

1 GEORGE E. SCHULMAN (State Bar No. 064572)
gschulman@dgdk.com
2 KATHY BAZOIAN PHELPS (State Bar No. 155564)
kphelps@dgdk.com
3 GILBERT MIKALIAN (State Bar No. 244690)
gmikalian@dgdk.com
4 DANNING, GILL, DIAMOND & KOLLITZ, LLP
2029 Century Park East, Third Floor
5 Los Angeles, California 90067-2904
Telephone: (310) 277-0077
6 Facsimile: (310) 277-5735

2009 DEC - 7 PM 3: 55
U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

FILED

7 Attorneys for David A. Gill, Receiver

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10 CV09-8978 GAF (CTX)

11 DAVID A. GILL, solely in his capacity as
Permanent Receiver in the matter of
12 *Securities and Exchange Commission vs.*
Diversified Lending Group, Inc.; Applied
13 *Equities, Inc.; Bruce Friedman and Tina*
M. Placourakis, U.S.D.C. Case No.
14 CV 09-01533-R-JEM,

Case No.

COMPLAINT TO AVOID AND
RECOVER FRAUDULENT
TRANSFERS, FOR UNJUST
ENRICHMENT, CONSTRUCTIVE
TRUST AND EQUITABLE LIEN

15 Plaintiff,

FILED UNDER SEAL

16 vs.

17 SHAWNA FRIEDMAN,

18 Defendant.

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20
21 Plaintiff David A. Gill, Receiver, for his complaint against Defendant, says:

22 PARTIES, JURISDICTION AND VENUE

23 1. David A. Gill is the duly appointed Permanent Receiver (the
24 "Receiver") for Diversified Lending Group ("DLG"), Applied Equities, Inc. ("AEI"),
25 and their subsidiaries and affiliates.

26 2. Defendant Shawna Friedman (the "Defendant") is, and at all times
27 mentioned herein was, a resident of Los Angeles County, California.
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1 8. On March 4, 2009, this Court granted the TRO Application and, among
2 other things, appointed David A. Gill as Temporary Receiver. Mr. Gill received the
3 Temporary Restraining Order appointing him as Temporary Receiver early on March
4 5, 2009, and, within the hour, with his counsel, accountants and field personnel, took
5 possession of the business premises of DLG and AEI in Sherman Oaks, California.
6 The order was amended and superseded by two additional orders of the Court. One,
7 entered on March 10, 2009, appointed Mr. Gill as Permanent Receiver and another,
8 entered on or about March 31, 2009, clarified the earlier orders by specifically
9 naming certain wholly owned subsidiaries and their assets as subject to
10 administration in the receivership (AEI, DLG, and their wholly owned subsidiaries
11 are collectively referred to as the "Receivership").
12

13 **B. The Transfers of Funds.**

14 9. The Receiver is informed and believes, and on that basis alleges that on
15 or about September 11, 2006, the Defendant, funded at least in part by DLG,
16 purchased a parcel of real property improved by a single family dwelling commonly
17 known as 5807 Wish Avenue, Encino, California, 91316-1459 (the "Property"). The
18 legal description of the Property is: Lot 176, of Tract No. 20331, in the City of Los
19 Angeles, County of Los Angeles, State of California, as per map recorded in Book
20 576 Pages 9 to 11 Inclusive of Maps in the Office of County Recorder of said
21 County. The Property's Assessor's Parcel Number is 2255-004-022.

22 10. The Receiver is informed and believes, and on that basis alleges that
23 DLG paid to or for the benefit of the Defendant from investor funds in the total
24 amount of \$345,442.00.

25 11. The Receiver is informed and believes, and on that basis alleges that
26 DLG transferred \$20,000.00 on or about August 22, 2006, to Defendant for the
27 purchase of the Property.
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1 3439.08, the Receiver is entitled to recover from the Defendant the Property, or the
2 value of the Transfers, plus interest thereon as allowed by law.

3
4 **FOURTH CLAIM FOR RELIEF**

5 **(For Avoidance and Recovery of Fraudulent Transfers)**

6 26. The Receiver repeats and re-alleges the allegations contained in
7 paragraphs 1 through 14, inclusive, hereof and incorporates the same herein by this
8 reference.

9 27. The Receiver is informed and believes, and based thereon alleges, that
10 when DLG made the Transfers, it had already incurred, or believed or reasonably
11 should have believed that it would incur, debts that would be beyond its ability to
12 pay as such debts matured.

13 28. The Receiver is entitled to avoid the Transfers under California Civil
14 Code section 3439.04(b)(2). Furthermore, under California Civil Code section
15 3439.08, the Receiver is entitled to recover from the Defendant the Property, or the
16 value of the Transfers, plus interest thereon as allowed by law.

17
18 **FIFTH CLAIM FOR RELIEF**

19 **(To Avoid Unjust Enrichment)**

20 29. The Receiver repeats and re-alleges the allegations contained in
21 paragraphs 1 through 14, inclusive, hereof and incorporates the same herein by this
22 reference.

23 30. The Receiver is informed and believes, and based thereon alleges, that
24 as a result of the transactions herein alleged, the Defendant has been unjustly
25 enriched, so that the Receiver is entitled to recover from the Defendant the Property,
26 or the value of the Transfers, plus interest thereon at the legal rate.

1 FOR THE SIXTH CLAIM FOR RELIEF:

2 36. For a judgment imposing a constructive trust on the Property and
3 determining that the Defendant holds said Property in trust for the Receiver;

4 FOR THE SEVENTH CLAIM FOR RELIEF:

5 37. For a judgment imposing an equitable lien upon the Property;

6 FOR ALL CLAIMS FOR RELIEF:

7 38. For interest on the sums recovered;

8 39. For costs of suit incurred herein; and

9 40. For all other and further relief as the Court deems just and proper.

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11 Dated: November 30, 2009 DANNING, GILL, DIAMOND & KOLLITZ, LLP

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By: 

George E. Schulman
Attorneys for David A. Gill, Receiver

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