  
 corporation; and DOES 1 through 50 inclusive, )  
 22 Defendants. )

CASE NO.  
 COMPLAINT FOR:  
 1. FRAUDULENT INDUCEMENT  
 2. FRAUD AND DECEIT  
 3. CONSTRUCTIVE FRAUD  
 4. CONVERSION  
 5. BREACH OF WRITTEN CONTRACT  
 6. BREACH OF ORAL CONTRACT  
 7. UNFAIR BUSINESS PRACTICES  
 DEMAND FOR JURY TRIAL

**ORIGINAL**

23 Plaintiff C&M Investment Group, Ltd., through its undersigned attorneys,  
 24 Complaint against Philip Richard Powers, individually, Powers Investments and Management  
 25 S.A., (a.k.a. Powers Investment and Management; Powers Management and Investment; Powers  
 26 Management & Investments Inc.; Powers Investments; Powers Management & Investments Co.;  
 27 Powers Investment & Management Co.; Powers Investments & Management Co.), Guanana Gris,  
 28

CIT/CASE: BC378888 LEA/NEFH:  
 RECEIPT #: CM178032040  
 MAKE PAID: 10/16/07 02:59  
 PAYMENT: \$120.00  
 RECEIVED: 10/16/07 03:00  
 CHEN: 32000  
 CASE: 32000  
 CHARGE:  
 CARR:

1 S.A., Protección Forestal de Teca, S.A., and DOES 1 through 50 as follows:

2 **GENERAL ALLEGATIONS**

3 1. Plaintiff C&M Investment Group, Ltd. ("C&M") is a limited liability company  
4 established under the laws of Costa Rica with its registered domicile in San Jose, Costa Rica.  
5 C&M's principal shareholder is Karlin Holdings Limited Partnership ("Karlin Holdings"), a Limited  
6 Partnership established under the laws of Nevada with its principal place of business in the City and  
7 County of Los Angeles.

8 2. Dr. Gary K. Michelson ("Dr. Michelson") is an individual domiciled and doing  
9 business in the City and County of Los Angeles.

10 3. Defendant Philip Richard Powers ("Powers") is a United States citizen domiciled in  
11 Costa Rica. At all relevant times mentioned herein, Defendant Powers represented himself to be an  
12 individual doing business as Defendant Powers Investments and Management, Inc., S.A.

13 4. Defendant Powers Investments and Management, Inc., S.A. is a Costa Rican  
14 Corporation with its registered domicile in Heredia, Costa Rica. At various relevant times  
15 mentioned herein, Defendant Powers referred to "Powers Investments and Management, Inc., S.A."  
16 as "Powers Investment and Management," "Powers Management and Investment," "Powers  
17 Management & Investments Inc.," "Powers Investments," "Powers Management & Investments  
18 Co.," "Powers Investment & Management Co.," "Powers Investments & Management Co.," and  
19 other variations of Powers Investments and Management, Inc., S.A. not mentioned herein.  
20 Defendant Powers Investments and Management, Inc., S.A., along with all variations thereto, are  
21 collectively referred to as "Powers Investments."

22 5. Defendant Guanana Gris, S.A., ("Gris") is a Costa Rican corporation with its  
23 registered domicile in San Jose, Costa Rica.

24 6. Defendant Protección Forestal de Teca, S.A., ("Teca") is a Costa Rican corporation  
25 with its registered domicile in San Jose, Costa Rica.

26 7. The true names and capacities, whether individual, corporate, associate, or otherwise,  
27 of DOES 1 through 50, inclusive, are unknown to Plaintiff, who therefore sues said Defendants by  
28 such fictitious names and will ask leave to amend the Complaint to show their true names and

1 capacities when they have been ascertained. Plaintiff is informed and believes and thereon alleges  
2 that each of the Defendants designated herein as DOE is responsible in some manner for the events  
3 and happenings therein referred to, and there is now due, owing, and unpaid from Defendants and  
4 each of them to Plaintiff the sums alleged in this Complaint.

5 8. Plaintiff is informed and believes and thereon alleges that at all relevant times  
6 mentioned herein, the Defendants, and each of them, were the agents, servants, employees and/or the  
7 principals of all the other Defendants, and each of them, at all times mentioned herein, were acting  
8 within the scope and course of their agency, employment, and/or other relationship by and with the  
9 other Defendants, and each of them.

10 9. Plaintiff is informed and believes and thereon alleges that at all relevant times  
11 mentioned herein there existed a unity of interest and ownership between Powers, Powers  
12 Investments, Gris, Teca, and/or DOES 1 through 50 such that any individuality and separateness  
13 between Powers, Powers Investments, Gris, Teca, and/or DOES 1 through 50 has ceased, and that  
14 Powers is the alter ego of Powers Investments, Gris, Teca, and/or DOES 1 through 50.

15 10. Plaintiff is informed and believes and thereon alleges that Powers at all relevant times  
16 mentioned herein has completely dominated and controlled the assets, operations, and activities of  
17 Powers Investments, Gris, Teca, and/or DOES 1 through 50, failed to observe important corporate  
18 formalities, and used the assets and facilities of Powers Investments, Gris, Teca, and/or DOES 1  
19 through 50 for personal affairs and purposes, as if those assets and facilities belonged to Powers  
20 personally.

21 11. Any adherence to the fiction of the separate existence of Powers, Powers Investments,  
22 Gris, Teca, and/or DOES 1 through 50 as an entity distinct from Powers would permit the abuse of a  
23 corporate privilege and would promote injustice by allowing Powers, Powers Investments, Gris,  
24 Teca, and/or DOES 1 through 50 to evade liability or veil assets that should in equity be used to  
25 satisfy the judgment sought by Plaintiff.

26 12. In this action, Plaintiff is suing Defendants for fraudulent inducement, fraud,  
27 constructive fraud, conversion, breach of written contract, breach of oral contract, and unfair  
28 business practices in connection with Defendants' theft of Plaintiff's property and Defendants'

1 purposeful concealment of such theft.

2 **JURISDICTION AND VENUE**

3 13. This Court has jurisdiction over this action in that the transactions giving rise to this  
4 action occurred in substantial part in the City and County of Los Angeles, California. This Court has  
5 personal jurisdiction over Defendants by virtue of Defendants': (1) solicitation of, and business with,  
6 California citizens; (2) personal appearance in the City and County of Los Angeles to transact said  
7 business; and (3) telephone, facsimile, and e-mail contacts with California citizens as a result of  
8 Defendants' business conducted within California and within this district for more than six years.

9 **FACTS COMMON TO ALL CAUSES OF ACTION**

10 14. Dr. Michelson met Mr. Powers in the Summer of 1999 in Los Angeles, California.  
11 When they met, Powers told Dr. Michelson that he was an experienced real estate investor and could  
12 help Dr. Michelson in the purchase of properties in Costa Rica. The parties agreed, *inter alia*, that  
13 Powers would be engaged to purchase properties, and Powers would charge no more than six percent  
14 (6%) commission for purchasing the properties.

15 15. Towards this end, Powers registered "C&M Investment Group, Ltd." (Plaintiff) to be  
16 the owner of the properties Powers found and negotiated. Powers had power of attorney from  
17 Plaintiff in order to purchase properties on behalf of Plaintiff.

18 **A. POWERS' FRAUD, CONCEALMENT, AND SPOILIATION**

19 16. Generally from June, 2000 through March, 2006, Powers purchased on behalf of  
20 Plaintiff more than 147 properties in Costa Rica, totaling more than 23,000 acres, by finding and  
21 negotiating the price of the properties, representing to C&M, through Dr. Michelson, the purchase  
22 price of the properties and the closing fees, and requesting C&M, through Dr. Michelson, to wire the  
23 funds for the represented price and fees, with an 6% mark-up for Powers' services to a specific  
24 account of Powers. Some of the accounts Powers requested the money to be sent included accounts  
25 in the names of Powers Investments, Gris, and Teca. From June, 2000 through March, 2006, funds  
26 in the amount of \$25,592,289 were wired to Powers on behalf of C&M to purchase the properties.

27 17. Unbeknownst to C&M, Powers was in fact marking-up the purchase prices of the  
28 properties for far more than the represented 6% commission rate.

1 18. In 2005 and 2006, C&M, through Dr. Michelson and others, repeatedly asked Powers  
2 to disclose adequate books and records showing the actual purchase prices of the properties, and the  
3 commissions Powers charged for the property purchases. But Powers continually refused to disclose  
4 records. His excuses for such conduct varied and were contradictory.

5 19. For example, Powers initially claimed that he paid for the properties in cash, and that  
6 there was no documentary evidence of how much he actually paid for the properties. When C&M  
7 told him that there should at least be checks made out to "cash" in the amount paid to the sellers,  
8 Powers said that he destroyed his copies of such checks. Thereupon, C&M, through Dr. Michelson  
9 and others, insisted that, at a minimum, Powers' bank would have records of the checks. Powers  
10 refused to disclose those records, stating that the information of what he paid for the properties was  
11 confidential.

12 20. Upon continued pressure from C&M, Powers finally admitted that he charged C&M  
13 in excess of 6% for commissions. However, Powers refused to provide records that would show the  
14 actual amount Powers marked-up the properties.

15 21. Upon information and belief, Powers marked-up the purchase prices of the properties  
16 by an average no less than 506%, and Plaintiff's investigation into the amount of overcharges  
17 continues (at significant expense) to date.

18 22. Despite repeated requests from C&M to disclose in full the commissions Powers  
19 charged for all properties purchased from 2000 to 2006, Powers has refused to do so.

20 **B. THE PARTIES' CONTRACT AND DEFENDANTS' BREACH THEREOF**

21 23. The parties entered into a written Professional Services Agreement ("Agreement") on  
22 or about October 3, 2003, a copy of which is attached hereto as Exhibit 1 and is incorporated herein  
23 by reference. The Agreement was between C&M and "Richard Powers d/b/a Powers Investment  
24 and Management" (Defendants) and required, among other things, that Defendants keep adequate  
25 books and records in purchasing property on behalf of C&M. As alleged hereinabove, Defendants  
26 breached this duty.

27 24. The contract also provided that C&M "shall have access to and the right to examine  
28 any pertinent books, documents, papers and accounting records of Consultant [Defendants] which

1 pertain to transactions under this Agreement during the pendency of this Agreement and for a period  
2 of three (3) years after expiration of this Agreement.” Ex. 1, Article 11. As alleged hereinabove,  
3 Defendants breached this duty.

4 25. The contract further provided that Defendants must “report all . . . accounting records,  
5 budgets, and projections . . .”. *Id.* at Ex. A, § 4. Defendants breached this duty, at significant  
6 expense and injury to Plaintiff.

7 26. An attorney’s fees provision in the contract provides: “the prevailing party shall be  
8 entitled to reasonable attorney’s fees in addition to any other relief to which it may be entitled.” *Id.*  
9 at Article 18. If Plaintiff prevails on any of its claims, Plaintiff is contractually entitled to reasonable  
10 attorney’s fees.

11 **FIRST CAUSE OF ACTION FOR FRAUDULENT INDUCEMENT**

12 **(Against All Defendants)**

13 27. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 26 as  
14 if fully set forth herein.

15 28. As alleged hereinabove, to induce Plaintiff to engage Defendants, Defendants  
16 promised to purchase properties on behalf of Plaintiff for a commission not to exceed 6%. In  
17 reliance on such promises, Plaintiff engaged Defendants to purchase properties, and sent Defendants  
18 more than 25 million dollars over the course of approximately five years to purchase the properties.

19 29. Defendants’ promises were false at the time that they were made. Upon information  
20 and belief, Defendants intended at the time of the initial engagement to pursue a pattern and practice  
21 of taking from Plaintiff far in excess of the agreed-upon commission rate.

22 30. Defendants in fact took millions of dollars from Plaintiff by charging fraudulent  
23 commissions by an average no less than 506%. The investigation into the overmarking continues at  
24 significant expense to date and the figure will likely be significantly higher.

25 31. Moreover, Defendants engaged in purposeful concealment to prevent Plaintiff from  
26 discovering Defendants’ wrongdoing. Defendants misrepresented the purchase prices of the  
27 properties to Plaintiff. And upon information and belief, Defendants refused to disclose and/or  
28 destroyed books and records to prevent Plaintiff from determining the full amount Defendants

1 misappropriated.

2 32. As a direct and proximate cause of Defendants' fraud and deceit as set forth above  
3 and with particularity throughout this Complaint, Plaintiff has suffered actual damages in an amount  
4 no less than \$20,000,000 to be proven at trial.

5 33. The aforementioned fraud and deceit was committed through oppression, fraud, and  
6 malice with intent to cause injury to Plaintiff through willful and conscious disregard of Defendants'  
7 promises and Plaintiff's rights and subjecting Plaintiff to cruel and unjust hardship in conscious  
8 disregard of its rights, and/or deprive it of property and legal rights through intentional  
9 misrepresentation, deceit, and concealment of material facts. Therefore, Plaintiff is entitled to an  
10 award of exemplary and punitive damages under California Code of Civil Procedure Section 3294 in  
11 an amount to be proven at trial.

12 **SECOND CAUSE OF ACTION FOR FRAUD AND DECEIT**

13 **(Against All Defendants)**

14 34. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 33 as  
15 if fully set forth herein.

16 35. As alleged hereinabove in the Facts Common To All Causes of Action, Defendants  
17 misrepresented to Plaintiff the amount of money needed to purchase the properties and the  
18 commissions Defendants took for purchasing the properties. Examples of Defendants'  
19 misrepresentations, fraud, and deceit include:

- 20
- 21 • Representing on or about May 12, 2004 that a property cost \$127,500 when, based on  
22 information available to date, the property cost approximately \$13,000, constituting a  
23 fraudulent markup in excess of 970%;
  - 24 • Representing on or about March 2, 2004 that a property cost approximately \$70,000  
25 when, based on information available to date, the property cost approximately \$8,600,  
26 constituting a fraudulent markup in excess of 803%;
  - 27 • Representing on or about October 1, 2002 that a property cost \$130,000 when, based on  
28 information available to date, the property cost approximately \$34,500, constituting a  
fraudulent markup in excess of 366%;

- 1 • Representing on or about May 12, 2004 that a property cost \$183,000 when, based on  
2 information available to date, the property cost approximately \$75,500, constituting a  
3 fraudulent markup in excess of 232%; and
- 4 • Representing on or about August 13, 2002 that a property cost \$374,000 when, based on  
5 information available to date, the property cost approximately \$216,300, constituting a  
6 fraudulent markup in excess of 162%.

7 36. Such representations were false when made and made with the intention of causing  
8 Plaintiff to rely thereon and send the requested sums.

9 37. Plaintiff did in fact rely on Defendants' misrepresentations and sent Defendants the  
10 sums they requested in excess of \$25 million. Plaintiff's reliance on Defendants' misrepresentations  
11 was justifiable.

12 38. Moreover, to conceal Defendants' fraud and misrepresentations alleged hereinabove,  
13 Defendants engaged in a pattern of fraud and deception by failing to disclose to Plaintiff adequate  
14 books and records with which to verify Defendants' representations, and instead gave false  
15 assurances, misleading explanations, and evasive excuses to forestall the revelation of Defendants'  
16 fraud, deceit, and misrepresentations.

17 39. The \$25 million in funds transmitted by Plaintiff to Defendants were excessive and  
18 represented far more than what the Defendants represented they were in fact requesting (namely, the  
19 purchase price plus a 6% commission). Indeed, based on information to date, Powers marked-up the  
20 properties by an average no less than 506%. The investigation into the overmarking continues at  
21 significant expense to date and the figure will likely be significantly higher.

22 40. As a direct and proximate cause of Defendants' fraud and deceit as set forth above  
23 and with particularity throughout this Complaint, Plaintiff has suffered actual damages in an amount  
24 no less than \$20,000,000 to be proven at trial.

25 41. The aforementioned fraud and deceit was committed through oppression, fraud, and  
26 malice with intent to cause injury to Plaintiff through willful and conscious disregard of Defendants'  
27 promises and Plaintiff's rights and subjecting Plaintiff to cruel and unjust hardship in conscious  
28 disregard of its rights, and/or deprive it of property and legal rights through intentional



1 misrepresentation, deceit, and concealment of material facts. Therefore, Plaintiff is entitled to an  
2 award of exemplary and punitive damages under California Code of Civil Procedure Section 3294 in  
3 an amount to be proven at trial.

4 **THIRD CAUSE OF ACTION FOR CONSTRUCTIVE FRAUD**

5 **(Against All Defendants)**

6 42. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 41 as  
7 if fully set forth herein.

8 43. As alleged hereinabove, Defendants induced Plaintiff to engage it to purchase  
9 properties, and act as Plaintiff's power of attorney for the acquisition of the properties from June,  
10 2000 through March, 2006. Such fiduciary relationship entitled Plaintiff to implicitly trust  
11 Defendants and to expect absolute loyalty and full material disclosures from Defendants.

12 44. At all relevant times, Plaintiff did, in fact, place full and total trust, confidence, and  
13 reliance upon Defendants, and Plaintiff justifiably relied upon the continuing integrity and fidelity of  
14 Defendants.

15 45. Despite having voluntarily accepted such trust and confidence given by Plaintiff,  
16 Defendants violated such trust and confidence and abused their fiduciary relationship with Plaintiff  
17 as set forth above.

18 46. Plaintiff is informed and believes, and thereon alleges that Defendants engaged in the  
19 wrongdoings alleged in this Complaint with specific intent to take advantage of their fiduciary  
20 relationship with Plaintiff to deceive and defraud them, conceal such deceit, fraud, and other  
21 material facts from it, and to induce further reliance.

22 47. As a direct and proximate consequence of Defendants' breach of fiduciary duty as set  
23 forth above, Plaintiff has been damaged in an amount no less than \$20,000,000 to be proven at trial.

24 48. The aforementioned constructive fraud was committed through oppression, fraud, and  
25 malice with intent to cause injury to Plaintiff through willful and conscious disregard of Defendants'  
26 promises and Plaintiff's rights, and subjecting Plaintiff to cruel and unjust hardship in conscious  
27 disregard of its rights, and/or deprive it of property and legal rights through intentional  
28 misrepresentation, deceit, and concealment of material facts. Therefore, Plaintiff is entitled to an

1 award of exemplary and punitive damages under California Code of Civil Procedure Section 3294 in  
2 an amount to be proven at trial.

3 **FOURTH CAUSE OF ACTION FOR CONVERSION**

4 49. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 48 as  
5 if fully set forth herein.

6 50. As alleged hereinabove in the Facts Common To All Causes of Action, to induce  
7 Plaintiff to engage Defendants, Defendants promised to purchase properties on behalf of Plaintiff for  
8 a commission not to exceed 6%. In reliance on such promises, Plaintiff engaged Defendants to  
9 purchase properties, and sent Defendants more than \$25 million over the course of approximately  
10 five years to purchase the properties.

11 51. Unbeknownst to Plaintiff, Powers was in fact marking-up the purchase prices of the  
12 properties for far more than the represented 6% commission rate. Indeed, based on information  
13 available to date, Powers marked-up the properties by an average no less than 506%. The  
14 investigation into the overmarking continues at significant expense to date and the figure will likely  
15 be significantly higher.

16 52. All amounts Powers took in excess of the property purchase prices and his 6%  
17 commission was property belonging to Plaintiff, and thus constituted a wrongful taking of Plaintiff's  
18 property and interfered with Plaintiff's possession of its property.

19 53. As a direct and proximate consequence of Defendants' conduct as set forth above,  
20 Defendants converted an amount no less than \$20,000,000 to be proven at trial.

21 54. The aforementioned conversion was committed through oppression, fraud, and malice  
22 with intent to cause injury to Plaintiff, and subject Plaintiff to cruel and unjust hardship as a result  
23 thereof. Plaintiff is therefore entitled to an award of exemplary and punitive damages under  
24 California Code of Civil Procedure Section 3294 in an amount to be proven at trial.

25 **FIFTH CAUSE OF ACTION FOR BREACH OF WRITTEN CONTRACT**

26 **(Against All Defendants)**

27 55. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 54 as  
28 if fully set forth herein.

1           56. At all relevant times, Plaintiff had competence and capacity to enter into contracts,  
2 and standing to bring actions thereon.

3           57. On or about October 3, 2003, Plaintiff and Defendants entered into a written  
4 Agreement whereby Defendants agreed to keep adequate books and records concerning the  
5 properties purchased on behalf of C&M, and make such records available to C&M upon demand.  
6 *See Ex. 1.*

7           58. By virtue of Defendants' acts and omissions alleged hereinabove, Defendants  
8 breached said contract by failing to keep adequate books and records, and/or refusing to disclose  
9 such records, and/or destroying such records regarding the fees Defendants charged for the  
10 properties they purchased on behalf of Plaintiff.

11          59. Plaintiff performed all conditions, covenants, and promises required on its part to be  
12 performed in accordance with said contract, or are legally excused from doing so.

13          60. As a direct and proximate consequence of Defendants' contract breaches as set forth  
14 above, Plaintiff has suffered damages in an amount to be proven at trial.

15                           **SIXTH CAUSE OF ACTION FOR BREACH OF ORAL CONTRACT**

16   **(Against All Defendants)**

17          61. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 60 as  
18 if fully set forth herein.

19          62. At all relevant times, Plaintiff had competence and capacity to enter into contracts,  
20 and standing to bring actions thereon.

21          63. Plaintiff and Defendants entered into an oral agreement whereby Defendants agreed  
22 to acquire properties for Plaintiffs for a total of no more than 6% of the actual selling price in  
23 commissions.

24          64. By virtue of Defendants' acts and omissions alleged hereinabove, Defendants  
25 breached said contract.

26          65. Plaintiff performed all conditions, covenants, and promises required on its part to be  
27 performed in accordance with said contract, or are legally excused from doing so.

28          66. As a direct and proximate consequence of Defendants' contract breaches as set forth

1 above, Plaintiff has suffered damages in an amount to be proven at trial.

2 **SEVENTH CAUSE OF ACTION FOR UNFAIR BUSINESS PRACTICES**

3 67. Plaintiff repeats and realleges each and every allegation of paragraphs 1 through 66 as  
4 if fully set forth herein.

5 68. Defendants' acts as set forth hereinabove constitute business practices that are  
6 unlawful, unfair, and fraudulent in violation of California Business & Professions Code  
7 Section 17200 *et seq.*

8 69. Defendants' unfair business acts and practices have caused irreparable injury and  
9 other losses to Plaintiff for which it has no adequate remedy at law. Plaintiff is therefore entitled to  
10 restitution from Defendants in an amount to be proven at trial.

11 **JURY DEMAND**

12 70. Plaintiff hereby demands a jury trial in this action.

13 **PRAYER**

14 71. As to the First through Sixth Causes of Action, a money judgment for general,  
15 special, and consequential damages in an amount to be proven at trial;

16 72. Additionally as to the First through Fourth Causes of Action, an award of exemplary  
17 punitive damages under California Code of Civil Procedure Section 3294 in an amount to be  
18 established at trial;

19 73. As to the Seventh Causes of Action, restitution from Defendants in an amount to be  
20 proven at trial;

21 74. An award of attorney's fees as allowed by contract and law;

22 75. Award of costs of suit as allowed by law;

23 76. Interest on damages allowed by law;

24 77. Such other and further relief as the Court deems proper, fair, equitable, and just.

25 //

26 //

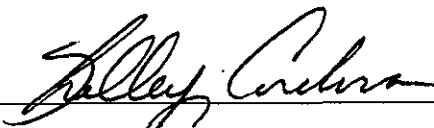
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1 DATED: October 10, 2007

Respectfully submitted,

2 KIRKLAND & ELLIS LLP

3  
4 By: 

5 Luke L. Dauchot (S.B.N. 229829)  
6 Shelley D. Cordova (S.B.N. 234230)  
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14 Attorneys for Plaintiff C&M Investment Group, Ltd.

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**PROFESSIONAL SERVICES AGREEMENT**

This Professional Services Agreement (this "Agreement") is made as of this 3rd day of October 2003, between C&M Investment Group Limited, a limitada company formed under the laws of Costa Rica, (hereinafter referred to as "COMPANY"), and Richard Powers an individual doing business as "Powers Investment and Management" (hereinafter referred to as "Consultant").

**RECITALS**

WHEREAS, COMPANY and its affiliates are engaged in the business of purchasing and maintaining pasture lands for reforestation in the Guanacaste zone of Costa Rica, and COMPANY desires to engage the services of Consultant to provide the services set forth herein; and

WHEREAS, Consultant is an independent contractor able and willing to provide such services under the terms and conditions set forth herein,

NOW THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereto mutually agree as follows:

**AGREEMENT**

**Article 1. Period of Performance.** This Agreement shall commence on the date hereof and shall remain in full force and effect until completion or termination as provided herein.

**Article 2. Character and Extent of Services.** Consultant shall perform the services described in Exhibit "A" (the "Services"), which exhibit is attached to this Agreement and incorporated herein by this reference. The Services shall be performed at the time and location set forth in Exhibit A.

**Article 3. Compensation.** The Services shall be performed for the compensation set forth in Exhibit A. Consultant shall submit invoices in duplicate to COMPANY, together with such supporting documentation as COMPANY may reasonably require, at the end of each month. Invoices shall include:

- Current Agreement Budget
- Gross Amount Invoiced to Date
- Details of the Services Provided in the Current Period Billing

COMPANY agrees to pay the amount due to Consultant for the Services on or before the thirtieth day following receipt of Consultant's invoice, properly documented as set forth above.

**Article 4. Assignment.** The obligations of either party under this Agreement are not assignable or transferable without prior written approval of the other party; provided, however, that consent shall not be required to any transfer by the Company of its rights and obligations hereunder to any person or entity succeeding to substantially all of the business of the Company.

10-01-03



EXH 1

**Article 5. Responsibility; Liability.** Consultant warrants that it will exercise in its performance of the Services the standard of care normally exercised by recognized organizations engaged in performing comparable services using the "best commercial practices" in the management of assets such as those owned by the Company. Except as set forth in Article 6, Consultant's liability to COMPANY hereunder shall not exceed Consultant's total compensation for the Services together with any amounts received by Consultant relating to brokerage services in connection with acquisition of assets owned by the Company.

**Article 6. Indemnification.** Consultant specifically agrees to hold harmless and indemnify COMPANY against all claims, suits, losses, liabilities, damages and expenses arising out of injury, death or property damage if and to the extent caused by the willful misconduct or negligent acts or omissions of Consultant, its employees or agents hereunder. However, neither party shall have liability to the other under this Agreement for consequential, incidental, special or exemplary damages.

**Article 7. Ownership of Work Product.** All technical data, evaluations, reports and other work product of Consultant hereunder shall become the property of COMPANY and shall be delivered to COMPANY upon termination of this agreement or upon completion of the Services as authorized hereunder. Consultant may retain copies of its work product hereunder for research and other internal uses; however, no information contained therein shall be disclosed to any third party or used for the benefit of any entity other than COMPANY without COMPANY's prior written consent. Consultant shall not be liable for use by COMPANY of its work product on projects other than that covered by this Agreement.

**Article 8. Independent Contractor Relationship.** In the performance of the Services hereunder, Consultant shall be an independent contractor and not an employee of COMPANY, with the sole authority to control and direct the performance of the details of the work, COMPANY being interested only in the results obtained.

**Article 9. Legal Requirements.**

a. Consultant shall comply with all applicable domestic and foreign ordinances, laws, orders, rules and regulations pertaining to its Services hereunder, and shall obtain all necessary authority to perform such Services.

b. Consultant hereby represents and warrants that it is aware of and familiar with the provisions of the U.S. Foreign Corrupt Practices Act (the "FCPA") and its purposes, and will take no action and make no payment in violation of, or that might cause COMPANY or any of its affiliates or subsidiaries to be in violation of, the FCPA. Consultant will act in full compliance with the FCPA in connection with its engagement by COMPANY.

c. Consultant hereby represents and warrants that it has not made and will not make, directly or indirectly, any payment, loan or gift (or any offer, promise or authorization of any such payment, loan or gift) of money or anything of value to or for the use of: (i) any government official; (ii) any political party or official or any candidate for political office; or (iii)

any other person under circumstances in which Consultant knows or has reason to know that all or any portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any person named in items (i) and (ii) above for the purpose of inducing the aforementioned person to do any act or make any decision in his official capacity (including a decision to fail to perform his official function) or use his influence with a government or instrumentality to affect any act or decision of such government or instrumentality in order to assist COMPANY in obtaining or retaining any business. For purposes of this Agreement, the term "government official" includes an employee of a government-owned or government-controlled commercial enterprise.

d. Consultant hereby represents and warrants that it is not owned or controlled, and will not become owned or controlled during the term of this Agreement, by any official of the government of the country in or as to which the Services will be performed or by any official of a political party or candidate for political office therein.

e. Consultant represents that it has fully disclosed to COMPANY, and has a continuing obligation to disclose, whether any of its officers, directors or any person known by Consultant to hold more than 10% of Consultant's outstanding shares is, or has a family relationship with, a government official, a political party official or a candidate for political office. Consultant further agrees that it will cooperate with COMPANY to ensure that COMPANY receives adequate assurances, whether in the form of a certification, a formal refusal by the relevant family member or some other form of reasonable assurance, to satisfy COMPANY that no violation of the FCPA will arise as a result of any such officer's, director's, shareholder's or family member's position. Should COMPANY determine in good faith that Consultant has failed to provide such adequate assurances, COMPANY reserves the right to terminate this Agreement immediately.

f. Consultant acknowledges and undertakes that the fees and expenses paid by COMPANY to it hereunder are intended solely as compensation for the Services provided by Consultant pursuant to this Agreement and are not to be shared with, or paid to, any other person or persons.

g. Consultant represents and warrants that the execution and implementation of this Agreement and its receipt of the fees and expenses hereunder do not violate the laws, decrees or regulations of the country in or as to which the Services will be performed and that no consent of or notice to any agency of the government of such country is required or necessary in connection therewith.

**Article 10. Confidentiality.** Consultant shall not, either during or for a period of three (3) years after the termination or expiration of this Agreement, disclose to any third party any Confidential Information (as defined below), or use the same for its own benefit or for the benefit of any entity other than COMPANY, without the prior written consent of COMPANY. Consultant shall limit disclosure of Confidential Information to those of its employees, agents and contractors to whom disclosure is reasonably necessary to perform the Services hereunder and who agree to hold it confidential. Consultant shall prevent its employees, agents and

10-01-01



subcontractors from disclosing Confidential Information to unauthorized persons or misusing the same. As used herein, "Confidential Information" shall mean financial, technical, and business information and documentation relating to COMPANY or the Services which COMPANY designates in writing as "Confidential," "Secret," or "Proprietary" or with words of like meaning. Confidential Information shall not include information which Consultant can demonstrate: (a) is or becomes in the public domain other than by the fault of Consultant, (b) was in Consultant's possession prior to the time of disclosure, (c) is obtained from a third party which Consultant reasonably believed did not obtain the information directly or indirectly from COMPANY, or (d) is independently developed by those of Consultant's employees, agents or contractors who do not have access to the Confidential Information.

**Article 11. Examination of Records; Access to Work.** Consultant agrees that COMPANY or any of its duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers and accounting records of Consultant which pertain to transactions under this Agreement during the pendency of this Agreement and for a period of three (3) years after expiration of this Agreement. COMPANY's representative shall at all times have access to the work for purposes of inspecting same and determining that the Services are being performed in accordance with the terms of this Agreement.

**Article 12. Insurance.**

a. During the course of performance of the Services, Consultant shall maintain the following insurance coverage at no additional cost to COMPANY, and Consultant will pay the deductibles under such coverage:

Workmen's Compensation Insurance as required by law.  
Automobile Liability Insurance covering claims for injuries to or death of one or more persons and damage to property caused by motor vehicles, owned or hired, with aggregate limits of not less than \$50,000.

b. Consultant shall furnish certificates showing that the above insurance coverages will be in effect during the term of this Agreement, and specifying that COMPANY must be given thirty (30) days prior written notice of cancellation, termination, or alteration of the policies evidenced by such certificates.

**Article 13. Termination of the Agreement.**

a. Termination for Convenience. COMPANY may upon written notice terminate this Agreement for COMPANY's convenience, with or without cause, and regardless of whether Consultant is in default.

b. Termination for Cause. COMPANY may terminate this Agreement at any time, by giving written notice to Consultant specifying the effective date of termination, if:

10/01/00

(1) Consultant shall become insolvent, or make a general assignment for the benefit of creditors, or any proceeding is brought by or against Consultant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the present or any future federal bankruptcy acts or under any other applicable federal or state law or regulation, or any proceeding is brought seeking the appointment of a receiver or similar officer of court with respect to Consultant's business;

(2) Consultant repeatedly refuses or fails to supply enough properly skilled workmen or equipment or materials of the proper quality or quantity to perform the Services;

(3) Consultant disregards laws, ordinances, government rules or regulations, or repeatedly disregards instructions of COMPANY's representative which are consistent with this Agreement; or

(4) Consultant is guilty of a material breach or violation of any provision of this Agreement, and fails to remedy such breach or violation within thirty (30) days after receipt of written notice for COMPANY.

c. Consequences of Termination. In the event of termination hereof, whether for convenience or for cause:

(1) All finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports or other materials prepared or (subject however to Consultant's nonexclusive rights to use the same as set forth in Article 7) equipment purchased by Consultant under this Agreement shall become the property of COMPANY; and

(2) Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

**Article 14. Amendments.** This instrument constitutes the entire Agreement between the parties covering the subject matter and supersedes any and all other prior agreements and understandings, either oral or in writing, between the parties hereto with respect to the subject matter hereof. No modification or amendments to this Agreement shall be valid unless in writing and signed by the parties.

**Article 15. Notices.** Any notice to be given hereunder by either party to the other may be effected either by personal delivery in writing, or by certified mail, return receipt requested, postage prepaid, effective when received or on the fifth day following the date mailed, whichever is sooner. The addresses for notice shall be those set forth on the first page of this Agreement, unless such addresses are changed by written notice given in compliance with this Article 15.

**Article 16. Liens.**

a. Consultant shall promptly pay all bills incurred by Consultant in performance of the Services hereunder, including, without limitation, bills for labor, services, equipment and materials.

b. Consultant shall not voluntarily permit any laborer's, materialmen's, mechanic's, or other liens to be filed or otherwise imposed on any of COMPANY's property on the behalf of Consultant or any of its employees, agents, or subcontractors. If any such lien or claim is filed and if Consultant does not cause such lien to be released and discharged forthwith, or file a bond in lieu thereof, COMPANY shall have the right to pay all sums necessary to obtain release and discharge and deduct all amounts so paid from the payments due then or thereafter hereunder.


**Article 17. Governing Law.** By selection of the parties, this Agreement and all questions concerning the execution, validity or invalidity, capacity of the parties and the performance of this Agreement, shall be interpreted in accordance with the laws of the State of California applicable to agreements executed and to be wholly performed in such state.

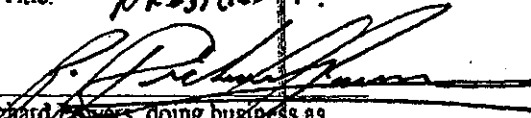
**Article 18. Attorneys' Fees.** If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which it may be entitled.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in their respective names as of day and year first above written.

**C&M INVESTMENT GROUP LIMITED**

By Karlin Holdings Limited Partnership, a Nevada limited partnership

By   
Name: GARY KAVIN Michelson  
Title: President.

  
Richard Powers, doing business as  
Powers Management and Investment

# Powers Management & Investments Co.

## PROFESSIONAL SERVICES AGREEMENT EXHIBIT "A"

Property size: approximately 5,000 acres. (C & M) October 3, 2003

### SERVICES

- 1: Powers will be responsible for the planting and maintenance of all trees on C & M's properties as well as the maintenance of the existing natural forest surrounding the plantations. This also includes all infrastructures on roads, bridges and fences.
- 2: Powers will be responsible for all employees and their compensation as well as their insurance, Social Security and vacation pay.
- 3: Powers will be responsible for loss of any new plantings as a result of hurricane, fire, disease or plague. Powers investments are responsible at his expense to replant any loss of trees in the second year to give C & M coverage of 100% of the planted area.
- 4: Powers will report all activities pertaining to the progress of the plantations as well as accounting records, budgets and projections as described further in Article 3 of this doc.
- 5: Powers investments are also responsible for the acquisition of new properties both reforested and for reforestation for C & M. Powers is also responsible to see that all related property leases whether related to government forest restrictions or otherwise are cancelled or cleaned. Powers is also responsible to report and present all documents relating to closing to the offices of Munoz and Arias.

### COMPENSATION

Powers investment will receive for compensation two dollars for every new tree planted. From this compensation Powers investments will be responsible to carry out all the functions as described above. The planting cost for the first year will be approximately \$2 per tree. This includes preparation of the property (cleaning, etc.). Certified teak seedlings from nursery and transportation to site. Forest engineer who sets lines, distances and spaces and monitors trees throughout the year. Holes prepared for fertilizing (There will be three stages of fertilizing in the first and second year.) and planting. Maintenance of surrounding fences and borders. Fire lines are made in December and revised monthly. Fertilizers, insecticides and all chemicals are included in this maintenance schedule. It will not include infrastructure made on roads and bridges or its maintenance.



EXHA

November 10, 2003  
Page 2

### Teak Tree maintenance schedule first 9 years

<u>Year</u>	<u>Cost per tree</u>	<u>Trees per acre</u> Based on 4mt.X4mt.	<u>Cost per Acre.</u>
One	\$2.00	243	\$485
Two	1.00		243
Three	.50		121
Four	.50		121
Five	.50		121
Six	.25		60
Seven	.25		60

LOS ANGELES SUPERIOR COURT

OCT 10 2007

JOHN A. CLARKE, CLERK  
BY MARY GARCIA, DEPUTY

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):  
LUKE L. DAUCHOT (S.B.N. 229829)  
SHELLEY D. CORDOVA (S.B.N. 234230)  
Kirkland & Ellis LLP  
777 So. Figueroa Street, Suite 3400  
Los Angeles, California 90017  
TELEPHONE NO.: (213) 680-8400 FAX NO.: (213) 680-8500  
ATTORNEY FOR (Name): C&M Investment Group, Ltd., a partnership  
SUPERIOR COURT OF CALIFORNIA, COUNTY OF Los Angeles  
STREET ADDRESS: 111 N. Hill Street  
MAILING ADDRESS: Same  
CITY AND ZIP CODE: Los Angeles, CA 90012  
BRANCH NAME: Central

CASE NAME: C&M Investment Group, Ltd. v. P. Richard Powers; Powers Investments and Mgt.; Guanana Gris; Proteccion Forestal de Teca

**CIVIL CASE COVER SHEET**  
 **Unlimited** (Amount demanded exceeds \$25,000)  
 **Limited** (Amount demanded is \$25,000 or less)

**Complex Case Designation**  
 **Counter**  **Joinder**  
Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)

CASE NUMBER: **BC378888**  
JUDGE:  
DEPT:

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

<p><b>Auto Tort</b></p> <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) <p><b>Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort</b></p> <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other PI/PD/WD (23) <p><b>Non-PI/PD/WD (Other) Tort</b></p> <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input checked="" type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-PI/PD/WD tort (35) <p><b>Employment</b></p> <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	<p><b>Contract</b></p> <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) <p><b>Real Property</b></p> <input type="checkbox"/> Eminent domain/Inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) <p><b>Unlawful Detainer</b></p> <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) <p><b>Judicial Review</b></p> <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	<p><b>Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403)</b></p> <input type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) <p><b>Enforcement of Judgment</b></p> <input type="checkbox"/> Enforcement of judgment (20) <p><b>Miscellaneous Civil Complaint</b></p> <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) <p><b>Miscellaneous Civil Petition</b></p> <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
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2. This case  is  is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- |  |  |
|--|--|
| a. <input type="checkbox"/> Large number of separately represented parties   | d. <input type="checkbox"/> Large number of witnesses  |
| b. <input type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve | e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court |
| c. <input type="checkbox"/> Substantial amount of documentary evidence   | f. <input type="checkbox"/> Substantial postjudgment judicial supervision  |
3. Remedies sought (check all that apply): a.  monetary b.  nonmonetary; declaratory or injunctive relief c.  punitive
4. Number of causes of action (specify): Seven
5. This case  is  is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: October 10, 2007  
SHELLEY D. CORDOVA (S.B.N. 234230)  
(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

ORIGINAL

**NOTICE**

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

**To Plaintiffs and Others Filing First Papers.** If you are filing a first paper (for example, a complaint) in a civil case, you must complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

**To Parties in Rule 3.740 Collections Cases.** A "collections case" under rule 3.740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3.740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

**To Parties in Complex Cases.** In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

**CASE TYPES AND EXAMPLES**

**Auto Tort**

- Auto (22)—Personal Injury/Property Damage/Wrongful Death
- Uninsured Motorist (46) (if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto)

**Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort**

- Asbestos (04)
  - Asbestos Property Damage
  - Asbestos Personal Injury/Wrongful Death
- Product Liability (not asbestos or toxic/environmental) (24)
- Medical Malpractice (45)
  - Medical Malpractice—Physicians & Surgeons
  - Other Professional Health Care Malpractice
- Other PI/PD/WD (23)
  - Premises Liability (e.g., slip and fall)
  - Intentional Bodily Injury/PD/WD (e.g., assault, vandalism)
  - Intentional Infliction of Emotional Distress
  - Negligent Infliction of Emotional Distress
- Other PI/PD/WD

**Non-PI/PD/WD (Other) Tort**

- Business Tort/Unfair Business Practice (07)
- Civil Rights (e.g., discrimination, false arrest) (not civil harassment) (08)
- Defamation (e.g., slander, libel) (13)
- Fraud (16)
- Intellectual Property (19)
- Professional Negligence (25)
  - Legal Malpractice
  - Other Professional Malpractice (not medical or legal)
- Other Non-PI/PD/WD Tort (35)

**Employment**

- Wrongful Termination (36)
- Other Employment (15)

**Contract**

- Breach of Contract/Warranty (06)
  - Breach of Rental/Lease
  - Contract (not unlawful detainer or wrongful eviction)
- Contract/Warranty Breach—Seller Plaintiff (not fraud or negligence)
- Negligent Breach of Contract/Warranty
- Other Breach of Contract/Warranty
- Collections (e.g., money owed, open book accounts) (09)
  - Collection Case—Seller Plaintiff
  - Other Promissory Note/Collections Case
- Insurance Coverage (not provisionally complex) (18)
  - Auto Subrogation
  - Other Coverage
- Other Contract (37)
  - Contractual Fraud
  - Other Contract Dispute

**Real Property**

- Eminent Domain/Inverse Condemnation (14)
- Wrongful Eviction (33)
- Other Real Property (e.g., quiet title) (26)
  - Writ of Possession of Real Property
  - Mortgage Foreclosure
  - Quiet Title
  - Other Real Property (not eminent domain, landlord/tenant, or foreclosure)

**Unlawful Detainer**

- Commercial (31)
- Residential (32)
- Drugs (38) (if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential)

**Judicial Review**

- Asset Forfeiture (05)
- Petition Re: Arbitration Award (11)
- Writ of Mandate (02)
  - Writ—Administrative Mandamus
  - Writ—Mandamus on Limited Court Case Matter
  - Writ—Other Limited Court Case Review
- Other Judicial Review (39)
  - Review of Health Officer Order
  - Notice of Appeal—Labor Commissioner Appeals

**Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3.400–3.403)**

- Antitrust/Trade Regulation (03)
- Construction Defect (10)
- Claims Involving Mass Tort (40)
- Securities Litigation (28)
- Environmental/Toxic Tort (30)
- Insurance Coverage Claims (arising from provisionally complex case type listed above) (41)

**Enforcement of Judgment**

- Enforcement of Judgment (20)
  - Abstract of Judgment (Out of County)
  - Confession of Judgment (non-domestic relations)
  - Sister State Judgment
  - Administrative Agency Award (not unpaid taxes)
  - Petition/Certification of Entry of Judgment on Unpaid Taxes
  - Other Enforcement of Judgment Case

**Miscellaneous Civil Complaint**

- RICO (27)
- Other Complaint (not specified above) (42)
  - Declaratory Relief Only
  - Injunctive Relief Only (non-harassment)
  - Mechanics Lien
  - Other Commercial Complaint Case (non-tort/non-complex)
  - Other Civil Complaint (non-tort/non-complex)

**Miscellaneous Civil Petition**

- Partnership and Corporate Governance (21)
- Other Petition (not specified above) (43)
  - Civil Harassment
  - Workplace Violence
  - Elder/Dependent Adult Abuse
  - Election Contest
  - Petition for Name Change
  - Petition for Relief from Late Claim
  - Other Civil Petition

**CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION  
(CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)**

This form is required pursuant to LASC Local Rule 2.0 in all new civil case filings in the Los Angeles Superior Court.

Item I. Check the types of hearing and fill in the estimated length of hearing expected for this case:

JURY TRIAL?  YES CLASS ACTION?  YES LIMITED CASE?  YES TIME ESTIMATED FOR TRIAL 5  HOURS/  DAYS

Item II. Select the correct district and courthouse location (4 steps – If you checked "Limited Case", skip to Item III, Pg. 4):

**Step 1:** After first completing the Civil Case Cover Sheet Form, find the main civil case cover sheet heading for your case in the left margin below, and, to the right in Column A, the Civil Case Cover Sheet case type you selected.

**Step 2:** Check one Superior Court type of action in Column B below which best describes the nature of this case.

**Step 3:** In Column C, circle the reason for the court location choice that applies to the type of action you have checked. For any exception to the court location, see Los Angeles Superior Court Local Rule 2.0.

**Applicable Reasons for Choosing Courthouse Location (See Column C below)**

1. Class Actions must be filed in the County Courthouse, Central District.
2. May be filed in Central (Other county, or no Bodily Injury/Property Damage).
3. Location where cause of action arose.
4. Location where bodily injury, death or damage occurred.
5. Location where performance required or defendant resides.
6. Location of property or permanently garaged vehicle.
7. Location where petitioner resides.
8. Location wherein defendant/respondent functions wholly.
9. Location where one or more of the parties reside.
10. Location of Labor Commissioner Office.

**Step 4:** Fill in the information requested on page 4 in Item III; complete Item IV. Sign the declaration.

	<b>A</b> Civil Case Cover Sheet Category No.	<b>B</b> Type of Action (Check only one)	<b>C</b> Applicable Reasons - See Step 3 Above
Auto Tort	Auto (22)	<input type="checkbox"/> A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1., 2., 4.
	Uninsured Motorist (46)	<input type="checkbox"/> A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1., 2., 4.
Other Personal Injury/Property Damage/Wrongful Death Tort	Asbestos (04)	<input type="checkbox"/> A6070 Asbestos Property Damage	2.
		<input type="checkbox"/> A7221 Asbestos - Personal Injury/Wrongful Death	2.
	Product Liability (24)	<input type="checkbox"/> A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
	Medical Malpractice (45)	<input type="checkbox"/> A7210 Medical Malpractice - Physicians & Surgeons	1., 2., 4.
		<input type="checkbox"/> A7240 Other Professional Health Care Malpractice	1., 2., 4.
Other Personal Injury Property Damage Wrongful Death (23)	<input type="checkbox"/> A7250 Premises Liability (e.g., slip and fall)	1., 2., 4.	
	<input type="checkbox"/> A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.)	1., 2., 4.	
	<input type="checkbox"/> A7270 Intentional Infliction of Emotional Distress	1., 2., 3.	
	<input type="checkbox"/> A7220 Other Personal Injury/Property Damage/Wrongful Death	1., 2., 4.	
Business Tort (07)	<input type="checkbox"/> A6029 Other Commercial/Business Tort (not fraud/breach of contract)	1., 2., 3.	
Civil Rights (08)	<input type="checkbox"/> A6005 Civil Rights/Discrimination	1., 2., 3.	
Defamation (13)	<input type="checkbox"/> A6010 Defamation (slander/libel)	1., 2., 3.	
Non-Personal Injury/Property Damage/Wrongful Death Tort	Fraud (16)	<input checked="" type="checkbox"/> A6013 Fraud (no contract)	1., 2., 3. <b>3.</b>

**ORIGINAL**

Non-Personal Injury/Property Damage/  
Wrongful Death Tort (Cont'd.)

Employment

Contract

Real Property

Judicial Review  
Unlawful Detainer

SHORT TITLE: C&M Investment Group, Ltd. v. P. Richard Powers; Powers Investments and Mgt.; Guanana Gris; Proteccion Forestal de Teca		CASE NUMBER
<b>A</b> Civil Case Cover Sheet Category No.	<b>B</b> Type of Action (Check only one)	<b>C</b> Applicable Reasons - See Step 3 Above
Professional Negligence (25)	<input type="checkbox"/> A6017 Legal Malpractice	1., 2., 3.
	<input type="checkbox"/> A6050 Other Professional Malpractice (not medical or legal)	1., 2., 3.
Other (35)	<input type="checkbox"/> A6025 Other Non-Personal Injury/Property Damage tort	2., 3.
Wrongful Termination (36)	<input type="checkbox"/> A6037 Wrongful Termination	1., 2., 3.
	Other Employment (15)	<input type="checkbox"/> A6024 Other Employment Complaint Case <input type="checkbox"/> A6109 Labor Commissioner Appeals
Breach of Contract/Warranty (06) (not insurance)	<input type="checkbox"/> A6004 Breach of Rental/Lease Contract (not Unlawful Detainer or wrongful eviction)	2., 5.
	<input type="checkbox"/> A6008 Contract/Warranty Breach -Seller Plaintiff (no fraud/negligence)	2., 5.
	<input type="checkbox"/> A6019 Negligent Breach of Contract/Warranty (no fraud)	1., 2., 5.
	<input type="checkbox"/> A6028 Other Breach of Contract/Warranty (not fraud or negligence)	1., 2., 5.
Collections (09)	<input type="checkbox"/> A6002 Collections Case-Seller Plaintiff	2., 5., 6.
	<input type="checkbox"/> A6012 Other Promissory Note/Collections Case	2., 5.
Insurance Coverage (18)	<input type="checkbox"/> A6015 Insurance Coverage (not complex)	1., 2., 5., 8.
Other Contract (37)	<input type="checkbox"/> A6009 Contractual Fraud	1., 2., 3., 5.
	<input type="checkbox"/> A6031 Tortious Interference	1., 2., 3., 5.
	<input type="checkbox"/> A6027 Other Contract Dispute(not breach/insurance/fraud/negligence)	1., 2., 3., 8.
Eminent Domain/Inverse Condemnation (14)	<input type="checkbox"/> A7300 Eminent Domain/Condemnation Number of parcels _____	2.
Wrongful Eviction (33)	<input type="checkbox"/> A6023 Wrongful Eviction Case	2., 6.
Other Real Property (26)	<input type="checkbox"/> A6018 Mortgage Foreclosure	2., 6.
	<input type="checkbox"/> A6032 Quiet Title	2., 6.
	<input type="checkbox"/> A6060 Other Real Property (not eminent domain, landlord/tenant, foreclosure)	2., 6.
Unlawful Detainer - Commercial (31)	<input type="checkbox"/> A6021 Unlawful Detainer-Commercial (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer - Residential (32)	<input type="checkbox"/> A6020 Unlawful Detainer-Residential (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer - Drugs (38)	<input type="checkbox"/> A6022 Unlawful Detainer-Drugs	2., 6.
Asset Forfeiture (05)	<input type="checkbox"/> A6108 Asset Forfeiture Case	2., 6.
Petition re Arbitration (11)	<input type="checkbox"/> A6115 Petition to Compel/Confirm/Vacate Arbitration	2., 5.



Judicial Review (Cont'd.)

Provisionally Complex Litigation

Enforcement of Judgment

Miscellaneous Civil Complaints

Miscellaneous Civil Petitions

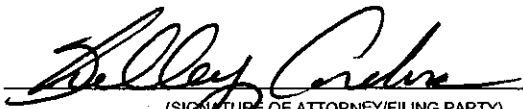
A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Writ of Mandate (02)	<input type="checkbox"/> A6151 Writ - Administrative Mandamus <input type="checkbox"/> A6152 Writ - Mandamus on Limited Court Case Matter <input type="checkbox"/> A6153 Writ - Other Limited Court Case Review	2., 8. 2. 2.
Other Judicial Review (39)	<input type="checkbox"/> A6150 Other Writ / Judicial Review	2., 8.
Antitrust/Trade Regulation (03)	<input type="checkbox"/> A6003 Antitrust/Trade Regulation	1., 2., 8.
Construction Defect (10)	<input type="checkbox"/> A6007 Construction defect	1., 2., 3.
Claims Involving Mass Tort (40)	<input type="checkbox"/> A6006 Claims Involving Mass Tort	1., 2., 8.
Securities Litigation (28)	<input type="checkbox"/> A6035 Securities Litigation Case	1., 2., 8.
Toxic Tort Environmental (30)	<input type="checkbox"/> A6036 Toxic Tort/Environmental	1., 2., 3., 8.
Insurance Coverage Claims from Complex Case (41)	<input type="checkbox"/> A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.
Enforcement of Judgment (20)	<input type="checkbox"/> A6141 Sister State Judgment <input type="checkbox"/> A6160 Abstract of Judgment <input type="checkbox"/> A6107 Confession of Judgment (non-domestic relations) <input type="checkbox"/> A6140 Administrative Agency Award (not unpaid taxes) <input type="checkbox"/> A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax <input type="checkbox"/> A6112 Other Enforcement of Judgment Case	2., 9. 2., 6. 2., 9. 2., 8. 2., 8. 2., 8., 9.
RICO (27)	<input type="checkbox"/> A6033 Racketeering (RICO) Case	1., 2., 8.
Other Complaints (Not Specified Above) (42)	<input type="checkbox"/> A6030 Declaratory Relief Only <input type="checkbox"/> A6040 Injunctive Relief Only (not domestic/harassment) <input type="checkbox"/> A6011 Other Commercial Complaint Case (non-tort/non-complex) <input type="checkbox"/> A6000 Other Civil Complaint (non-tort/non-complex)	1., 2., 8. 2., 8. 1., 2., 8. 1., 2., 8.
Partnership Corporation Governance (21)	<input type="checkbox"/> A6113 Partnership and Corporate Governance Case	2., 8.
Other Petitions (Not Specified Above) (43)	<input type="checkbox"/> A6121 Civil Harassment <input type="checkbox"/> A6123 Workplace Harassment <input type="checkbox"/> A6124 Elder/Dependent Adult Abuse Case <input type="checkbox"/> A6190 Election Contest <input type="checkbox"/> A6110 Petition for Change of Name <input type="checkbox"/> A6170 Petition for Relief from Late Claim Law <input type="checkbox"/> A6100 Other Civil Petition	2., 3., 9. 2., 3., 9. 2., 3., 9. 2. 2., 7. 2., 3., 4., 8. 2., 9.

Item III. Statement of Location: Enter the address of the accident, party's residence or place of business, performance, or other circumstance indicated in Item II., Step 3 on Page 1, as the proper reason for filing in the court location you selected.

REASON: CHECK THE NUMBER UNDER COLUMN C WHICH APPLIES IN THIS CASE			ADDRESS:
<input type="checkbox"/> 1. <input type="checkbox"/> 2. <input checked="" type="checkbox"/> 3. <input type="checkbox"/> 4. <input type="checkbox"/> 5. <input type="checkbox"/> 6. <input type="checkbox"/> 7. <input type="checkbox"/> 8. <input type="checkbox"/> 9. <input type="checkbox"/> 10.			11755 Wilshire Blvd., Suite 1600
CITY: Los Angeles	STATE: CA	ZIP CODE: 90025	

Item IV. Declaration of Assignment: I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that the above-entitled matter is properly filed for assignment to the Los Angeles County Superior courthouse in the Central District of the Los Angeles Superior Court (Code Civ. Proc., § 392 et seq., and LASC Local Rule 2.0, subs. (b), (c) and (d)).

Dated: October 10, 2007

  
 \_\_\_\_\_  
 (SIGNATURE OF ATTORNEY/FILING PARTY)  
 SHELLEY D. CORDOVA (SBN 234230)

**PLEASE HAVE THE FOLLOWING ITEMS COMPLETED AND READY TO BE FILED IN ORDER TO PROPERLY COMMENCE YOUR NEW COURT CASE:**

1. Original Complaint or Petition.
2. If filing a Complaint, a completed Summons form for issuance by the Clerk.
3. Civil Case Cover Sheet form CM-010.
4. Complete Addendum to Civil Case Cover Sheet form LACIV 109 (Rev 01/07), LASC Approved 03-04.
5. Payment in full of the filing fee, unless fees have been waived.
6. Signed order appointing the Guardian ad Litem, JC form FL-935, if the plaintiff or petitioner is a minor under 18 years of age, or if required by Court.
7. Additional copies of documents to be conformed by the Clerk. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case.

10/10/07