

# SUMMONS

## (CITACION JUDICIAL)

FOR COURT USE ONLY  
(SOLO PARA USO DE LA CORTE)

### NOTICE TO DEFENDANTS: (AVISO AL DEMANDADO):

KRISTARA SANTOS formerly known as KRISTARA ALONZO, an individual;  
and DOES 1-100, inclusive

### YOU ARE BEING SUED BY PLAINTIFF:

### (LO ESTÁ DEMANDANDO EL DEMANDANTE):

JUSTICE INVESTORS, LP, a California limited partnership

**NOTICE!** You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.

**¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), en el Centro de Ayuda de las Cortes de California, ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:

(El nombre y dirección de la corte es):

Superior Court of the State of California  
County of San Francisco  
Civic Center Courthouse  
400 McAllister Street  
San Francisco, CA 94102

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Steven J. "Bernie" Bernheim (Cal Bar No. 143319), (818) 760-7341

THE BERNHEIM LAW FIRM

11611 Dona Alicia Place, Studio City, California 91604

DATE:

(Fecha)

**OCT 08 2019**

**Clerk of the Court**

Clerk, by

(Secretario)

Deputy

(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

**NEYL WEBB**



### NOTICE TO THE PERSON SERVED: You are served

1. ☒ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):
3. ☐ on behalf of (specify):  
under:
 

<input type="checkbox"/> CCP 416.10 (corporation)	<input type="checkbox"/> CCP 416.60 (minor)
<input type="checkbox"/> CCP 416.20 (defunct corporation)	<input type="checkbox"/> CCP 416.70 (conservatee)
<input type="checkbox"/> CCP 416.40 (association or partnership)	<input type="checkbox"/> CCP 416.90 (authorized person)
<input type="checkbox"/> other (specify):	
4. ☐ by personal delivery on (date):



1 THE BERNHEIM LAW FIRM  
2 Steven J. "Bernie" Bernheim (Cal. Bar No. 143319)  
3 Nazo S. Semerdjian (Cal. Bar No. 223536)  
4 11611 Dona Alicia Place  
5 Studio City, California 91604  
6 Phone: (818) 760-7341  
7 Email: berniebernheim@gmail.com  
8 Email: nazosemerdjian@gmail.com

9 Attorneys for Plaintiff,  
10 JUSTICE INVESTORS, LP

**FILED**  
San Francisco County Superior Court

OCT 08 2019

CLERK OF THE COURT

BY: \_\_\_\_\_

Deputy Clerk

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

12 **COUNTY OF SAN FRANCISCO**

13 JUSTICE INVESTORS, LP, a California  
14 limited partnership,

15 Plaintiff,

16 vs.

17 KRISTARA SANTOS formerly known as  
18 KRISTARA ALONZO, an individual; and  
19 DOES 1-100, inclusive,

20 Defendants.

Case No.

CGC-19-579850

**COMPLAINT FOR:**

- (1) FRAUD
- (2) NEGLIGENT MISREPRESENTATION
- (3) BREACH OF FIDUCIARY DUTY
- (4) VIOLATION OF PENAL CODE § 496
- (5) NEGLIGENCE
- (6) VIOLATIONS OF UNFAIR COMPETITION LAWS (B. & P. CODE §§ 17200, ET SEQ.)
- (7) CONSTRUCTIVE TRUST
- (8) ACCOUNTING
- (9) UNJUST ENRICHMENT
- (10) CIVIL CONSPIRACY

**DEMAND FOR JURY TRIAL**

## THE PARTIES

1  
2  
3       1.     Plaintiff Justice Investors, LP ("Plaintiff" or "Justice") is a California limited  
4 partnership, with its principal place of business in Los Angeles County, California. Justice  
5 owns (through its wholly-owned subsidiaries) and operates the 544-room San Francisco  
6 Financial District Hilton Hotel and its attached parking garage, located at 750 Kearny Street,  
7 in San Francisco, California (collectively, the "Hotel").  
8

9       2.     Defendant Kristara Santos, formerly known as Kristara Alonzo ("Defendant" or  
10 "Alonzo"), is an individual and, at all relevant times, was a resident of Marin County,  
11 California. From approximately 2006 to approximately 2010, Alonzo was Justice's Chief  
12 Accountant. From approximately 2010 through June 2016, Alonzo was Justice's Director of  
13 Finance/chief financial officer.  
14

15       3.     Plaintiff does not know the true names and capacities of Defendants sued  
16 herein as DOES 1 to 100, inclusive, and therefore sues these Defendants by such fictitious  
17 names. Plaintiff will amend its complaint to identify the true names and capacities of DOES 1  
18 to 100 inclusive, when ascertained. Plaintiff is informed and believes and based thereon  
19 alleges that each fictitiously-named Defendant is liable to Plaintiff and that Plaintiff's  
20 damages were directly and proximately caused by each of their conduct and/or omissions.  
21

22       4.     Plaintiff is informed and believes, and on that basis alleges, that at all times  
23 mentioned herein, each and every Defendant, including the Defendants sued as DOES 1 to  
24 100, was the agent, servant, employee, joint-venturer, partner, subsidiary, alter ego, and/or  
25 co-conspirator of each other Defendant and, that in performing or failing to perform the acts  
26 herein alleged, each was acting individually as well as through and in the foregoing alleged  
27 capacity and within the course and scope of such agency, employment, joint-venture,  
28 partnership, subsidiary, alter ego and/or conspiracy, and each other Defendant ratified and

1 affirmed the acts and omissions of the other Defendants. Plaintiff is further informed and  
2 believes that each Defendant, in taking the actions alleged herein and/or ratifying the  
3 actions alleged herein, acted within the course and scope of such authority and, at the same  
4 time, for their own financial and individual advantage, as well as in the course and scope of  
5 such employment, agency and as an alter ego therein.

### 6 7 **JURISDICTION AND VENUE** 8

9 5. This Court has jurisdiction over this dispute pursuant to Code of Civil Procedure  
10 section 410.10, because the amount in controversy exceeds \$25,000, the actions upon which  
11 this Complaint is based occurred in the State of California, and all parties have sufficient  
12 relationships and contacts with the State of California to establish jurisdiction.

13  
14 6. Venue is proper in this district under Code of Civil Procedure sections 395(a)  
15 and 395.5, because Plaintiff and Defendant conducted business within the County of San  
16 Francisco, Defendant's wrongful acts were committed within the County of San Francisco,  
17 and Plaintiff suffered damages within the County of San Francisco.

### 18 19 **FACTUAL ALLEGATIONS** 20

21 7. Justice owns and operates the Hotel.  
22

23 8. Geoffrey M. Palermo ("Palermo") managed the Hotel from 2004 until June  
24 2016. At various times, including from 2004 until November 2008 and from December 2013  
25 until June 2016, the Hotel was also managed by an alter ego entity owned and controlled by  
26 Palermo, GMP Management, Inc. ("GMP Management").  
27  
28

1           9. Justice appointed Palermo as its Managing Director on November 30, 2008,  
2 and he remained in that position until June 8, 2016, when he abruptly resigned. Among his  
3 management duties, Palermo, assisted by Alonzo, performed the role of  
4 owner/representative and manager of construction with regard to massive capital  
5 improvement projects at the Hotel.

6  
7           10. In or about July 2005, Palermo hired Alonzo as an Accounting Assistant. At the  
8 time, Alonzo was 18 years of age, had no college education, and only a high school degree.  
9 Alonzo's duties as Accounting Assistant included:

- 10  
11           • providing accounts payable, cash flow, financial analysis and budget functions  
12 for Justice;  
13  
14           • monitoring and organizing the accounting file room; and  
15  
16           • managing documents.

17  
18           11. In 2006, Palermo promoted Alonzo to Chief Accountant. In 2008, Alonzo  
19 became an employee of Justice. (Previously, she had been an employee of Palermo and/or  
20 GMP Management.) Alonzo's duties as Justice's Chief Accountant included:

- 21  
22           • training staff;  
23  
24           • reviewing and analyzing contracts and ROI projections relating to Justice's  
25 profitability;  
26  
27           • hiring and supervising staff; and  
28

- processing Justice's semimonthly payroll.

12. In 2010, Palermo appointed Alonzo to the position of Justice's Director of Finance, i.e., its chief financial officer. As Director of Finance, Alonzo was directly responsible to Justice's Managing Director, Palermo, and to Justice's managing general partner, Portsmouth Square, Inc. ("Portsmouth"), and Portsmouth's Hotel Committee.

13. As Justice's Director of Finance/chief financial officer, Alonzo's duties included:

- review, management and forecasting of Justice's cash flows, including for the Hotel operation;
- overseeing fiscal and calendar year-end financial reporting, and preparation of Justice's annual budget, its analysis reports, and its IRS Form 1099s;
- reviewing Justice's budgets for the Hotel and the parking garage to maximize profitability, and for compliance with financial covenants;
- maintaining all of Justice's financial statements, ledgers, accounts payable, notes payable, cash receipts and records of fixed assets;
- compiling financial and operational reports to Justice's general and limited partners and to its brokers, potential lenders, attorneys and title company; and
- overseeing Justice's renewals of its insurance policies, including compliance with insurer's annual audits.

1        14. Both as Chief Accountant and later as Director of Finance/chief financial  
2 officer, Alonzo's duties also included issuing, authorizing and/or signing checks, wire  
3 transfers and cash payments drawn against Justice's bank accounts.

4  
5        15. Both as Chief Accountant and later as Director of Finance/chief financial  
6 officer, Alonzo reviewed and/or approved contracts for capital improvements between  
7 Justice and various vendors, including Adan A. Roldan ("Roldan"), a California licensed  
8 general building contractor. Alonzo was also responsible for signing purchase orders for  
9 capital improvements, and she signed every purchase order Palermo approved. Alonzo  
10 maintained copies (organized by project) of all capital expenditure requests, approvals and  
11 payments.

12  
13        16. As Director of Finance/chief financial officer, Alonzo owed a fiduciary duty of  
14 the highest loyalty to Justice. As an employee, she also owed a fiduciary duty to Justice,  
15 including the duty to refrain from "self-dealing in *whatever form* it occurs." *Meister v.*  
16 *Mensing* (2014) 230 Cal.App.4th 381, 395 (emphasis added). Alonzo remained an officer  
17 and employee with those attendant duties, up through June 8, 2016, when she and Palermo  
18 both abruptly resigned on the same day.

19  
20        17. Justice later learned that while Alonzo was an employee, fiduciary and/or  
21 officer of Justice, Justice's Managing Director, Palermo, was engaged in a continuing scheme  
22 to defraud Justice, embezzle funds from Justice and engage in other malfeasance and  
23 nonfeasance, as alleged below. Alonzo had knowledge of Palermo's misconduct detailed  
24 below, and failed to report such malfeasance to Justice's partners to whom she owed a  
25 fiduciary duty.

26  
27        18. Further, on information and belief, Alonzo was an active participant,  
28 accomplice, co-conspirator, partner and/or facilitator of Palermo's misconduct and other

malfeasance and nonfeasance. Palermo, in turn, gave Alonzo multiple promotions, raises, bonuses and gifts, all paid for with Justice's funds.

**Alonzo conspired with Palermo to divert Justice's business resources to a competitor and to Palermo's own business interests.**

19. Starting in or about 2010, Alonzo – in conspiracy with Palermo – took on a job to develop and operate a competing hotel business, the Da Vinci Villa Hotel ("the Da Vinci Villa"), located less than two miles from Justice's Hotel. She did so without the knowledge or permission of Justice's managing general partner. Alonzo set up the Da Vinci Villa's accounting operation and ran it from Justice's offices at the Hotel, when she was supposed to be working for Justice. In so doing, she continued to take a full time salary from Justice, thereby diverting Justice's business resources to a competitor. Alonzo did not keep timesheets or allocate her time to Da Vinci Villa matters versus Hilton Hotel matters. This was a total breach of Alonzo's duties as an officer, fiduciary and/or employee of Justice.

20. Alonzo also directed subordinate personnel to work at the Da Vinci Villa while Justice was paying the full salaries of those personnel. Moreover, to cover up her wrongdoing, Alonzo specifically instructed subordinate personnel (who were receiving full time salaries from Justice) to conceal from Justice's managing general partner the fact that these personnel were performing work for the Da Vinci Villa while being paid by Justice, in violation of her and their duties to Justice.

21. In January 2016, while still an officer and Director of Finance of Justice, Alonzo stepped up her moonlighting and diversion of Justice's business resources. Specifically, she took on the position of Chief Financial Officer of GMP Cars LLC, an automotive business owned by Palermo and headquartered in Novato, California. Alonzo took on this additional



1 full-time work without the knowledge of Justice's managing general partner, while  
2 continuing to receive a full time six-figure salary paid by Justice.

3  
4       22. Justice estimates that Alonzo and the personnel working under her, at Alonzo's  
5 direction, spent more than 50 percent of their time on work which did not benefit Justice.  
6 Instead, at Alonzo's direction, more than 50 percent of their time was spent doing work that  
7 benefitted the Da Vinci Villa and/or Palermo and/or Palermo's businesses, including GMP  
8 Cars and GMP Management.

9  
10               **Alonzo conspired with Palermo to embezzle Justice's funds and to**  
11               **funnel funds to Palermo, GMP Cars and GMP Management.**  
12

13       23. Between June 2008 and December 2013, Alonzo issued and signed or  
14 otherwise caused to be issued checks to Palermo drawn against Justice's bank accounts  
15 totaling in excess of **\$1,000,000.00**, for purported expense reimbursements, including for  
16 meals, overseas trips, furniture, parties and gifts. Alonzo knew or should have known that  
17 most of these were unapproved and/or illegitimate expense reimbursements that benefitted  
18 the Da Vinci Villa and/or Palermo and/or Palermo's businesses, including GMP Cars and GMP  
19 Management.

20  
21       24. In December 2013, Justice entered into a Management Services Agreement  
22 ("Management Contract") with GMP Management, one of Palermo's alter ego business  
23 entities, wholly owned and controlled by him. Under the Management Contract, GMP  
24 Management was not entitled to reimbursement for costs or for employee expenses, other  
25 than those related directly to the operation of the Hotel. Moreover, under the Management  
26 Contract, direct payments to Palermo were not permitted. Rather, GMP Management was  
27 required, "at its sole expense," to provide Palermo's services to Justice. GMP Management  
28 was only permitted certain agreed-upon monthly management fees and expense

1 reimbursements expressly approved in advance by Justice's managing general partner,  
2 Portsmouth.

3  
4 25. Alonzo was or should have been aware of the approval requirement and of the  
5 true amounts to which GMP Management was lawfully entitled. Nevertheless, Alonzo  
6 negligently and/or intentionally issued and signed checks and/or other transfers to GMP  
7 Management in amounts that far exceeded the amounts to which GMP Management was  
8 lawfully entitled. Further, she directed other personnel reporting to her to do the same.  
9 Overall, between December 2013 and June 2016, Alonzo issued and signed or otherwise  
10 authorized checks to GMP Management drawn against Justice's bank accounts totaling in  
11 excess of **\$4,075,000.00**, for management fees and purported expense reimbursements.  
12 Such payments included, but were not limited to, unauthorized "true up" fees and  
13 unapproved and/or illegitimate expense reimbursements.

14  
15 26. Alonzo also engaged in other wrongdoing, by issuing and signing checks or  
16 otherwise causing checks to be drawn against Justice's bank accounts, to pay expenses and  
17 make other payments that did not benefit Justice, but rather benefitted Palermo's other  
18 business interests, including GMP Cars. For example:

19  
20 (a) In or about May 2014, Alonzo caused Justice to pay \$3,000 *monthly* so that  
21 Palermo could host an exotic car event from June to December 2014 at Pier 32  
22 in San Francisco, to benefit GMP Cars and Palermo's personal interests.

23  
24 (b) Alonzo also caused Justice to pay \$7,300 in or about 2014, and \$32,000 in or  
25 about 2015, for exotic car events to benefit GMP Cars.

26  
27 (c) Alonzo authorized Justice to pay \$18,500 in or about 2014 and over \$63,000 in  
28 2015 to sponsor Palermo's Ferrari Owners Group events, to benefit GMP Cars

1 and Palermo's personal interests as a Ferrari owner and racer, and these  
2 events, which Alonzo caused Justice to pay for Palermo's benefit, even  
3 included street closures and paying off duty SFPD officers to provide security.  
4

5 (d) In or about February 2016, Alonzo caused Justice to enter a contract with an  
6 architect which obligated Justice to pay \$3,300 to the architect for a rendering  
7 for use at the Golden Gate Ferrari Festival at the San Francisco Civic Center, to  
8 benefit GMP Cars.

9  
10 (e) In or about July 2015, Alonzo caused Justice to pay Michael Yaki for consulting  
11 services relating to Covenants, Conditions & Restrictions (CC&Rs) relating to a  
12 property (Bel Marin Keys) unrelated to Justice's business.  
13

14 In violation of Generally Accepted Accounting Practices, Alonzo's practice was to amortize  
15 these and other one-time expenditures over a period of 12 months, in an attempt to cover  
16 them up by making them seem smaller than they actually are. As a further cover up, she  
17 disguised many of these wrongful expenditures as "public relations" expenses, which they  
18 were not.  
19

20 27. Alonzo engaged in further wrongdoing by issuing and signing checks or  
21 otherwise causing checks to be drawn against Justice's bank accounts that did not benefit  
22 Justice, but rather benefitted Palermo and his family personally. For example:  
23

24 (a) In or about 2013, Alonzo caused Justice to pay \$5,000.00 to sponsor a golf  
25 tournament for San Domenico School, the private school that Palermo's  
26 daughter attended.  
27  
28

1 (b) In or about 2014, Alonzo caused Justice to pay \$10,000.00 to sponsor another  
2 golf tournament for San Domenico School.

3  
4 (c) In or about 2015, Alonzo caused Justice to pay \$20,000.00 for an "Athletic  
5 Center Fitness Room" project at San Domenico School.

6  
7 (d) In or about 2014, Alonzo caused Justice to pay \$11,000.00 to various vendors  
8 for Palermo's own birthday party.

9  
10 28. Alonzo knew that GMP Management was merely an alter ego of Palermo and  
11 GMP Cars, and she facilitated the transfer of millions of dollars from GMP Management to  
12 Palermo and GMP Cars, effectively laundering the funds GMP Management had embezzled  
13 from Justice.

14  
15 29. Between March 2014 and March 2016, Alonzo authorized and/or facilitated 52  
16 transfers of funds from GMP Management to GMP Cars, in the total amount of  
17 **\$1,739,999.94**, including transfers of \$150,000.00 (8/3/2015), \$95,000.00 (9/1/2015),  
18 \$80,000.00 (2/17/2015), \$70,000.00 (12/1/2014), \$68,000.00 (5/2/2014), \$60,000.00  
19 (11/12/2015), \$60,000.00 (6/25/2015), \$60,000.00 (6/8/2015), \$60,000.00 (5/5/2015),  
20 \$50,000.00 (11/9/2015) and \$50,000.00 (6/19/2015). There was no business justification for  
21 these transfers. Alonzo failed to report these transfers to Justice's Managing General  
22 Partner.

23  
24 30. Similarly, between December 2013 and April 2016, Alonzo authorized and/or  
25 facilitated 161 transfers of funds from GMP Management to Palermo, in the total amount of  
26 **\$3,131,466.23**, including transfers of \$75,000.00 (7/31/2015), \$70,000.00 (3/23/2016),  
27 \$65,000.00 (12/8/2014), \$65,000.00 (2/23/2016), \$61,000.00 (10/30/2015), \$55,000.00  
28 (3/10/2014), \$55,000.00 (10/20/2014), \$55,000.00 (3/9/2015), \$52,000.00 (4/8/2016),

1 \$50,000.00 (2/24/2014) and \$50,000.00 (1/21/2014). Again, Alonzo failed to report any of  
2 this to Justice's Managing General Partner.

3  
4 **Alonzo aided and abetted Palermo in his conspiracy with contractor Roldan**  
5 **to defraud Justice and embezzle Justice's funds. She also intentionally, recklessly**  
6 **or negligently authorized and issued millions of dollars in checks to him.**

7  
8 31. Palermo met an individual named Adan M. Roldan in 2004 or prior. Prior to  
9 2004, Roldan did mostly gardening work, including at Palermo's home. In 2004, Roldan  
10 obtained a California general building contractor license at Palermo's urging.

11  
12 32. Having convinced this gardener to obtain a general contractor license, Palermo  
13 then began using him to do construction work at the Hotel. Beginning in approximately 2007,  
14 Palermo hired the former gardener Roldan for most of the Hotel's capital improvement  
15 projects, even though Roldan had no training or experience qualifying him for such work.

16  
17 33. Between March 2009 and May 2016, Alonzo issued and signed or otherwise  
18 caused to be issued 834 checks payable to Roldan and drawn against Justice's bank accounts,  
19 totaling more than \$9.6 million. In the final three years alone, between January 2013 and  
20 May 2016, Alonzo issued and signed or otherwise caused to be issued 455 checks payable to  
21 Roldan and drawn against Justice's bank accounts, totaling more than \$6.4 million.

22  
23 34. Palermo and Alonzo knew or should have known that Roldan was unqualified  
24 to do most of this work. Roldan had no commercial construction experience, and virtually no  
25 construction experience of any kind, other than working at the Hotel. Moreover, Roldan's  
26 general building contractor license did not allow him to do many of the projects he was  
27 contracted for, as they were one-trade only contracts and therefore required specialty  
28



1 licenses which he did not hold. And Roldan did not obtain from the City and County of San  
2 Francisco any of the required permits to do this work.

3  
4 35. Palermo and Alonzo did not solicit competitive bids. And Roldan did not submit  
5 detailed contracts or proposals. Instead, Roldan submitted one-page, poorly written,  
6 substandard proposals for massive capital improvement projects, including multi-million  
7 dollar projects. Palermo and Alonzo approved the proposals. Palermo and Alonzo then  
8 transferred more than ten million dollars to Roldan from Justice's accounts.

9  
10 36. Palermo and Alonzo avoided meaningful oversight over the capital  
11 improvement projects Roldan contracted to perform, by hiring junior moonlighting  
12 construction managers instead of established commercial construction management  
13 firms. They gave these junior personnel the title of "Project Manager," but as to Roldan,  
14 Palermo and Alonzo themselves performed the role of owner/representative and manager  
15 of construction with regard to the massive capital improvement projects at the Hotel.

16  
17 37. In violation of industry standards, Palermo and Alonzo did not allow the  
18 "project managers" to review Roldan's licenses, nor to conduct competitive bidding, nor to  
19 participate in the retention of Roldan, nor to review Roldan's contracts, nor to review and  
20 approve Roldan's payment requests.

21  
22 38. Within the last three years from the date of this Complaint, Justice discovered  
23 that much of the work Roldan completed was performed negligently and below the standard  
24 of care, and that there are defects in Roldan's workmanship and in the materials he used.

25  
26 39. Moreover, as alleged below, Justice discovered that Palermo and Alonzo  
27 caused Justice to pay Roldan well in excess of \$1 million for work Roldan never actually  
28

1 performed. Palermo, aided and abetted by Alonzo, received large cash kickbacks from  
2 Roldan. Palermo and Alonzo actively worked to conceal their malfeasance from Justice.

3  
4 40. For example, on December 5, 2014, Palermo approved Roldan's proposal to  
5 perform work on the Hotel's guestroom bathrooms, at the rate of \$9,636.00 per room.  
6 Between January 2015 and January 2016, Alonzo issued and/or signed and/or otherwise  
7 caused to be issued 25 checks, totaling \$841,050.00, for this project, payable to Roldan and  
8 drawn against Justice's bank accounts. This \$841,050.00 paid to Roldan should have covered  
9 the work for 87 rooms, at the agreed rate of \$9,636.00 per room. But Roldan only performed  
10 the work in 11 rooms, at an effective rate of \$76,459.09 per room. The total amount of loss  
11 to Justice via this particular malfeasance exceeds \$730,000.00.

12  
13 41. As another example, on September 16, 2015, Palermo approved Roldan's  
14 proposal to "remove ceiling texture and paint ceiling" in all guestrooms, at the rate of  
15 \$1,120.00 per room. Between October 2015 and January 2016, Alonzo issued and/or signed  
16 and/or otherwise caused to be issued 10 checks, totaling \$346,440.00, for this project,  
17 payable to Roldan and drawn against Justice's bank accounts. This \$346,440.00 paid to  
18 Roldan should have covered the work for 309 rooms, at the agreed rate of \$1,120.00 per  
19 room. But Roldan only performed the work in 43 rooms, at an effective rate of \$8,056.74 per  
20 room. The total amount of loss to Justice via this particular malfeasance exceeds  
21 \$297,000.00.

22  
23 **Unauthorized Sports Tickets for Palermo's Personal Use**

24  
25 42. Between March 2014 and May 2016, Alonzo issued and/or signed and/or  
26 otherwise caused to be issued checks in the total amount of \$169,277.50, drawn against  
27 Justice's bank accounts, for tickets to Golden State Warriors basketball games. And between  
28 January 2014 and September 2015, Alonzo issued and/or signed and/or otherwise caused to

1 be issued checks in the total amount of \$138,430.00, drawn against Justice's bank accounts,  
2 for tickets to San Francisco Giants baseball games.

3  
4 43. These sports tickets were not in Justice's 2014 to 2016 budgets, and they were  
5 never authorized. And even *if* these tickets had been budgeted and authorized by Justice,  
6 Palermo and Alonzo did not use them in connection with any Hotel business. Rather, they  
7 converted the tickets to their own personal use. The total damages incurred exceed  
8 \$300,000.00.

9  
10 **Failure to Pay Occupancy Tax**  
11

12 44. Occupancy tax is collected from Hotel guests and must be paid to the City and  
13 County of San Francisco ("CCSF"). Among Alonzo's duties was to ensure that Justice paid the  
14 CCSF occupancy taxes. However, she either negligently or intentionally failed to do that for a  
15 time period. As a result, Justice had to pay hundreds of thousands of dollars in interest and  
16 penalties plus hundreds of thousands of dollars in attorneys fees to resolve the issue with  
17 CCSF. The total damages incurred exceed \$500,000.00.

18  
19 **Active concealment of wrongdoing**  
20

21 45. Alonzo used various accounting and bookkeeping artifices to conceal the above  
22 unauthorized and/or excessive and/or unlawful expenditures. For example, as part of the  
23 coverup, Alonzo spread one-time expenditures over an extended period to minimize their  
24 visibility and impact, disguised improper expenditures as marketing expenditures, and failed  
25 to issue 1099s for Roldan and others.

26  
27 46. Moreover, Justice had entrusted Palermo and Alonzo with access and control  
28 of Justice's files and records, including computer systems, servers, data, bookkeeping and

1 accounting records, and bank accounts, and allowed Palermo and Alonzo to manage the  
2 Hotel, including its financial matters (collectively, the "Justice Financial Records").  
3 Unbeknownst to Justice, Palermo and Alonzo used that access and control over the Justice  
4 Financial Records to engage in the above-described sophisticated, calculated and fraudulent  
5 schemes to embezzle large sums of money from Justice.

6  
7 47. Alonzo exercised this access and control over the Justice Financial Records to  
8 purposefully conceal her own and Palermo's misconduct from Justice.

9  
10 48. When Palermo and Alonzo abruptly resigned on June 8, 2016, they sought to  
11 further cover up their wrongful conduct by illegally taking the Justice Financial Records,  
12 including all Justice computers and hundreds of boxes of Justice documents and records, to  
13 an unknown location. Justice repeatedly demanded that they return the property. Although  
14 they returned some files relating to the Hotel operations, they still retain and refuse to  
15 return Justice's financial backup documents and other materials to Justice, their rightful  
16 owner.

17  
18 49. Moreover, Palermo and Alonzo arranged for and/or aided and abetted in the  
19 deletion of all Justice emails for all email addresses associated with @justiceinvestors.com  
20 email accounts, including Palermo's and Alonzo's email accounts, and at least 10 other email  
21 accounts. This intentional mass-deletion of emails was another attempt to prevent Justice  
22 from discovering their wrongdoing.

23  
24 50. Palermo and Alonzo left behind seven computers when they vacated their  
25 offices in the Hotel. But these were new computers with no data on them. A forensic analysis  
26 conducted in May 2019 by TransPerfect Legal Solutions confirmed this. The only possible  
27 inference is that Palermo and Alonzo removed all the computers and replaced them with  
28

1 new ones shortly before they left. This was yet another attempt to cover up their  
2 wrongdoing.

3  
4 51. This misappropriation and destruction of Justice's computers, documents,  
5 emails and financial records has damaged Justice, and continues to damage Justice, in an  
6 amount to be proven at trial.

7  
8 **FIRST CAUSE OF ACTION**

9 **FRAUD**

10  
11 52. Justice incorporates paragraphs 1 through 51 as if fully set forth herein.

12  
13 53. As set forth above, Alonzo repeatedly made false representations regarding,  
14 concealed and failed to disclose material facts.

15  
16 54. Alonzo knew that her representations were false when made and that she  
17 concealed from and failed to disclose material information to Justice.

18  
19 55. Alonzo intended for Justice to rely on her misrepresentations, concealment  
20 and non-disclosure of material facts.

21  
22 56. Justice was unaware of the falsity of Alonzo's representations and instead,  
23 actually, reasonably and justifiably relied on them to its detriment. Justice was unaware of  
24 the information that Alonzo concealed and failed to disclose, and instead reasonably and  
25 justifiably assumed to its detriment that Alonzo would timely disclose all material  
26 information.



1        57. As a direct and proximate result of Alonzo's fraudulent conduct, Justice has and  
2 will continue to suffer damages in an amount to conform to proof at trial, but in no event  
3 less than the jurisdictional minimum of this Court.  
4

5        58. Justice alleges based on information and belief that Alonzo engaged in the  
6 aforementioned fraudulent conduct with the intent to injure Justice or with a willful and  
7 conscious disregard of Justice's rights. Alonzo's fraudulent conduct constitutes despicable,  
8 outrageous, oppressive, and malicious conduct under Section 3294 of the Code of Civil  
9 Procedure and justifies an award of exemplary and punitive damages against Alonzo.  
10

11                                    **SECOND CAUSE OF ACTION**

12                                    **NEGLIGENT MISREPRESENTATION**  
13

14        59. Justice incorporates paragraphs 1 through 51 as if fully set forth herein.  
15

16        60. When Alonzo made the above misrepresentations and concealed and failed to  
17 disclose the above material facts, she had no reasonable grounds for believing them to be  
18 true, but, nevertheless, engaged in this scheme with the intention to induce Justice to act in  
19 reliance on the same in the manner alleged herein, or with the expectation that Justice  
20 would so act.  
21

22        61. At the time that Alonzo concealed the above material facts and made the  
23 above material misrepresentations and omissions, Justice was not aware of the falsity of  
24 Alonzo's representations and believed them to be true, and acted in actual and justifiable  
25 reliance upon those representations.  
26  
27  
28

1           62.    As a direct and proximate result of Alonzo's wrongful conduct, Justice has and  
2 will continue to suffer significant damages in an amount to conform to proof at trial, but in  
3 no event less than the jurisdictional minimum of this Court.

4  
5                                   **THIRD CAUSE OF ACTION**

6                                   **BREACH OF FIDUCIARY DUTY**

7  
8           63.    Justice incorporates paragraphs 1 through 62 as if fully set forth herein.

9  
10          64.    Alonzo had fiduciary duties to Justice, as detailed above.

11  
12          65.    Alonzo breached her fiduciary duties to Justice.

13  
14          66.    As a direct and proximate result of Alonzo's wrongful conduct, Justice has and  
15 will continue to suffer significant damages in an amount to conform to proof at trial, but in  
16 no event less than the jurisdictional minimum of this Court.

17  
18          67.    Justice alleges based on information and belief that Alonzo engaged in the  
19 aforementioned misconduct with the intent to injure Justice or with a willful and conscious  
20 disregard of Justice's rights. Alonzo's misconduct constitutes despicable, outrageous,  
21 oppressive, and malicious conduct under Section 3294 of the Code of Civil Procedure and  
22 justifies an award of exemplary and punitive damages against Alonzo.

23  
24                                   **FOURTH CAUSE OF ACTION**

25                                   **VIOLATION OF PENAL CODE SECTION 496**

26  
27          68.    Justice incorporates paragraphs 1 through 67 as if fully set forth herein.

69. On information and belief, Alonzo violated Penal Code section 496 by knowingly taking possession of property that has been stolen and that has been obtained in any manner constituting theft and has concealed and withheld Justice's property and has aided in concealing and withholding Justice's property from Justice.

70. Justice has been injured by Alonzo's violation of Penal Code section 496 in an amount to conform to proof at trial, but in no event less than the jurisdictional minimum of this Court.

71. Pursuant to Penal Code section 496(c), Justice is entitled to three times the amount of its actual damages in an amount to be proven at trial, cost of suit and its reasonable attorneys' fees.

### FIFTH CAUSE OF ACTION

## NEGLIGENCE

72. Justice incorporates paragraphs 1 through 51 as if fully set forth herein.

73. For the reasons set forth above, Alonzo was negligent in performing her duties and obligations to Justice as its employee and Director of Finance/chief financial officer, and failed to use the same standard of care and skill as would a reasonable employee in the same or similar circumstances, in violation of the standards of care for accounting and financial professionals.

74. As a direct and proximate result, Justice has suffered significant damages in an amount to conform to proof at trial, but in no event less than the jurisdictional minimum of this Court.

1 **SIXTH CAUSE OF ACTION**

2 **UNFAIR COMPETITION**

3  
4 75. Justice incorporates paragraphs 1 through 74 as if fully set forth herein.

5  
6 76. Alonzo's conduct of defrauding Justice and her breaches of fiduciary duty as  
7 alleged herein constitutes unlawful, unfair and/or fraudulent business practices in violation  
8 of Business and Professions Code sections 17200, et seq., and California common law.

9  
10 77. As a result of Alonzo's unlawful, unfair and/or fraudulent acts and practices,  
11 Justice has suffered injury in fact and has lost money or property.

12  
13 **SEVENTH CAUSE OF ACTION**

14 **CONSTRUCTIVE TRUST**

15  
16 78. Justice incorporates paragraphs 1 through 77 as if fully set forth herein.

17  
18 79. Alonzo misappropriated and/or unlawfully and improperly took funds  
19 and other property rightfully belonging to Justice.

20  
21 80. On information and belief, Alonzo still is in possession of such assets but has  
22 failed and refused to return them to Justice.

23  
24 81. By virtue of Alonzo's wrongful, improper and/or illegal acts, Alonzo holds such  
25 assets, all of which rightfully belong to Justice, as well as all assets acquired using such funds  
26 and properties as constructive trustees for Justice's benefit.

27  
28 82. Justice is currently unaware of the exact value of the assets wrongfully

1 taken and which Alonzo holds in constructive trust for Justice's benefit, and therefore  
2 requests an accounting.

3  
4 83. Justice requests that the Court impose such constructive trusts as are  
5 necessary to protect and preserve the rights and interests of Justice, and to return these  
6 assets to Justice, their rightful owner.

7  
8 **EIGHTH CAUSE OF ACTION**

9 **ACCOUNTING**

10  
11 84. Justice incorporates paragraphs 1 through 83 as if fully set forth herein.

12  
13 85. By virtue of Alonzo's position as Justice's Director of Finance, Alonzo had and  
14 has a duty to account to Justice.

15  
16 86. Alonzo received money that is due to Justice by engaging in fraudulent conduct  
17 alleged herein. As a result, Alonzo has been unjustly enriched to the detriment of Justice.

18  
19 87. Accordingly, Alonzo has a duty to Justice to account for and make restitution to  
20 Justice of all monies, property, and all other benefits received or to be received, directly or  
21 indirectly, by Alonzo as the result of her misconduct alleged herein. The amount of money  
22 due from Alonzo to Justice is unknown to Justice because Justice likely has not yet uncovered  
23 all of the wrongdoing perpetrated by Alonzo and Palermo, and therefore the exact amount  
24 cannot be ascertained without an accounting.

25  
26 88. Justice has demanded an accounting from Alonzo but to date Alonzo has failed  
27 and refused, and continues to fail and refuse, to render such an accounting and to pay such  
28 sum.



1           89. By virtue of the conduct alleged herein, Alonzo holds all proceeds and benefits  
2 derived from her wrongful conduct, as a constructive trustee for the benefit of Justice.

3  
4                           **NINTH CAUSE OF ACTION**

5                           **UNJUST ENRICHMENT**

6  
7           90. Justice incorporates paragraphs 1 through 89 as if fully set forth herein.

8  
9           91. As a result of Alonzo's wrongful conduct as alleged herein, Alonzo has been  
10 unjustly enriched in that she took and now refuses to return funds and other property that  
11 belong to Plaintiff.

12  
13           92. It would be unjust for Alonzo to retain the benefits she has gained through her  
14 unlawful conduct. Unless this Court orders restitution, Alonzo will unjustly benefit to  
15 Justice's detriment.

16  
17                           **TENTH CAUSE OF ACTION**

18                           **CIVIL CONSPIRACY**

19  
20           93. Justice incorporates paragraphs 1 through 92 as if fully set forth herein.

21  
22           94. Palermo committed misconduct.

23  
24           95. Justice was harmed by Palermo's misconduct.

25  
26           96. Alonzo agreed with Palermo and intended that the misconduct be committed.

1           97.    Alonzo is responsible for the harm because she was part of a conspiracy to  
2 commit that misconduct causing the harm.

3  
4                                   **RELIEF REQUESTED**  
5

6           WHEREFORE, Justice prays for a judgment granting the following relief against Alonzo:  
7

8           1.       Compensatory, special, and consequential damages according to proof at trial,  
9 in an amount exceeding \$5 million;  
10

11          2.       Statutory damages of at least three times the amount of actual damages  
12 suffered by Justice;  
13

14          3.       All relief allowed by Penal Code section 496;  
15

16          4.       An award of exemplary or punitive damages in the amount of \$10 million;  
17

18          5.       Disgorgement of Alonzo's ill-gotten gains resulting from the conduct alleged  
19 herein;  
20

21          6.       An accounting of all monies, property and all other benefits obtained by Alonzo  
22 resulting from the conduct alleged herein;  
23

24          7.       Imposition of a constructive trust over Alonzo's ill-gotten gains derived from  
25 the conduct alleged herein;  
26

27          8.       Restitution of all benefits Alonzo received by her wrongful conduct alleged  
28 herein, in an amount exceeding \$1 million;

1  
2 9. Temporary, preliminary, and permanent injunctive relief, including requiring  
3 Alonzo to return the Justice Financial Records;

4  
5 10. Costs of suit incurred herein, including attorneys' fees;

6  
7 11. Prejudgment interest at the maximum legal rate; and

8  
9 12. Such other and further relief as the Court deems just and proper.

10  
11 **DEMAND FOR JURY TRIAL**

12  
13 Justice demands trial by jury of all claims and issues so triable.

14  
15 Dated: October 7, 2019

Respectfully submitted,

16 THE BERNHEIM LAW FIRM

17  
18 By:

  
Steven ~~"Bernie"~~ Bernheim  
Nazo S. Semerdjian

19  
20 Attorneys for Plaintiff,  
21 JUSTICE INVESTORS, LP  
22  
23  
24  
25  
26  
27  
28

FOR COURT USE ONLY

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):

Steven J. "Bernie" Bernheim (SBN 143319); Nazo S. Semerdjian (SBN 223536)

THE BERNHEIM LAW FIRM

11611 Dona Alicia Place

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TELEPHONE NO.: (818) 760-7341

FAX NO.:

ATTORNEY FOR (Name): Justice Investors, LP

SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Francisco

STREET ADDRESS: 400 McAllister Street

MAILING ADDRESS: 400 McAllister Street

CITY AND ZIP CODE: San Francisco 94102

BRANCH NAME: Civic Center

CASE NAME: Justice Investors, LP v. Kristara Santos formerly known as Kristara Alonzo

FILED  
San Francisco Superior Court

OCT 08 2019

CLERK OF THE COURT

BY:

Deputy Clerk

CASE NUMBER:  
CGC-19-579850

## 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)

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:

## Auto Tort

- ☐ Auto (22)  
☐ Uninsured motorist (46)

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

- ☐ Asbestos (04)  
☐ Product liability (24)  
☐ Medical malpractice (45)  
☐ Other PI/PD/WD (23)

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

- ☐ Business tort/unfair business practice (07)  
☐ Civil rights (08)  
☐ Defamation (13)  
☒ Fraud (16)  
☐ Intellectual property (19)  
☐ Professional negligence (25)  
☐ Other non-PI/PD/WD tort (35)

## Employment

- ☐ Wrongful termination (36)  
☐ Other employment (15)

## Contract

- ☐ Breach of contract/warranty (06)  
☐ Rule 3.740 collections (09)  
☐ Other collections (09)  
☐ Insurance coverage (18)  
☐ Other contract (37)

## Real Property

- ☐ Eminent domain/Inverse condemnation (14)  
☐ Wrongful eviction (33)  
☐ Other real property (26)

## Unlawful Detainer

- ☐ Commercial (31)  
☐ Residential (32)  
☐ Drugs (38)

## Judicial Review

- ☐ Asset forfeiture (05)  
☐ Petition re: arbitration award (11)  
☐ Writ of mandate (02)  
☐ Other judicial review (39)

## Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403)

- ☐ Antitrust/Trade regulation (03)  
☐ Construction defect (10)  
☐ Mass tort (40)  
☐ Securities litigation (28)  
☐ Environmental/Toxic tort (30)  
☐ Insurance coverage claims arising from the above listed provisionally complex case types (41)

## Enforcement of Judgment

- ☐ Enforcement of judgment (20)

## Miscellaneous Civil Complaint

- ☐ RICO (27)  
☐ Other complaint (not specified above) (42)

## Miscellaneous Civil Petition

- ☐ Partnership and corporate governance (21)  
☐ Other petition (not specified above) (43)

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. ☐ Large number of separately represented parties d. ☐ Large number of witnesses  
b. ☐ Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve e. ☐ Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court  
c. ☐ Substantial amount of documentary evidence f. ☐ 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): 10

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 7, 2019

Nazo S. Semerdjian, Esq.

(TYPE OR PRINT NAME)

► Nazo Semerdjian

## 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

## INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

**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