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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE, PALM SPRINGS BRANCH

CORINA YOUNG, an individual,
Plaintiff,

vs.

DAVID GASH, an individual; QUORUM
GREEN INDUSTRIES, LLC, a California
Limited Liability Company; and DOES 1 To
50,
Defendants.

Case No.: **PSC2003871**

VERIFIED COMPLAINT FOR:

- (1) BREACH OF WRITTEN CONTRACT;**
- (2) BREACH OF ORAL CONTRACT;**
- (3) BREACH OF IMPLIED CONTRACT – PROMISSORY ESTOPPEL;**
- (4) BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING – Count 1;**
- (5) BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING – Count 2;**
- (6) FRAUD AND DECEIT– INTENTIONAL MISREPRESENTATION (NONDISCLOSURE, SUPPRESSION, CONCEALMENT) – Count 1;**
- (7) FRAUD AND DECEIT– INTENTIONAL MISREPRESENTATION (NONDISCLOSURE, SUPPRESSION, CONCEALMENT) – Count 2; and**
- (8) INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE**

COMES NOW Plaintiff CORINA YOUNG (hereinafter referred to as “Plaintiff”), an individual and hereby alleges causes of action against Defendants, DAVID GASH; QUORUM

1 GREEN INDUSTRIES, LLC; and DOES 1 To 50 (referred to herein collectively, as
2 “Defendants”), as follows:

3 **PARTIES**

4 1. Plaintiff CORINA YOUNG is, and at all times mentioned herein was, an individual
5 residing in the City of San Diego, County of San Diego, State of California (hereinafter referred
6 to as “Plaintiff”).

7 2. Defendant DAVID GASH is, and was at all times mention herein, an individual
8 residing in the County of San Diego, State of California (variously referred to herein as “Gash”).

9 3. Defendant QUORUM GREEN INDUSTRIES, LLC is a California Limited
10 Liability Company engaged in the business of the cultivation and sale of recreational and medicinal
11 cannabis with its principal executive office at 200 Hegenberger Road, Oakland, California.

12 4. Plaintiff is unaware of the true names, capacities, or basis for liability of Defendants
13 DOES 1 To 50, inclusive, and therefore sues said Defendants by their fictitious names. Plaintiff
14 will seek leave of court to amend this Complaint to show the true names and capacities of DOES
15 1 To 50 when their true names and capacities have been ascertained. The full extent of the facts
16 linking Defendants DOES 1 To 50 with the causes of action alleged are unknown to Plaintiff and
17 Plaintiff will seek leave of court to amend this Complaint to allege these additional facts when
18 they have been determined. Plaintiff is informed and believes, and thereon alleges, that each of
19 the Defendants designated as DOES 1 To 50 are responsible in some manner for the events and
20 happenings referred to herein. Plaintiff is informed and believes and thereon alleges that at all
21 material times, DOES 1 To 50 were the agents, servants, employees and/or entities involved in a
22 single enterprise with the remaining Defendants, and each of them, and were acting within the
23 course and scope of that agency and employment and/or without any distinct separateness, and
24 with the consent, express and implied, of the other Defendants with respect to all matters referred
25 to in this Complaint.

26 5. Plaintiff is informed and believes that all Defendants named herein, and each of
27 them, including DOES 1 To 50 are the alter egos of each other involved in a single enterprise on
28 that basis allege that there exists a unity of interest and ownership between them such that any

1 individuality and separateness between and among them does not exist based on, but not limited
2 to, the following factors: commingling of funds and assets; the use of funds for something other
3 than corporate uses; failure to maintain adequate corporate records and/or confusion of the records
4 of the separate entities; the use of a corporation as a mere shell, instrumentality or conduit for a
5 single venture; the failure to maintain arm's length relationships among individuals and related
6 entities; and the use of corporate entity to procure labor, services or merchandise for another entity.

7 6. Adherence to the fiction of the separate existence of Defendants, including DOES
8 1 To 50, as entities and individuals distinct from and among themselves with respect to all actions
9 and omissions relevant to the causes of action herein would permit an abuse of the corporate
10 privilege and would promote injustice.

11 **VENUE AND JURISDICTION**

12 7. Venue is properly within the Palm Springs Division of the Riverside County
13 Superior Court, on the basis the contract the subject matter of the allegations herein involves a
14 California corporation known as Southern California Organic Treatment doing business as Green
15 Pearl Organics in the City of Desert Hot Springs, County of Riverside.

16 **GENERAL ALLEGATIONS**

17 8. Unless stated otherwise, the allegations set forth herein are based upon information
18 and belief.

19 9. At all times relevant herein, Plaintiff was and is in the business of acquisition of
20 businesses possessing Conditional Use Permits ("CUP") for the sale of cannabis and brokering
21 deals with investors seeking the same

22 10. Plaintiff's business colleagues in the cannabis community since 2017, Tim Aaron
23 and Matt Samet informed Plaintiff in or around November or December of 2018 at a meeting
24 attended by Plaintiff, Tim Aaron, Matt Samet and others, that they were seeking an operator for
25 their cannabis dispensary, Southern California Organic Treatment, doing business in Desert Hot
26 Springs, California under the name of Green Pearl Organics (hereinafter "Green Pearl"), and
27 further, they wanted Plaintiff to provide them with a bid proposal for Plaintiff and her "team" of
28 individuals to operate the Green Pearl dispensary.

1 11. After the meeting with Tim Aaron and Matt Samet, in January of 2019 Plaintiff
2 traveled to Desert Hot Springs to conduct a walk-through of the Green Pearl facility, to visit
3 competing cannabis dispensaries in Desert Hot Springs and the surrounding area, and to observe
4 firsthand the cannabis marketplace in the geographic area to assess the economic potential for her
5 and her team in the operation of Green Pearl.

6 12. After having the opportunity to physically inspect the Green Pearl facility and to
7 assess the cannabis marketplace in Desert Hot Springs, Plaintiff prepared an analysis including
8 expected operating costs and projected revenues for the purpose of assessing whether it would be
9 feasible to relocate with her team to Desert Hot Springs to operate Green Pearl as a full-time
10 endeavor and, if so the terms for doing so.

11 13. In or around February 2019, Plaintiff and her team met with Tim Aaron and Matt
12 Samet, at such time Plaintiff presented the proposed terms for the operation of Green Pearl.

13 14. Tim Aaron's response to the proposal was that the terms presented for the operation
14 of Green Pearl were too costly, and based thereon, he stated he would prefer to sell Plaintiff the
15 Green Pearl dispensary to Plaintiff at a sales price of \$1,000,000.

16 15. Plaintiff left the early 2019 meeting indicating to Tim Aaron that she was interested
17 in purchasing Green Pearl, but that she needed a short amount of time to secure financing to be
18 able to make a formal offer to purchase and, in the interim need licensing information, tax
19 statements, profit and loss statements and a copy of the building lease then currently in effect to
20 fully evaluate the status of Green Pearl in the context of a purchase.

21 16. In or around late March of 2019, she informed Defendants she had secured
22 financing and was prepared to purchase Green Pearl at the stated purchase price of \$1,000,000, at
23 which time she was informed by Tim Aaron (1) that there was another potential purchaser for
24 Green Pearl willing to pay \$1.1 million, (2) that if Plaintiff was still interested, she needed to close
25 the deal within one week, or April 5, 2019, and (3) that the asking price was raised to \$1.2 million.

26 17. As a result of the change in terms for the purchase of Green Pearl presented by
27 Defendants in March of 2019, Plaintiff's financing on the potential purchase of Green Pearl was
28 withdrawn by her backer in the deal due to the last minute changes, pressure to close in an

1 unreasonably short period of time, and the lack of due diligence documentation provided up to that
2 point in time.

3 18. Coincidentally, on April 3, 2019 Plaintiff was introduced to Defendant DAVID
4 GASH (also referred to herein as “Defendant,” or “Gash”) at meeting set up by Plaintiff’s business
5 colleague, Duane Bernard, and also attended by an individual named Ira Cammeyer, taking place
6 at Gash’s office on 7667 Vickers Street in San Diego, the purpose of which was to discuss a deal
7 Plaintiff had worked on for two (2) years involving a Conditional Use Permit for a cannabis
8 dispensary on Campo Road in La Mesa, California she was instrumental in obtaining in
9 coordination with Courtney Bernard’s and Duane Bernard’s efforts and financial backing, and
10 which Defendant DAVID GASH had an interest.

11 19. After Duane Bernard and Ira Cammeyer had left that meeting, Plaintiff remained
12 at the Vickers Street address with Gash during at which time they discussed the cannabis industry
13 in general, among other issues, including Plaintiff’s informal disclosure of the deal she had been
14 working on for the potential acquisition of the Green Pearl dispensary, and the expiration of the
15 deadline within days to close the deal at the purchase price of \$1.2 million.

16 20. Plaintiff further explained to Gash (1) that the Green Pearl dispensary was doing
17 approximately \$2,000 per day in business, (2) that Plaintiff projected it could do \$10,000 per day
18 in business based on her analysis of the cannabis market in the Desert Hot Springs area, (3) that
19 the Green Pearl dispensary had distribution capability, (4) that the asking purchase price for Green
20 Pearl was \$1.2 million, and (5) that the deal had to be closed within two (2) days of that day.

21 21. Defendant DAVID GASH’s response to Plaintiff about the Green Pearl deal
22 revealed by her in their April 3, 2019 meeting was that, if Plaintiff truly had a team to operate the
23 Green Pearl location at or around the daily sales projected by Plaintiff, he would be interested in
24 acquiring it with her.

25 22. Plaintiff and Gash discussed and agreed to the following terms as between them
26 prior to making a formal offer to purchase the Green Pearl dispensary, based on the initial
27 operations analysis conducted by Plaintiff:

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- (1) Plaintiff to be 10% owner of the CUP corresponding to the Green Pearl dispensary;
- (2) Plaintiff to be paid \$100,000 finder's fee corresponding to the Green Pearl dispensary purchase;
- (3) Plaintiff to be paid \$100,000 per year as the Director of Operations of the Green Pearl dispensary;
- (4) Plaintiff's team to be employed by Green Pearl Dispensary to handle all aspects of the physical operations including \$60,000 per year salaries for three named team members; and
- (5) Plaintiff to be Operations Manager for the dispensary located on Campo Road in La Mesa, California, the dispensary deal that led to the April 3, 2019 meeting between Plaintiff and Gash.

23. As a result of the meeting with Gash on April 3, 2019, Plaintiff set up a meeting that took place on April 4, 2019 among Plaintiff, Gash, Tim Aaron and Matt Samet at Gash's Vickers Street address to negotiate the purchase/sale of Southern California Organic Treatment doing business as Green Pearl Organics at which time the terms for Plaintiff's compensation for bringing the deal together was discussed among the group consisting of the same terms relative to Plaintiff's compensation discussed the day prior between Plaintiff and Gash.

24. Tim Aaron stated at the April 4, 2019 meeting that Tim Aaron and Matt Samet would pay off what was disclosed as \$200,000 in back taxes and outstanding vendor debt owed by Green Pearl, by allowing a withholding of \$200,000 of the \$1.2 million purchase price to account for the debt.

25. On April 4, 2019 another meeting took place among Plaintiff, Defendant DAVID GASH, and Gash's/Defendant QUORUM GREEN INDUSTRIES, LLC'S attorney Jill Wolfenzon, at attorney Ron Stormoen's law office with Tim Aaron and Matt Samet at which time the terms for the purchase/sale of the Green Pearl dispensary was further refined by the parties.

26. At the April 4, 2019 meeting Gash led the discussion of the potential value of Plaintiff's ten percent (10%) interest in the Green Pearl Conditional Use Permit included among the terms as part of Plaintiff's compensation for bringing the deal together, based on the presumption Plaintiff actually met the sales projections she anticipated in the operation of the business with her team, an interest which Gash valued at \$950,000 after two years of operation.

1 27. On April 5, 2019 Gash, Tim Aaron and Matt Samet informed Plaintiff that she “no
2 longer needed to be part of the negotiations” in the purchase/sale of Green Pearl Organics, and that
3 they would finalize the deal by continued direct dealings with Defendant DAVID GASH.

4 28. Plaintiff is informed and believes and thereon alleges that on April 5, 2020 an
5 Agreement for Purchase and Sale of Stock was entered into between Tim Aaron, as corporate
6 shareholder; Southern California Organic Treatment, the corporation doing business as Green
7 Pearl Organics and the holder of the CUP, on the first part; and Defendant QUORUM GREEN
8 INDUSTRIES, LCC, (variously referred to herein as “Quorum Green”) a limited liability company
9 owned and managed by Defendant DAVID GASH, on the second part, memorializing Quorum
10 Green’s purchase of 100% of Southern California Organic Treatment stock to take place at closing
11 of the transaction on May 20, 2019.

12 29. Plaintiff introduced an individual investor to Gash as a \$100,000 contributing
13 investor in the transaction to supplement Gash’s cash contribution, and the \$100,000 contributions
14 each from Ira Cammeyer and James Hammermeister, investors brought into the deal by Gash.

15 30. On or around April 6, 2020, in reliance on the representations of Gash that the
16 agreement had been signed with Tim Aaron and Southern California Organic Treatment, Plaintiff
17 convinced a team of six (6) members of an operating team to relocate to the Desert Hot Springs
18 area on a permanent basis to take over the running of the Green Pearl dispensary.

19 31. On April 30, 2019, Plaintiff and Defendant QUORUM GREEN INDUSTRIES,
20 LLC entered into an Agreement memorializing the fact Plaintiff was obtaining a ten percent (10%)
21 ownership interest in Southern California Organic Treatment, the corporation doing business as
22 “Green Pearl Organics.” [Attached to the Complaint as Exhibit “1” is a true and correct copy of
23 the April 30, 2019 Agreement (hereinafter “Stock Transfer Agreement”) memorializing the
24 issuance of ten percent (10%) of Southern California Organic Treatment’s stock to Plaintiff.]

25 32. From April 2019 through March 2020 Plaintiff worked with her team at the Green
26 Pearl Dispensary during which Green Pearl’s daily sales went from approximately \$80,000 per
27 month to \$160,000 per month through November 2019, an upward trend which continued through
28 March 2020 when Plaintiff was forced out her position as operations manager, and a trend over

1 that time which was consistent with Plaintiff's projections presented to Gash as the basis for the
2 purchase of the dispensary.

3 33. Starting in or around June 2019, despite being a salaried employee of Green Pearl,
4 Gash forced Plaintiff to dedicate time to performing outside sales for his cannabis cultivation and
5 distribution business, Grizzly Peak Farms, LLC, in lieu of dedicating her all efforts toward
6 operating Green Pearl, a situation which lasted until February of 2020.

7 34. Gash threatened to terminate Plaintiff's position of salaried Operations Manager
8 for Green Pearl if she refused to take on the responsibilities of the regional sales person for Gash's
9 separate business Grizzly Peak Farms, LLC, and in January of 2020 Gash required Plaintiff to
10 forego her Green Pearl salary and to create a consulting company and sign a consulting agreement
11 as a third-party vendor to Green Pearl which Plaintiff refused to do.

12 35. Plaintiff was actively pushed out of the operations of Green Pearl after raising
13 several objections to Defendant DAVID GASH'S and the other directors' explicit instructions for
14 directing Green Pearl's income stream which were contrary to the health of the company and its
15 profitable functioning.

16 36. Defendant DAVID GASH, along with Matthew Yamashita and James
17 Hammermeister constituted, and constitute to this day according to Plaintiff's knowledge and
18 belief, the acting members of the board of directors of Green Pearl who at all times mentioned
19 herein, dictated the corporate decision-making including the facilitation of all transactions, or any
20 part thereof, complained of as hereinafter set forth.

21 37. Defendant DAVID GASH engaged in wrongful acts relative to the agreement with
22 Plaintiff and the Green Pearl dispensary for his personal benefit and for the benefit of his other
23 businesses, as follows:

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- 1 (a) Failing to pay off the \$200,000 in tax and vendor debt withheld from the
2 purchase price for that purpose and forcing Green Pearl to pay that debt with
income going forward after the transaction closed;
- 3 (b) Paying Plaintiff only \$24,000 of the originally promised \$100,000 finder's
4 fee which was the basis for the Agreement;
- 5 (c) Knowing the actual debt held by Green Pearl at the time of the purchase
6 was in excess of \$300,000 and refusing to collect that amount from
7 Defendant TIM AARON despite the fact he represented the debt to be less
than \$100,000 in the agreement between TIM AARON/Southern California
Organic Treatment and Quorum Green;
- 8 (d) Purposefully withholding Plaintiff's ten percent (10%) interest in Green
9 Pearl's Conditional Use Permit a term which was a material term for the
agreement to acquire Green Pearl;
- 10 (e) Requiring Plaintiff and other Green Pearl employees to regularly perform
11 work solely benefiting Gash and his other businesses and entities while the
12 salaries and hourly wages of those employees were paid by Green Pearl
thereby undercutting Green Pearl's profit margin;
- 13 (f) Forcing Green Pearl to regularly purchase certain quantities of specified
14 products from Gash's other businesses and entities and taking immediate
15 payment for such products knowing they were leaving Green Pearl with an
16 inability to pay stale outstanding accounts payable due to other
vendors/suppliers thereby jeopardizing those relationships;
- 17 (g) Demanding that Plaintiff spend all of her work time traveling throughout
18 California acting for the sole benefit of Gash's business, Grizzly Peak
19 Farms, LLC as its sales representative, thereby taking Plaintiff away from
20 her originally promised position of Operations Manager, while her
compensation was paid for solely by Green Pearl to Green Pearl's
detriment, for the purpose of getting her out the daily management of the
dispensary so Gash could operate Green Pearl as his personal bank;
- 21 (h) Refusing to pay Plaintiff commissions for the sales of Grizzly Peak Farms,
22 LLC product, and mileage for sales travel, as done for other individuals
23 performing sales;
- 24 (i) Selling product to Green Pearl cultivated by Gash's other businesses and
25 entities at a price greater than they sold the same product to all other third-
26 party clients to effectively skim profits from Green Pearl under the guise of
those being ordinary business expenses thereby hindering Green Pearl's
ability to operate as a profit-making enterprise;

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- 1 (j) Arbitrarily converting Green Pearl money on a regular basis accumulated
2 through its sales for the personal benefit of Gash and his other businesses
3 and entities thereby leaving Green Pearl with an inability to pay outstanding
4 tax debts and accounts payable thereby cutting into Green Pearl's profit
margin;
- 5 (k) Informing Green Pearl's vendors that Green Pearl could not and would not
6 be paying outstanding amounts due to vendors, including spreading rumors
7 of bankruptcy to dissuade the vendors from pursuing Green Pearl as a
debtor, thereby damaging Plaintiff's and Green Pearl's relationship with
those vendors and their overall reputation in the industry;
- 8 (l) Diverting/converting funds from Green Pearl's sales to himself and his
9 entities and businesses thereby leaving Green Pearl unable to pay its
vendors and cutting into Green Pearl's profit margin;
- 10 (m) Regularly instructing Green Pearl's bookkeepers to pay funds to Gash as
11 supposed consulting and other non-defined fees claimed to be due to him
12 and his companies without any legitimate basis thereby cutting into Green
Pearl's profit margin;
- 13 (n) Informing Plaintiff and other Green Pearl employees that Green Pearl was
14 being intentionally run at a loss and engaging in actions consistent with this
stated intention;
- 15 (o) Creating Bills of Sale relative to the stock purchase after-the-fact with
16 signatures purporting to be corresponding to entities that do not exist;

17 38. Plaintiff is informed and believes that the Green Pearl licensing and Conditional
18 Use Permits were never transferred to the new owners of Green Pearl and the CUP remains in the
19 name of Gash's business partner and director of Southern California Organic Treatment, Matthew
20 Yamashita.

21 39. Defendants DAVID GASH and QUORUM GREEN INDUSTRIES, LLC, a
22 company he owns and manages, operated Green Pearl in a manner in violation of the legal
23 requirements of the cannabis industry, in violation of the Corporations Code, and demonstrating
24 that the promises made to Plaintiff, including promises of the position of Operations Manager, a
25 certain salary, a cash payment of \$100,000 and a ten percent (10%) interest in the Green Pearl
26 CUP to induce her into bringing them into the deal, were false, illusory, intended to induce Plaintiff
27 into actions to her detriment, and done in bad faith.

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FIRST CAUSE OF ACTION

(Breach of Written Contract)

(Against Defendants QUORUM GREEN INDUSTRIES, LLC; and DOES 1 TO 50)

40. Plaintiff realleges and incorporates by reference each of the preceding paragraphs set forth above, as though fully set forth here.

41. Plaintiff entered into an Agreement with Defendant QUORUM GREEN INDUSTRIES, LLC, an entity owned, managed, operated, and maintained by Defendant DAVID GASH without recognition of corporate formalities or distinction, and DOES 1 To 20, as corporate officers and directors.

42. A dispute has arisen and there exists an actual controversy between Plaintiff, on the one hand, and Defendants QUORUM GREEN INDUSTRIES, LLC, and DOES 1 TO 25 (collectively "Defendants"), on the other hand, in that Plaintiff contends the ten percent (10%) stock interest transferred to her under the Stock Transfer Agreement, valued at \$120,000 at the time of said Agreement by virtue of the overall purchase price of Green Pearl, has been rendered worthless and the original promise illusory by the actions and omissions of Defendants in the operation of Green Pearl as outlined in Paragraph 37(a-o) above.

43. Plaintiff has performed all things necessary required of her under the Stock Transfer Agreement, except to the extent Plaintiff was prevented or excused from performing by agreement or by breach by Defendants.

44. At the time Defendants entered into the Stock Transfer Agreement with Plaintiff, Defendants knew the stock transferred as consideration to Plaintiff was valueless given that Defendants' intended to manipulate the Green Pearl income streams, and did in fact thereafter manipulate the income streams and engaged in other acts and omissions, that undermined the profitability of the corporation by the handling and transfer of funds solely benefiting said Defendant, and Defendants' other business entities and enterprises, and creating the appearance on its accounting records that Green Pearl was and is not to date a profitable enterprise.

45. The breaches identified in this Complaint are not intended to be an exhaustive list of the breaches by Defendants, rather those are sample of the breaches that have occurred from the

1 date of the Stock Transfer Agreement to date.

2 46. In addition to the damages caused by the acts and omissions of Defendant
3 QUORUM GREEN INDUSTRIES, LLC, and DOES 1 To 25, Defendants and each of them,
4 caused Plaintiff to incur other damages as a proximate cause of such acts and omissions, including
5 but not limited to attorney fees, all in an amount to be proven at trial.

6 47. As a direct and proximate result of the breach of the Stock Transfer Agreement,
7 Plaintiff has been damaged in an amount believed to be in excess of \$1,000,000, and to be proven
8 at trial.

9 **SECOND CAUSE OF ACTION**
10 **(Breach of Oral Contract)**

11 **(Against Defendants DAVID GASH; and DOES 26 TO 50)**

12 48. Plaintiff realleges and incorporates by reference each of the preceding paragraphs
13 set forth above, as though fully set forth.

14 49. Plaintiff entered into an oral agreement on or around April of 2019 with Defendants
15 DAVID GASH, and DOES 26 To 50, wherein Gash agreed to compensate Plaintiff (1) \$100,000
16 as a “finder’s fee” for the deal to purchase the Green Pearl, and (2) a ten percent (10%) interest in
17 the Conditional Use Permit connected to the operation of Green Pearl to vest at the closing of the
18 purchase of Green Pearl, as incentives for Plaintiff’s to bring Gash into the deal to purchase Green
19 Pearl and to re-locate herself and her operations team to the Desert Hot Springs area to conduct
20 the daily operations of Green Pearl (hereinafter referred to as “Oral Agreement”).

21 50. A dispute has arisen and there exists an actual controversy between Plaintiff, on the
22 one hand, and Defendants DAVID GASH, and DOES 26 To 50, on the other hand, in that Plaintiff
23 contends she was not paid the full amount of said finder’s fee and never included as a ten percent
24 (10%) owner of the Conditional Use Permit relative to the acquisition of Green Pearl as promised
25 by Gash.

26 51. Plaintiff has performed all things necessary required of her according to the Oral
27 Agreement, except to the extent Plaintiff was prevented or excused from performing by breach of
28 the Oral Agreement by Defendant DAVID GASH, and DOES 26 To 50.

52. At the time Defendant DAVID GASH entered into the Oral Agreement with

1 Plaintiff and shortly thereafter upon the closing of the Green Pearl transaction, he neither intended
2 to, nor actually did compensate Plaintiff with the entire finder's fee and/or include Plaintiff as a
3 ten percent (10%) owner of the Conditional Use Permit connected to the operation of Green Pearl,
4 rather Gash made such promises to induce Plaintiff act to the benefit of Gash, Quorum Green and
5 Gash's other businesses and entities without intending to compensate Plaintiff according to their
6 Oral Agreement.

7 53. The breaches of the Oral Agreement identified in this Complaint are not intended
8 to be an exhaustive list of the breaches by Defendants, rather those are sample of the breaches that
9 have occurred from the date of the.

10 54. In addition to the damages caused by the acts and omissions of Defendants DAVID
11 GASH, and DOES 26 To 50, said Defendants and each of them, caused Plaintiff to incur other
12 damages as a proximate cause of such acts and omissions.

13 55. Plaintiff has been damaged in an amount believed to be in excess of \$1,000,000,
14 and to be proven at trial.

15 **THIRD CAUSE OF ACTION**
16 **(Breach of Implied Contract – Promissory Estoppel)**
17 **(Against Defendants DAVID GASH; and DOES 26 To 50)**

18 56. Plaintiff realleges and incorporates by reference each of the preceding paragraphs
19 set forth above, as though fully set forth.

20 57. Plaintiff negotiated terms with Defendants DAVID GASH, and DOES 26 To 50,
21 regarding the deal to purchase Green Pearl that included terms wherein Gash agreed to compensate
22 Plaintiff (1) \$100,000 as a "finder's fee" for the deal to purchase the Green Pearl, (2) a ten percent
23 (10%) interest in the Conditional Use Permit connected to the operation of Green Pearl to vest at
24 the closing of the purchase of Green Pearl, (3) Plaintiff's role as salaried operations manager of
25 Green Pearl, and (4) Plaintiff's role as salaried operations manager of the "Campo Road" cannabis
26 dispensary, as incentives for Plaintiff's to bring Gash into the deal to purchase Green Pearl and
27 convince Plaintiff to re-locate her operations team to the Desert Hot Springs area to conduct the
28 daily operations of Green Pearl.

58. Defendants DAVID GASH'S, and DOES 26 To 50's promises, assurances and

1 confirmation, by affirmative representations and by formal presentation, were intended to and did
2 so induce Plaintiff to foregoing other financing and/or investor options in the purchase of Green
3 Pearl and to proceed forward with the deal as partners with Gash according to those promises.

4 59. The promises, assurances and confirmation by Defendants DAVID GASH and
5 DOES 26 To 50, were of such a kind and nature so as to give rise to a reasonable expectation by
6 all parties involved that such promises, assurances and confirmation would induce Plaintiff to act
7 in reliance upon same.

8 60. Plaintiff justifiably relied to her detriment on the promises, assurances and
9 confirmation provided by Defendants DAVID GASH and DOES 26 To 50 by going forward with
10 the deal to purchase Green Pearl with said Defendants, and further, to relocate her and her
11 operations team to the Desert Hot Springs area, to forego other financing and/or investor options
12 in the purchase of the Green Pearl, and to sacrifice other potential avenues and opportunities for
13 her financial future.

14 61. Plaintiff's justifiable reliance on the promises, assurances and confirmation of
15 Defendants DAVID GASH and DOES 26 To 50, is consideration for a contract between Plaintiff
16 and said Defendants in order to avoid an injustice, as the statements and actions of said Defendants,
17 and each of them, were a substantial factor, if not the sole factor, for causing Plaintiff's damages.

18 62. As a direct and proximate result of the breach of the Implied, Plaintiff has been
19 damaged in an amount believed to be in excess of \$1,000,000, and to be proven at trial.

20 **FOURTH CAUSE OF ACTION**

21 **(Breach of the Implied Covenant of Good Faith and Fair Dealing – Count 1)**

22 **(Against Defendants QUORUM GREEN INDUSTRIES, LLC; and DOES 1 TO 25)**

23 63. Plaintiff realleges and incorporates by reference each of the preceding paragraphs
24 set forth above, as though fully set forth.

25 64. Defendants QUORUM GREEN INDUSTRIES, LLC and DOES 1 To 25 breached
26 their respective duties to act fairly and in good faith with respect to the Stock Transfer Agreement
27 entered into with Plaintiff by acts and omissions of its principals which resulted in the stock in
28 Southern California Organic Treatment being significantly devalued to the point of being rendered

1 worthless by the acts and omissions alleged in Paragraph 37 (a-o) above.

2 65. Plaintiff did all, or substantially all of the significant things the Stock Transfer
3 Agreement required her to do, and/or Plaintiff was excused from having to do those things due to
4 said Defendants' acts and omissions.

5 66. Defendants unfairly interfered with Plaintiffs right to receive the benefit under the
6 Stock Transfer Agreement by acts and omissions in the operation of Southern California Organic
7 Treatment in a manner that undermined Plaintiff's interests, while still being to the benefit of
8 Defendants QUORUM GREEN INDUSTRIES, LLC and DOES 1 To 25.

9 67. The acts of said Defendants and each of them constitute tortious bad faith conduct
10 which caused the value of the stock paid to Plaintiff under the Stock Transfer Agreement to be
11 significantly devalued, or possibly rendered worthless.

12 68. As a direct and proximate result of the conduct of Defendants QUORUM GREEN
13 INDUSTRIES, LLC and DOES 1 To 25, and each of them, Plaintiff has suffered damages naturally
14 flowing from said Defendants' conduct, including *inter alia* emotional and mental distress, in an
15 amount to be proven at trial, and which Plaintiff currently believes to be in excess of \$2,000,000.

16 69. Said Defendants' conduct was willful, wanton, malicious, oppressive and in
17 conscious disregard of Plaintiff's rights so as to justify an award of exemplary damages in an
18 amount sufficient to punish and make an example of said Defendants, and each of them, to deter
19 such conduct in the future.

20 **FIFTH CAUSE OF ACTION**

21 **(Breach of the Implied Covenant of Good Faith and Fair Dealing – Count 2)**

22 **(Against Defendants DAVID GASH; and DOES 26 TO 50)**

23 70. Plaintiff realleges and incorporates by reference each of the preceding paragraphs
24 set forth above, as though fully set forth.

25 71. Defendants DAVID GASH and DOES 26 To 50 breached their respective duties
26 to act fairly and in good faith with respect to the Oral Agreement and the Implied-In-Fact Contract
27 alleged herein above, entered into with Plaintiff by acts and omissions which unfairly interfered
28 with Plaintiffs right to receive the benefit under those agreements.

72. Plaintiff did all, or substantially all of the significant things the Oral Agreement and Implied-In-Fact Contract required her to do, or Plaintiff was excused from having to do those things due to said Defendants' acts and omissions.

73. The acts of said Defendants and each of them constitute tortious bad faith conduct which caused the value of Plaintiff's benefits under the Oral Agreement and the Implied-In-Fact Contract to be rendered worthless.

74. As a direct and proximate result of the conduct of Defendants DAVID GASH and DOES 26 To 50, and each of them, Plaintiff has suffered damages naturally flowing from said Defendants' conduct, including *inter alia* emotional and mental distress, in an amount to be proven at trial, and which Plaintiff currently believes to be in excess of \$2,000,000.

75. Said Defendants' conduct was willful, wanton, malicious, oppressive and in conscious disregard of Plaintiff's rights so as to justify an award of exemplary damages in an amount sufficient to punish and make an example of said Defendants, and each of them, to deter such conduct in the future.

SIXTH CAUSE OF ACTION
(Fraud and Deceit– Intentional Misrepresentation (Nondisclosure, Suppression, Concealment) – Count 1)

(Against Defendants QUORUM GREEN INDUSTRIES, LLC; and DOES 11 TO 20)

76. Plaintiff realleges and incorporates by reference each of the preceding paragraphs set forth above, as though fully set forth herein.

77. Defendants QUORUM GREEN INDUSTRIES, LLC and DOES 1 To 25, through its principal and owner DAVID GASH, represented to Plaintiff that the ten percent (10%) stock interest in Southern California Organic Treatment good and valuable consideration at the time Plaintiff entered into the Stock Transfer Agreement with Defendant QUORUM GREEN INDUSTRIES, LLC, and further, based on those representations that said Defendants would act in a manner to maintain the value of said stock, that Plaintiff's interest in the stock was memorializing an equivalent interest in the Conditional Use Permit associated with Green Pearl's operation, and that said Defendants would not engage in overt acts and omissions that would diminish the value of said consideration.

1 78. The representations were false and misleading and Defendants QUORUM GREEN
2 INDUSTRIES, LLC and DOES 1 To 25 were under a legal duty to make full and truthful
3 representations and refrain from making statements it knew to be false at the time.

4 79. Said Defendants intended that Plaintiff be induced to rely on the representations
5 that the stock was valuable, and further, that Plaintiff could rely on the fact said Defendants would
6 not engage in overt acts and omissions to purposefully undermine the value of Plaintiff's stock
7 interest, or in acts or omissions substantially certain to undermine Plaintiff's interest.

8 80. At the time the misrepresentations were made, the facts were concealed or
9 suppressed, and/or the obligations arose, said Defendants either knew that the representations were
10 false, stated misleading half-truths, concealed or suppressed material facts, and/or failed to disclose
11 facts where there was a duty to do so, and said misrepresentations, concealment/suppression,
12 and/or nondisclosures were perpetrated intentionally with malice to induce Plaintiff's reliance to
13 said Defendants' benefit.

14 81. Plaintiff in fact reasonably relied upon the representations of said Defendants to her
15 detriment, as Plaintiff had no other means of knowing the true facts at that time other than through
16 information provided Defendants QUORUM GREEN INDUSTRIES, LLC and DOES 1 To 25.

17 82. Said Defendants' false representations and its subsequent actions and omissions
18 were a substantial factor in causing Plaintiff harm, including *inter alia*, emotional and mental
19 distress, and Plaintiff is hereby claiming compensation from Defendants for all such detriment
20 proximately caused thereby, in an amount which is currently believed to be in excess of
21 \$2,000,000, and which will be ascertained and claimed by Plaintiff in an amount to be proven at
22 trial.

23 83. Said Defendants' false representations were fraudulent and done maliciously with
24 the intent to benefit Defendants QUORUM GREEN INDUSTRIES, LLC and DOES 1 To 25, and
25 its owners, and to oppress Plaintiff, and based thereon, in addition to actual damages suffered by
26 Plaintiff, Plaintiff is also entitled to recover damages for the sake of example by way of punishing
27 Defendants.

28 ///

SEVENTH CAUSE OF ACTION
(Fraud and Deceit – Intentional Misrepresentation (Nondisclosure, Suppression, Concealment) – Count 2)

(Against Defendants QUORUM GREEN INDUSTRIES, LLC; and DOES 1 TO 10)

84. Plaintiff realleges and incorporates by reference each of the preceding paragraphs set forth above, as though fully set forth herein.

85. Defendants DAVID GASH and DOES 26 To 50, represented to Plaintiff that she would be paid a \$100,000 finder's fee and ten percent of the Conditional Use Permit associated with Green Pearl's operation, and that Plaintiff's interest in the Conditional Use Permit would be a certain value within a specific time frame if Plaintiff in the position of operations manager was able to raise the gross income of Green Pearl to specified benchmarks.

86. The representations were false, incomplete and misleading in that Defendants DAVID GASH and DOES 26 To 50 never intended that Plaintiff be compensated with an interest in the Conditional Use Permit as promised, and that said Defendants in fact intended to undermine Plaintiff's stock interest in Green Pearl by engaging in the acts alleged in Paragraph 37 (a-o) herein above after Plaintiff relocated herself and her operations team to the Green Pearl in reliance on said Defendants' representations, and to the benefit of said Defendants.

87. Defendants DAVID GASH and DOES 26 To 50 were under a legal duty to make full and truthful representations and refrain from making statements known to be false at the time.

88. Said Defendants intended that Plaintiff be induced to rely on the representations, and further, that Plaintiff could rely on the fact said Defendants would not engage in overt acts and omissions certain to undermine the value of Plaintiff's stock interest, or in acts or omissions substantially certain to undermine Plaintiff's interest.

89. At the time the misrepresentations were made, the facts were concealed or suppressed, and/or the obligations arose, said Defendants either knew that the representations were false, stated misleading half-truths, concealed or suppressed material facts, and/or failed to disclose facts where there was a duty to do so, and said misrepresentations, concealment/suppression, and/or nondisclosures were perpetrated intentionally with malice to induce Plaintiff's reliance to said Defendants' benefit.

1 90. Plaintiff reasonably relied upon the representations of said Defendants, as Plaintiff
2 had no other means of knowing the true facts at that time other than through information provided
3 Defendants DAVID GASH and DOES 26 To 50.

4 91. Said Defendants' false representations and its subsequent actions and omissions
5 were a substantial factor in causing Plaintiff harm, including *inter alia*, emotional and mental
6 distress, and Plaintiff is hereby claiming compensation from Defendants for all such detriment
7 proximately caused thereby, in an amount which is currently believed to be in excess of
8 \$2,000,000, and which will be ascertained and claimed by Plaintiff in an amount to be proven at
9 trial.

10 92. Said Defendants' false representations were fraudulent and done maliciously with
11 the intent to benefit Defendants DAVID GASH and DOES 26 To 50, and to oppress Plaintiff, and
12 based thereon, in addition to actual damages suffered by Plaintiff, Plaintiff is also entitled to
13 recover damages for the sake of example by way of punishing Defendants.

14 **EIGHTH CAUSE OF ACTION**
15 **(Interference With Prospective Economic Advantage)**

16 **(Against Defendants DAVID GASH; QUORUM GREEN INDUSTRIES, LLC; and DOES**
17 **1 To 50)**

18 93. Plaintiff realleges and incorporates by reference each of the preceding paragraphs
19 set forth above, as though fully set forth herein

20 94. Defendants DAVID GASH, QUORUM GREEN INDUSTRIES, LLC, and DOES
21 1 To 50, and each of them, intended to disrupt Plaintiff's relationship to Green Pearl and her stock
22 interest in Southern California Organic Treatment by engaging in the acts and omissions outlined
23 in Paragraph 38 (a-o) herein to benefit said Defendants and said Defendants' personal and other
24 business interests to the detriment of Plaintiff.

25 95. Said Defendants wrongful conduct prevented Plaintiff from managing the
26 operations of Green Pearl in a manner that would have resulted in an economic benefit to Plaintiff.

27 96. As a direct and proximate result of the aforementioned interference with
28 prospective economic advantage by said Defendants, Plaintiff has suffered damage in an amount
of no less than \$2,000,000

97. Said Defendants' performed the acts and omissions alleged herein with malice, fraud, and oppression, and are therefore liable for exemplary or punitive damages to deter such unfair practices in the future.

PRAYER

WHEREFORE, Plaintiff prays that judgment be entered against Defendants, and each of them, as follows:

ON ALL CAUSES OF ACTION:

1. For damages according to proof;
2. For Costs of Suit;
3. For such other and further relief as the Court may deem just and proper.


ON THE FOURTH, FIFTH, SIXTH, SEVENTH, AND EIGHTH CAUSES OF ACTION:

4. For exemplary damages;

**ON THE FIRST, FOURTH, FIFTH, SIXTH, SEVENTH, AND EIGHTH CAUSES
OF ACTION:**

5. For Attorney Fees according to proof.

DATED: August 25, 2020

GAPPY & VERBICK LLP
BY: 
TODD E. VERBICK, ESQ.
DENA M. GAPPY, ESQ.
Attorneys for Plaintiff CORINA YOUNG

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VERIFICATION

I, CORINA YOUNG, declare:

I am the Plaintiff in this action. I certify under penalty of perjury that I have read and reviewed the Verified Complaint and authorized its filing. Based on my investigation and the investigation of my legal counsel, the contents of the Complaint are true to the best of my knowledge, information, and belief.

DATED: 8/25/2020

BY: 
CORINA YOUNG

EXHIBIT “1”

AGREEMENT

This Agreement is entered into this 4/30/2019 day of May 2019, by and between CORINA YOUNG, an individual, and QUORUM GREEN INDUSTRIES, a California limited liability company.

RECITALS

WHEREAS, on April 5, 2019, QUORUM GREEN INDUSTRIES, a California limited liability company ("QUORUM") entered into an Agreement for Purchase and Sale of 100% of the outstanding shares of Southern California Organic Treatment, a California corporation (the "Corporation") for \$1,200,000.00 (the "Stock Purchase" and the "Stock Purchase Agreement"). A true and correct copy of the Stock Purchase Agreement is attached hereto as **Exhibit A**.

WHEREAS, QUORUM is currently engaged in its due diligence and the Stock Purchase is scheduled to close on May 20, 2019 (the "Due Diligence"). QUORUM's obligation to purchase the Corporation is expressly conditioned upon approval, in its sole discretion, of matters disclosed in the Due Diligence and its own independent investigation (the "Closing").

WHEREAS, CORINA YOUNG ("YOUNG") was instrumental in the Stock Purchase and is engaged in the Due Diligence on behalf of QUORUM ("YOUNG Contributions").

NOW THEREFORE, the undersigned parties, for good consideration do hereby agree to the following:

Section 1. Ownership Interest. Should Closing occur as set forth in the Stock Purchase Agreement, in consideration for the YOUNG Contributions, YOUNG shall immediately upon Closing be issued 10% percent ownership interest in the Corporation. Nothing in this Agreement shall be deemed to vest in YOUNG any interest in QUORUM should the Closing not occur as set forth in the Stock Purchase Agreement.

Section 2. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together shall constitute one and the same instrument.

Section 3. Amendment or Waiver. This Agreement may not be amended, or terms waived, unless such amendment or waiver is in writing and signed by the party against whom enforcement of such modification, amendment or discharge is sought.

Section 4. Binding Effect. This Agreement shall be binding upon QUORUM and its successors and assigns and shall inure to the benefit of the Lenders and their successors and assigns.

Section 5. Dispute Resolution. Any and all disputes relating to this Agreement or its breach shall be settled by arbitration, by a single arbitrator, in San Diego, California, in accordance with the then-current rules of the American Arbitration Association ("AAA"), and judgment upon the award entered by the Arbitrator may be entered in any Court having jurisdiction hereof. Costs of arbitration, including reasonable attorney's fees incurred in arbitration, as determined by the Arbitrator, together with any

reasonable attorney's fees incurred by prevailing Party in Court seeking the enforcement of the arbitration award after it is rendered by the Arbitrator, must be paid to the prevailing Party by the Party designated by the Arbitrator or Court. The Arbitrator is empowered to grant any remedy or relief available to a party in a court of law in this jurisdiction.

Section 6. Governing Law. This Agreement shall be interpreted in accordance with the laws of California.

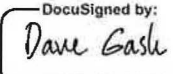
Section 7. Electronic Signatures. Each party agrees the electronic signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures.

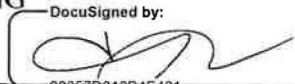
Section 8. Entire Agreement. This Agreement shall embody the entire integrated agreement and understanding between the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof and thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS HEREOF, the parties have executed this Agreement as of the date set forth herein above.

QUORUM GREEN INVESTMENTS, LLC

By:  DocuSigned by:
E71321D348EE47C...
Dave Gash, Manager

CORINA YOUNG
By:  DocuSigned by:
00057D816B4E481...
Corina Young