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9 Attorneys for Plaintiffs  
10 SAN DIEGO PATIENTS COOPERATIVE CORPORATION, INC.;  
and BRADFORD HARCOURT  
11

12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
13 **FOR THE COUNTY OF SAN DIEGO**

14 SAN DIEGO PATIENTS COOPERATIVE )  
15 CORPORATION, INC., a California )  
cooperative corporation, and BRADFORD )  
16 HARCOURT, an individual, )  
17 Plaintiffs, )  
18 v. )  
19 RAZUKI INVESTMENTS, L.L.C., a )  
California limited liability company; )  
20 BALBOA AVE COOPERATIVE, a )  
California cooperative corporation; )  
21 AMERICAN LENDING AND )  
HOLDINGS, LLC, a California limited )  
22 liability company; SAN DIEGO UNITED )  
HOLDINGS GROUP, LLC, a California )  
23 limited liability company; CALIFORNIA )  
CANNABIS GROUP, a nonprofit mutual )  
24 benefit corporation; SALAM RAZUKI, an )  
individual; NINUS MALAN, an individual, )  
25 KEITH HENDERSON, an individual, AND )  
DOES 1-20, INCLUSIVE, )  
26 Defendants. )  
27

Case No. 37-2017-00020661-CU-CO-CTL  
Honorable Michael T. Smyth, Dept. C-67  
**DECLARATION OF CHARLES  
CAVANAGH IN SUPPORT OF MOTION  
OF PLAINTIFFS SAN DIEGO PATIENTS  
COOPERATIVE CORPORATION, INC.  
AND BRADFORD HARCOURT TO  
STRIKE MEMORANDUM OF COSTS  
FILED BY DEFENDANTS RAZUKI  
INVESTMENTS, LLC AND SALAM  
RAZUKI OR, IN THE ALTERNATIVE, TO  
TAX COSTS**  
Date: May 31, 2024  
Time: 9:00 a.m.  
Courtroom: C-67  
Complaint Filed: June 7, 2017  
Trial Date: October 27, 2023

**ELECTRONICALLY FILED**  
Superior Court of California,  
County of San Diego  
**03/15/2024** at 04:30:00 PM  
Clerk of the Superior Court  
By Nora Lopez, Deputy Clerk

1 I, Charles Cavanagh, declare and state as follows:

2 1. I am a partner of the law firm of Messner Reeves, LLP, counsel of record in this  
3 matter for plaintiffs San Diego Patients Cooperative Corporation, Inc. and Bradford Harcourt  
4 (together, "Plaintiffs"). I make this declaration based upon my own personal knowledge and  
5 can testify truthfully to the facts set forth herein if called to do so.

6 2. On June 7, 2017, Plaintiffs commenced this action by filing their Complaint  
7 against several Defendants. A true and correct copy of the Complaint is attached hereto as  
8 **Exhibit 1.**

9 3. From the outset of the litigation, both of the Razuki Defendants and Defendant  
10 Keith Henderson were jointly represented by the same counsel. A true and correct copy of the  
11 Answer jointly filed by the Razuki Defendants is attached hereto as **Exhibit 2.** A true and  
12 correct copy of the Answer filed by Keith Henderson is attached hereto as **Exhibit 3.**

13 4. Both of the Razuki Defendants and Defendant Keith Henderson were jointly  
14 represented by the same counsel until October 3, 2023, when Mr. Henderson executed a  
15 Substitution of Attorney. A true and correct copy of the Substitution of Attorney filed by Keith  
16 Henderson is attached hereto as **Exhibit 4.**

17 5. Both of the Razuki Defendants continued to be, and still are, jointly represented  
18 by the same attorney.

19 6. During the course of discovery, Plaintiff Bradford Harcourt was deposed on July  
20 23, 2018. A true and correct copy of the caption page of the transcript of the deposition of Mr.  
21 Harcourt is attached hereto as **Exhibit 5.**

22 7. During the course of discovery, Defendant Keith Henderson was deposed on July  
23 24, 2018. A true and correct copy of the caption page of the transcript of the deposition of Mr.  
24 Henderson is attached hereto as **Exhibit 6.**

25 8. During the course of discovery, Defendant Ninus Malan was deposed on  
26 November 9, 2022. A true and correct copy of the caption page of the transcript of the  
27 deposition of Mr. Malan is attached hereto as **Exhibit 7.**

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1           9.       During the course of discovery, Plaintiffs’ retained expert Christopher Stefan  
2 was deposed on September 14, 2023. A true and correct copy of the caption page of the  
3 transcript of the deposition of Mr. Stefan is attached hereto as **Exhibit 8**.

4           10.       During the course of discovery, Defendant Salam Razuki was deposed on  
5 October 12, 2023. A true and correct copy of the caption page of the transcript of the deposition  
6 of Mr. Razuki is attached hereto as **Exhibit 9**.

7           11.       Both of the court reporters identified on the Razuki Defendants’ Memorandum of  
8 Costs reported hearings on motions conducted during the course of this litigation; neither of  
9 them was a reporter for the trial itself. During the course of this litigation, the Court did not  
10 order the transcription of any non-trial hearings.

11           12.       The Memorandum of Costs filed by the Razuki Defendants indicates that each of  
12 High Sierra, Melograno and Steve Lake was served with process. Presumably, such service was  
13 for each to appear at the trial of this matter, although the Razuki Defendants never served copies  
14 of any such service of process upon Plaintiffs’ counsel. However, the Notices to Appear at  
15 Trial that the Razuki Defendants did serve on Plaintiffs were served on behalf of both of the  
16 Razuki Defendants jointly. A true and correct copy of the Notice to Bradford Harcourt to  
17 Appear at Trial that the Razuki Defendants served on Plaintiffs is attached hereto as **Exhibit 10**.  
18 A true and correct copy of the Notice to San Diego Patients Cooperative Corporation, Inc. to  
19 Appear at Trial that the Razuki Defendants served on Plaintiffs is attached hereto as **Exhibit 11**.  
20 A true and correct copy of the Notice to Keith Henderson to Appear at Trial that the Razuki  
21 Defendants served on Plaintiffs is attached hereto as **Exhibit 12**.

22           13.       Neither Richard Melograno nor anyone on behalf of the Melograno Trust  
23 testified, either in a deposition or at the trial of this matter.

24           14.       It was unnecessary for the Razuki Defendants to subpoena both High Sierra and  
25 Steve Lake to appear at the trial of this matter because Mr. Lake is the principal of High Sierra  
26 Equity.

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1           15.     Mr. Razuki did not testify at trial, either in person or through deposition  
2 testimony. During the trial of this matter, there were no exhibits that were presented to the jury  
3 that related only to the defense of Mr. Razuki, and not also to the unsuccessful defense of  
4 Razuki Investments.

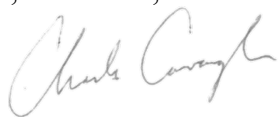
5           16.     This matter was tried to a jury between October 30, 2023, and November 14,  
6 2023, the Honorable Eddie C. Sturgeon presiding.

7           17.     Soon after the trial began, and before the matter was submitted to the jury, Mr.  
8 Henderson was dismissed pursuant to a settlement.

9           18.     On November 14, 2023, the jury returned a verdict in favor of plaintiff Bradford  
10 Harcourt and against defendant Razuki Investments LLC in the amount of \$2,500,000.00. A  
11 true and correct copy of the executed Judgment on Jury Verdict is attached hereto as **Exhibit**  
12 **13.**

13  
14           I swear and declare under penalty of perjury under the laws of the State of California  
15 that the foregoing is true and correct.

16           Executed this 15th day of March 2024, at Denver, Colorado.

17 

18 \_\_\_\_\_  
19 Charles Cavanagh

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1 **PROOF OF SERVICE**

2 I am employed in the County of Denver, Colorado. I am over the age of eighteen years  
3 and not a party to the within entitled action; my business address is 1550 Wewatta Street, Suite  
4 710, Denver, Colorado 80202.

5 On March 15, 2024, I caused to be served the foregoing document described as:

6 **DECLARATION OF CHARLES CAVANAGH IN SUPPORT OF MOTION OF**  
7 **PLAINTIFFS SAN DIEGO PATIENTS COOPERATIVE CORPORATION, INC. AND**  
8 **BRADFORD HARCOURT TO STRIKE MEMORANDUM OF COSTS FILED BY**  
9 **DEFENDANTS RAZUKI INVESTMENTS, LLC AND SALAM RAZUKI OR, IN THE**  
10 **ALTERNATIVE, TO TAX COSTS** on the interested parties as follows:

11 Douglas Jaffe  
12 LAW OFFICES OF DOUGLAS JAFFE  
13 501 West Broadway, Suite 800  
14 San Diego, CA 92101  
15 T.:(619) 400-4945  
F.: (619) 400-4947  
E.: dougjaffelaw@gmail.com  
Attorney for Defendants Razuki Investments,  
L.L.C. and Salam Razuki

David K. Demergian  
DEMERGIAN LAW  
501 West Broadway, Suite 800  
San Diego, CA 92101  
T: (619) 239-3015  
F: (619) 239-3029  
E: david@demergianlaw.com  
Attorney for Defendants Ninus Malan and  
American Lending and Holdings, LLC

16 J. Scott Russo  
17 RUSSO & DUCKWORTH, LLP  
18 3404 Via Oporto, Suite 201  
19 Newport Beach, CA 92663  
20 T.: (949) 752-7106  
F.: (949) 752-0629  
E.: jsrusso@russoandduckworth.com  
Attorney for Defendant Keith Henderson

21 [x] ELECTRONIC-SERVICE/E-MAIL: Pursuant to California Rules of Court, Rule  
22 2.251(b)(1)(B), a court order or by consent/agreement of the parties to accept service by e-mail  
23 and/or electronic submission, I cause the above-referenced document(s) to be sent to the persons  
indicated above at the email address set forth above from either the Court’s electronic filing  
service or by personal email.

24 [x] BY OVERNIGHT DELIVERY [CCP §1013(a)] By placing [ ] the original [x] a true  
25 copy thereof enclosed in a sealed envelope(s) addressed as to the above-named counsel of record  
26 or parties in propria persona. I caused such envelope to be deposited in the Federal Express box  
at 11620 Wilshire Blvd., Los Angeles, CA 90025, which is regularly maintained by Federal  
Express, with delivery fees pre-paid and provided for, addressed to the person on whom said  
document is to be served.

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I declare under penalty of perjury under the laws of the State of Colorado that the forgoing is true and correct.

DATED: March 15, 2024

/s/ Tara L. Nelson  
Tara L. Nelson

1 MESSNER REEVES LLP  
Nima Darouian, CA Bar No. 271367  
2 11620 Wilshire Blvd., Suite 500  
Los Angeles, CA 90025  
3 Telephone: (310) 909-7440  
4 Facsimile: (310) 889-0896  
E-mail: ndarouian@messner.com

6 Attorneys for Plaintiffs  
7 SAN DIEGO PATIENTS COOPERATIVE CORPORATION, INC., and  
BRADFORD HARCOURT

9 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**

10 **COUNTY OF SAN DIEGO**

12 SAN DIEGO PATIENTS COOPERATIVE ) Case No. 37-2017-00020661-CU-CO-CTL  
CORPORATION, INC., a California )  
13 cooperative corporation, and BRADFORD ) [Unlimited Jurisdiction]  
HARCOURT, an individual, )

14 )  
15 Plaintiffs, )

16 v. )

17 RAZUKI INVESTMENTS, L.L.C., a )  
California limited liability company; )  
18 BALBOA AVE COOPERATIVE, a )  
California cooperative corporation; )  
19 AMERICAN LENDING AND HOLDINGS, )  
LLC, a California limited liability company; )  
20 SAN DIEGO UNITED HOLDINGS GROUP, )  
LLC, a California limited liability company; )  
21 CALIFORNIA CANNABIS GROUP, a )  
nonprofit mutual benefit corporation; SALAM )  
22 RAZUKI, an individual; NINUS MALAN, an )  
individual, KEITH HENDERSON, an )  
23 individual, AND DOES 1-20, INCLUSIVE, )

24 Defendants. )

- 25 ) **COMPLAINT FOR DAMAGES FOR:**  
26 )  
27 ) **1. BREACH OF JOINT VENTURE**  
28 ) **AGREEMENT;**  
29 ) **2. BREACH OF LEASE AGREEMENT;**  
30 ) **3. ANTICIPATORY BREACH OF ORAL**  
31 ) **CONTRACT;**  
32 ) **4. BREACH OF THE IMPLIED**  
33 ) **COVENANT OF GOOD FAITH AND**  
34 ) **FAIR DEALING;**  
35 ) **5. BREACH OF CONTRACT WITH**  
36 ) **RESPECT TO A THIRD PARTY**  
37 ) **BENEFICIARY;**  
38 ) **6. PROMISORRY ESTOPPEL;**  
39 ) **7. FALSE PROMISE;**  
40 ) **8. FRAUD;**  
41 ) **9. INTENTIONAL INTERFERENCE WITH**  
42 ) **CONTRACTUAL RELATIONS;**  
43 ) **10. INTERFERENCE WITH PROSPECTIVE**  
44 ) **ECONOMIC ADVANTAGES;**  
45 ) **11. BREACH OF FIDUCIARY DUTY;**  
46 ) **12. CIVIL CONSPIRACY;**  
47 ) **13. DECLARATORY RELIEF; AND**  
48 ) **14. INJUNCTIVE RELIEF**  
49 ) **DEMAND FOR JURY TRIAL**

**EXHIBIT**  
**1**

1 Plaintiffs SAN DIEGO PATIENTS COOPERATIVE CORPORATION, INC. and  
2 BRADFORD HARCOURT (“Plaintiffs”) allege as follows:

3 **THE PARTIES**

4 1. Plaintiff SAN DIEGO PATIENTS COOPERATIVE CORPORATION, INC.  
5 (“SDPCC”) is, and at all times relevant to this action was, a California cooperative corporation  
6 organized and existing under the laws of the State of California, with its principal place of  
7 business located in the County of San Diego.

8 2. Plaintiff BRADFORD HARCOURT (“HARCOURT”), an individual, was, and at  
9 all times mentioned herein is, a resident of the County of San Diego, State of California.

10 3. Defendant RAZUKI INVESTMENTS, L.L.C., (“RAZUKI INVESTMENTS”) is,  
11 and at all times relevant to this action was, a California limited liability company organized and  
12 existing under the laws of the State of California, with its principal place of business located in  
13 the County of San Diego.

14 4. Defendant BALBOA AVE COOPERATIVE, INC. (“BALBOA AVE”) is, and at  
15 all times relevant to this action was, a California cooperative corporation organized and existing  
16 under the laws of the State of California, with its principal place of business located in the County  
17 of San Diego.

18 5. Defendant AMERICAN LENDING AND HOLDINGS, LLC (“AMERICAN  
19 LENDING”) is, and at all times relevant to this action was, a California limited liability company  
20 organized and existing under the laws of the State of California, with its principal place of  
21 business located in the County of San Diego.

22 6. Defendant SAN DIEGO UNITED HOLDINGS GROUP, LLC (“SAN DIEGO  
23 UNITED”) is, and at all times relevant to this action was, a California limited liability company  
24 organized and existing under the laws of the State of California, with its principal place of  
25 business located in the County of San Diego.

26 7. Defendant CALIFORNIA CANNABIS GROUP (“CALIFORNIA CANNABIS  
27 GROUP”) is, and at all times relevant to this action was, a California nonprofit mutual benefit  
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1 corporation organized and existing under the laws of the State of California, with its principal  
2 place of business located in the County of San Diego.

3 8. Defendant SALAM RAZUKI (“RAZUKI”), an individual, was, and at all times  
4 mentioned herein is, a resident of the County of San Diego, State of California.

5 9. Defendant NINUS MALAN (“MALAN”), an individual, was, and at all times  
6 mentioned herein is, a resident of the County of San Diego, State of California.

7 10. Defendant KEITH HENDERSON (“HENDERSON”), an individual, was, and at  
8 all times mentioned herein is, a resident of the County of San Diego, State of California.

9 11. Plaintiffs are informed and believe and based thereon allege that the fictitiously-  
10 named Defendants sued herein as Does 1 through 20, and each of them, are in some manner  
11 responsible or legally liable for the actions, events, transactions and circumstances alleged herein.  
12 The true names and capacities of such fictitiously-named Defendants, whether individual,  
13 corporate, associate or otherwise, are presently unknown to Plaintiffs, and Plaintiffs will seek  
14 leave of Court to amend this Complaint to assert the true names and capacities of such  
15 fictitiously-named Defendants when the same have been ascertained. For convenience, each  
16 reference to a named Defendant herein shall also refer to Does 1 through 20. All Defendants,  
17 including both the named Defendant and those referred to herein as Does 1 through 20, are  
18 sometimes collectively referred to herein as “Defendants.”

19 12. Plaintiffs are informed and believe and based thereon allege that Defendants, and  
20 each of them, were and are the agents, employees, partners, joint-venturers, co-conspirators,  
21 owners, principals, and employers of the remaining Defendants, and each of them are, and at all  
22 times herein mentioned were, acting within the course and scope of that agency, partnership,  
23 employment, conspiracy, ownership or joint venture. Plaintiffs are further informed and believe  
24 and based thereon allege that the acts and conduct herein alleged of each such Defendant were  
25 known to, aided and abetted, authorized by and/or ratified by the other Defendants, and each of  
26 them.

27 13. There exists, and at all times herein alleged, there existed, a unity of interest in  
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1 ownership between certain Defendants and other certain Defendants such that any individuality  
2 and separateness between the certain Defendants has ceased and these Defendants are the alter-  
3 ego of the other certain Defendants and exerted control over those Defendants. Adherence to the  
4 fiction of the separate existence of these certain Defendants as an entity distinct from other certain  
5 Defendants will permit an abuse of the corporate privilege and would sanction fraud and promote  
6 injustice.

7 **PERSONAL JURISDICTION AND VENUE**

8 14. Defendants, and each of them, are subject to the jurisdiction of the Courts of the  
9 State of California by virtue of their business dealings and transactions in California.

10 15. Venue is proper in this action pursuant to California *Code of Civil Procedure*  
11 Section 395.5 because San Diego County, California is the principal place of business of  
12 Defendants and they regularly carry on and engage in business in San Diego County. Moreover,  
13 the contracts at issue were negotiated and entered in San Diego County.

14 **ALTER EGO ALLEGATIONS**

15 16. Plaintiffs are informed and believe and thereon allege that Defendants RAZUKI  
16 INVESTMENT, BALBOA AVE, AMERICAN LENDING, SAN DIEGO UNITED,  
17 CALIFORNIA CANNABIS GROUP and Defendants DOES 1 through 5, and each of them, were  
18 at all relevant times the alter egos of individual defendants RAZUKI, MALAN, and DOES 6  
19 through 10 by reason of the following:

20 a. Plaintiffs are informed and believe and thereon allege that said individual  
21 Defendants, at all times herein mentioned, dominated, influenced and controlled Defendants  
22 RAZUKI INVESTMENT, BALBOA AVE, AMERICAN LENDING, SAN DIEGO UNITED,  
23 CALIFORNIA CANNABIS GROUP and Defendants DOES 1 through 5 and the officers thereof  
24 as well as the business, property, and affairs of each said corporate entity.

25 b. Plaintiffs are informed and believe and thereon allege that at all times  
26 herein mentioned, there existed and now exists a unity of interest and ownership between  
27 individual defendants RAZUKI, MALAN, and DOES 6 through 10 and Defendants RAZUKI  
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1 INVESTMENT, BALBOA AVE, AMERICAN LENDING, SAN DIEGO UNITED,  
2 CALIFORNIA CANNABIS GROUP and Defendants DOES 1 through 5, such that the  
3 individuality and separateness of said individual Defendants and each of the alter egos have  
4 ceased.

5 c. Plaintiffs are informed and believe and thereon allege that, at all times  
6 since the incorporation of each, RAZUKI INVESTMENT, BALBOA AVE, AMERICAN  
7 LENDING, SAN DIEGO UNITED, CALIFORNIA CANNABIS GROUP and Defendants DOES  
8 1 through 5 has been and now is a mere shell and naked framework which said individual  
9 Defendants used as a conduit for the conduct of their personal business, property and affairs.

10 d. Plaintiffs are informed and believe and thereon allege that, at all times  
11 herein mentioned, each of RAZUKI INVESTMENT, BALBOA AVE, AMERICAN LENDING,  
12 SAN DIEGO UNITED, CALIFORNIA CANNABIS GROUP and Defendants DOES 1 through 5  
13 were created and continued pursuant to a fraudulent plan, scheme and device conceived and  
14 operated by said individual Defendants, whereby the income, revenue and profits of each of  
15 RAZUKI INVESTMENT, BALBOA AVE, AMERICAN LENDING, CALIFORNIA  
16 CANNABIS GROUP and Defendants DOES 1 through 5 were diverted by said individual  
17 Defendants to themselves.

18 e. Plaintiffs are informed and believe and thereon allege that, at all times  
19 herein mentioned, each of RAZUKI INVESTMENT, BALBOA AVE, AMERICAN LENDING,  
20 SAN DIEGO UNITED, CALIFORNIA CANNABIS GROUP and Defendants DOES 1 through 5  
21 were organized by said individual Defendants as a device to avoid individual liability and for the  
22 purpose of substituting financially irresponsible corporate entities in the place and instead of said  
23 individual Defendants and, accordingly, each of RAZUKI INVESTMENT, BALBOA AVE,  
24 AMERICAN LENDING, SAN DIEGO UNITED, CALIFORNIA CANNABIS GROUP and  
25 Defendants DOES 1 through 5 were formed with capitalization totally inadequate for the business  
26 in which said corporate entity was engaged.

27 f. Plaintiffs are informed and believe and thereon allege that each RAZUKI  
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1 INVESTMENT, BALBOA AVE, AMERICAN LENDING, SAN DIEGO UNITED,  
2 CALIFORNIA CANNABIS GROUP and Defendants DOES 1 through 5 are insolvent.

3 g. By virtue of the foregoing, adherence to the fiction of the separate  
4 corporate existence of each of RAZUKI INVESTMENT, BALBOA AVE, AMERICAN  
5 LENDING, SAN DIEGO UNITED, CALIFORNIA CANNABIS GROUP and Defendants DOES  
6 1 through 5 would, under the circumstances, sanction a fraud and promote injustice in that  
7 Plaintiff would be unable to recover upon any judgment in their favor.

8 h. Plaintiffs are informed and believe and thereon allege that, at all times  
9 relevant hereto, the individual Defendants and RAZUKI INVESTMENT, BALBOA AVE,  
10 AMERICAN LENDING, SAN DIEGO UNITED, CALIFORNIA CANNABIS GROUP and  
11 Defendants DOES 1 through 5 acted for each other in connection with the conduct hereinafter  
12 alleged and that each of them performed the acts complained of herein or breached the duties  
13 herein complained of as agents of each other and each is therefore fully liable for the acts of the  
14 other.

### 15 **BACKGROUND AND GENERAL ALLEGATIONS**

16 17. In or around April 2013, HARCOURT and his former business partner, Michael  
17 Sherlock (“Sherlock”), initiated the process of obtaining a Conditional Use Permit (“CUP”) with  
18 the City of San Diego to operate a Medical Marijuana Consumer Cooperative (“MMCC”) located  
19 at 8863 Balboa Avenue, Unit E, San Diego, California 92123 (the “Property”).

20 18. In or around July 2015, the City of San Diego approved and granted CUP No.  
21 1296130 in connection with the Property.

22 19. After Sherlock passed away in or around December 2015, HARCOURT submitted  
23 documentation to the City of San Diego in order to remove Sherlock as the MMCC’s responsible  
24 person, and HARCOURT then finalized the recording of the CUP with the City of San Diego  
25 under SDPCC. Moreover, HARCOURT identified himself as the MMCC’s responsible person.

26 20. In or around March 2016, CUP No. 1296130 was recorded with the City of San  
27 Diego.

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1           21.     As a result of the nearly three (3) year process to obtain, secure, and record CUP  
2 No. 1296130 with the City of San Diego, Plaintiffs incurred costs and expenses in the amount of  
3 approximately \$575,000.00.

4           22.     In or around March 2016, the real estate owner of the Property was High Sierra  
5 Equity, LLC (“High Sierra”). In addition, a property located at 8861 Balboa Avenue, Unit B, San  
6 Diego, California 92123 (“8861 Balboa”) provided the requisite parking for the Property, and was  
7 owned by the Melograno Trust (“Melograno”). At all relevant times, High Sierra and Melograno  
8 were in a business relationship with Plaintiff HARCOURT.

9           23.     In or around summer 2016, High Sierra and Melograno sought out potential buyers  
10 for the Property. Plaintiffs were included in, and directly involved with, the negotiations  
11 concerning the sale of the Property because: (i) the City of San Diego issued Plaintiff SDPCC a  
12 Medical Marijuana Consumer Cooperative Permit, HARCOURT was approved as the  
13 Responsible Managing Officer/Responsible Person for SDPCC, and Plaintiffs were therefore  
14 permitted by the City of San Diego to operate an MMCC on the Property; (ii) Plaintiffs’ CUP No.  
15 1296130, which runs with the land, substantially increased the value of the Property, and (iii) the  
16 ongoing business relationship between High Sierra/Melograno and Plaintiff HARCOURT.

17           24.     In or around July 2016, real estate broker HENDERSON, brought an all cash offer  
18 of \$1.8 million in connection with the purchase of the Property, 8861 Balboa, and SDPCC on  
19 behalf of CALIFORNIA CANNABIS GROUP. On information and belief, Defendant MALAN  
20 is a director of CALIFORNIA CANNABIS GROUP.

21           25.     Pursuant to the initial terms of CALIFORNIA CANNABIS GROUP’s offer,  
22 approximately \$750,000 of the \$1.8 million amount would be apportioned for the real estate, and  
23 approximately \$1,050,000.00 of the \$1.8 million amount would be apportioned for SDPCC.  
24 CALIFORNIA CANNABIS GROUP provided a proof of funds, as well as corporate documents,  
25 to demonstrate that they could support this offer.

26           26.     However, on information and belief, CALIFORNIA CANNABIS GROUP was  
27 unable to perform and the proof of funds that was provided was not legitimate. Thus, in or  
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1 around August 2016, HENDERSON, who at all relevant times, was acting on behalf of RAZUKI  
2 and RAZUKI INVESTMENTS and served as an agent on behalf of his principals RAZUKI and  
3 RAZUKI INVESTMENTS, made another offer to Plaintiffs in connection with the Property and  
4 SDPCC on behalf of RAZUKI and RAZUKI INVESTMENTS. On information and belief,  
5 Defendant MALAN is closely associated with RAZUKI and RAZUKI INVESTMENTS.

6 27. Defendants RAZUKI, RAZUKI INVESTMENTS, and HENDERSON proposed  
7 that: (1) RAZUKI and RAZUKI INVESTMENTS would purchase both the Property and 8861  
8 Balboa for \$375,000.000 each or a total of \$750,000.00; (2) in lieu of purchasing SDPCC for  
9 \$1,050,000.00, RAZUKI and RAZUKI INVESTMENTS would permit SDPCC to continue to  
10 operate an MMCC on the Property as a tenant upon RAZUKI and RAZUKI INVESTMENTS'  
11 purchase of the Property; and (3) RAZUKI and HARCOURT would form a joint venture and/or  
12 partnership, under which they would have a joint interest in a common business undertaking, an  
13 understanding as to the sharing of profits and losses, and a right of joint control, in connection  
14 with SDPCC, and that RAZUKI would pay \$50,000.00 as a show of good faith in moving  
15 forward with the joint venture and/or partnership.

16 28. In connection with the joint venture and/or partnership, Defendants RAZUKI,  
17 RAZUKI INVESTMENTS, and HENDERSON specifically proposed that HARCOURT and  
18 RAZUKI would form a joint venture that would provide business services to SDPCC;  
19 HARCOURT and RAZUKI would split equity 50/50 in the joint venture; RAZUKI's contribution  
20 would be based upon his capitalization of the company, while HARCOURT's contribution would  
21 be based upon services rendered; and that RAZUKI would bear the sole financial responsibility  
22 for the plans, permits, tenant improvements, general contractor, and all legal expenses, inventory,  
23 operating expenses, reserves, fees, and all other costs associated with the operation and  
24 management of the MMCC located at the Property. The name for this company was later  
25 tentatively called "San Diego Business Services Group, LLC."

26 29. In or around August 2016, Plaintiffs accepted the offer made by Defendants  
27 RAZUKI, RAZUKI INVESTMENTS, and HENDERSON, and various documents and drafts  
28

1 were prepared reflecting the parties' agreement. Furthermore, High Sierra/Melograno also  
2 accepted Defendants RAZUKI, RAZUKI INVESTMENTS, and HENDERSONS' offer in  
3 connection with the Property and 8861 Balboa.

4 30. On or around August 18, 2016, Defendant RAZUKI INVESTMENTS executed a  
5 commercial lease agreement (the "Lease") with Plaintiff SDPCC in connection with the Property.  
6 Pursuant to the terms of the Lease: (i) RAZUKI INVESTMENTS served as the landlord, while  
7 SDPCC served as the tenant; (ii) the Commencement Date was October 1, 2016, and the  
8 expiration date of the Lease was October 1, 2020; and (iii) upon the expiration of the Lease;  
9 SDPCC had the right to exercise a five (5) year option to extend.

10 31. On or around August 22, 2016, Defendant RAZUKI INVESTMENTS and High  
11 Sierra entered into a Commercial Property Purchase Agreement in connection with the Property,  
12 in which RAZUKI INVESTMENTS agreed to purchase the Property for an all cash offer of  
13 \$375,000. In addition, the contracting parties to the Commercial Property Purchase Agreement  
14 intended to confer a benefit to SDPCC. Specifically, as stated in Paragraph 6 of the agreement  
15 under the "Other Terms" section: "This transaction is to close concurrently with both 8861  
16 Balboa Ave Unit B, and San Diego Patients Consumer Cooperative MMC."

17 32. On or around August 24, 2016, an Escrow Agreement was entered into between  
18 Defendant RAZUKI INVESTMENTS and High Sierra in connection with the Property.  
19 Moreover, the contracting parties to the Escrow Agreement intended to confer a benefit to  
20 SDPCC. Specifically, as stated in the "Instructions" section of the agreement, "escrow is  
21 contingent upon the execution by both parties of the operating agreement and the promissory note  
22 for and between San Diego Business Services Group, LLC and San Diego Patients Cooperative  
23 Corporation, as set out in section 6 of the 'Agreement.'"

24 33. On or around August 31, 2016, Defendants RAZUKI and RAZUKI  
25 INVESTMENTS, through their agent HENDERSON, prepared a written draft joint venture  
26 agreement outlining the basic terms of the joint venture and/or partnership, and provided it to  
27 HARCOURT.

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1           34. In or around September 30, 2016, Defendants RAZUKI and RAZUKI  
2 INVESTMENTS made a payment of \$50,000.00 to HARCOURT as a show of good faith in  
3 moving forward with the joint venture and/or partnership.

4           35. In or around late September 2016/early October 2016, Plaintiffs were concerned  
5 regarding a potential looming dispute with the Homeowners Association (“HOA”) for the  
6 Property. Plaintiffs were concerned that a dispute with the HOA could require Plaintiffs to  
7 surrender the CUP or otherwise restrict Plaintiffs from operating an MMCC at the Property.  
8 Furthering this concern was that the Property was located in a city district where only up to four  
9 properties within the district may be used to operate an MMCC, and that, on information and  
10 belief, RAZUKI and RAZUKI INVESTMENTS were associated with a separate property and/or  
11 were in a position to profit from a separate property that was near the top of the “waiting list” in  
12 case one of these four spots opened up. On information and belief, this separate property is  
13 currently being occupied by CALIFORNIA CANNABIS GROUP.

14           36. Because it would independently benefit RAZUKI and RAZUKI INVESTMENTS  
15 if Plaintiffs surrendered their CUP, RAZUKI and RAZUKI INVESTMENTS agreed to pay  
16 HARCOURT in the amount of \$1,500,000.00 if Plaintiffs surrendered their CUP or otherwise  
17 gave up one of the four spots within the district that may be used to operate an MMCC.

18           37. On or around October 13, 2016, a revised Memorandum of Understanding was  
19 prepared that reflected the parties’ agreement that RAZUKI and RAZUKI INVESTMENTS  
20 would compensate HARCOURT the sum of \$1,500,000.00 if the CUP were required to be  
21 surrendered.

22           38. On or around October 17, 2016, escrow on the Property closed, and the deal  
23 between RAKUZI INVESTMENTS and High Sierra was finalized. However, on information and  
24 belief, Defendants HENDERSON, RAZUKI, and RAZUKI INVESTMENTS conspired together  
25 to cause the release of the contingencies in the Commercial Property Purchase Agreement and  
26 Escrow Agreement that conferred benefits to SDPCC, including but not limited to the agreement  
27 that escrow was contingent upon the execution of the operating agreement and promissory note  
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1 with SDPCC, without the approval of Plaintiffs.

2 39. On or around October 17, 2016, following the close of the aforementioned deal,  
3 HENDERSON sent an email to Plaintiffs, which acknowledged that he knew there was “some  
4 concern about the operating agreements not being executed.” However, HENDERSON further  
5 represented that he had spoken with RAZUKI, and that RAZUKI was “excited about moving  
6 forward as a team,” and that RAZUKI was available on October 18, 2016 “to sign the operating  
7 agreements and align ourselves.”

8 40. Just minutes after HENDERSON sent his email on October 17, 2016, RAZUKI  
9 replied all to HENDERSON’s email, and RAZUKI thanked everyone “for all the work that  
10 everyone put to close this deal[.]” RAZUKI further stated that he was “very excited about what  
11 happened today,” but also apologized for having a “very busy day.” RAZUKI concluded his  
12 email by stating that he would be “available around 2 p.m.” the following day.

13 41. On or around October 18, 2016, the grant deed reflecting the transfer of the  
14 Property to Defendant RAZUKI INVESTMENTS LLC was recorded with the San Diego County  
15 Recorder. On information and belief, the Property has since been transferred to AMERICAN  
16 LENDING and/or SAN DIEGO UNITED.

17 42. On information and belief, following the transfer of the Property, Defendants  
18 RAZUKI and RAZUKI INVESTMENTS directed, authorized and/or ratified a representative  
19 and/or agent to take the following actions without the knowledge or consent of Plaintiffs: (i)  
20 contact the San Diego Development Services Department; (ii) falsely claim that the representative  
21 and/or agent represented Defendants RAZUKI and RAZUKI INVESTMENTS and Plaintiff  
22 SDPCC; and (iii) request that the cooperative identified on the city permit be changed to  
23 BALBOA AVE and that the responsible person name be changed to NINUS MALAN. On  
24 information and belief, the city permit was then modified to indicate that BALBOA AVE was  
25 affiliated with the MMCC at the Property.

26 43. Moreover, despite the parties’ agreements, as well as the various representations  
27 made by Defendants RAZUKI and RAZUKI INVESTMENTS, RAZUKI and RAZUKI  
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1 INVESTMENTS: (i) failed to comply with the terms of the Lease; (ii) failed to execute a joint  
2 venture and/or partnership agreement, operating agreement, and/or promissory note concerning  
3 the MMCC; (iii) falsely misrepresented to third parties that their \$800,000.00 purchase of the  
4 Property included the rights to operate an MMCC on the Property; and (iv) interfered with  
5 Plaintiff SDPCC's rights concerning the Property and CUP.

6 44. On information and belief, in or around April 2017, Defendants RAZUKI,  
7 RAZUKI INVESTMENTS, MALAN, BALBOA AVE, AMERICAN LENDING, and SAN  
8 DIEGO UNITED opened a medical marijuana dispensary at the Property, pursuant to the rights  
9 granted by CUP No. 1296130, under the name BALBOA AVE. Furthermore, on information and  
10 belief, in or around May 2017, a legal dispute arose between Defendants RAZUKI, RAZUKI  
11 INVESTMENTS, MALAN, BALBOA AVE, AMERICAN LENDING, and SAN DIEGO  
12 UNITED on the one hand, and the HOA on the other hand, concerning the Property, and this  
13 dispute may result in the surrender of the CUP.

14 **FIRST CAUSE OF ACTION**

15 **BREACH OF JOINT VENTURE AGREEMENT**

16 **(Plaintiff HARCOURT Against Defendant RAZUKI)**

17 45. Plaintiffs incorporate by reference and re-allege each and every allegation  
18 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

19 46. Plaintiff HARCOURT and Defendant RAZUKI entered into an oral joint venture  
20 agreement in or around August 2016, in which Defendant RAZUKI agreed to form a joint venture  
21 and/or partnership with HARCOURT. The parties further agreed that a be-formed-company  
22 would provide business services to SDPCC, that RAZUKI's contribution would be based upon  
23 his capitalization of the company, and that RAZUKI would bear the sole financial responsibility  
24 for the plans, permits, tenant improvements, general contractor, and all legal expenses, inventory,  
25 operating expenses, reserves, fees, and all other costs associated with the operation and  
26 management of the MMCC located at the Property.

27 47. At all relevant times, Plaintiff HARCOURT either had performed or was ready,  
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1 willing and able to perform all conditions, covenants and promises required of him in accordance  
2 with the terms of the joint venture agreement.

3 48. Defendant RAZUKI breached the joint venture agreement.

4 49. As a direct and proximate result of the material breaches of the terms of the joint  
5 venture agreement by RAZUKI, Plaintiff HARCOURT has suffered, and continue to suffer,  
6 substantial monetary damages in an amount according to proof at time of trial.

7 **SECOND CAUSE OF ACTION**

8 **BREACH OF LEASE AGREEMENT**

9 **(Plaintiff SDPCC Against Defendant RAZUKI INVESTMENTS)**

10 50. Plaintiffs incorporate by reference and re-allege each and every allegation  
11 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

12 51. Plaintiff SDPCC and Defendant RAZUKI INVESTMENTS entered into a written  
13 Lease in or around August 18, 2016. Pursuant to the terms of the Lease, tenant SDPCC is entitled  
14 to the exclusive and undisturbed enjoyment of the Property from October 1, 2016 to October 1,  
15 2020, and SDPCC also has the option to extend the terms of the lease by five (5) years.

16 52. At all relevant times, Plaintiff SDPCC either had performed or was ready, willing  
17 and able to perform all conditions, covenants and promises required of it in accordance with the  
18 terms of the written lease agreement.

19 53. RAZUKI INVESTMENTS breached the Lease by denying Plaintiff SDPCC entry  
20 to the Property and interfering with Plaintiff SDPCC's right to occupy the Property as a tenant.

21 54. As a direct and proximate result of the material breaches of the terms of the written  
22 lease agreement by RAZUKI INVESTMENTS, Plaintiff SDPCC has suffered, and continues to  
23 suffer, substantial monetary damages in an amount according to proof at time of trial.

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1 **THIRD CAUSE OF ACTION**

2 **ANTICIPATORY BREACH OF ORAL AGREEMENT**

3 **(Plaintiff HARCOURT Against Defendants RAZUKI and RAZUKI INVESTMENTS)**

4 55. Plaintiffs incorporate by reference and re-allege each and every allegation  
5 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

6 56. Plaintiff HARCOURT and Defendant RAZUKI entered into an oral agreement in  
7 or around September 2016. Pursuant to this agreement, RAZUKI and RAZUKI INVESTMENTS  
8 agreed that in exchange for Plaintiffs having to give up one of the four spots within the district  
9 that may be used to operate an MMCC, RAZUKI and RAZUKI INVESTMENTS would pay  
10 HARCOURT in the amount of \$1,500,000.00.

11 57. At all relevant times, Plaintiffs either had performed or were ready, willing and  
12 able to perform all conditions, covenants and promises required of him in accordance with the  
13 terms of the oral agreement.

14 58. RAZUKI anticipatorily repudiated the oral agreement before performance was  
15 required by clearly and positively indicating, by words and/or conduct, that RAZUKI would not  
16 pay HARCOURT \$1,500,000.00 should CUP No. 1296130 be surrendered or Plaintiffs were  
17 otherwise required to give up one of the four spots within the district that may be used to operate  
18 an MMCC due to a dispute with the HOA.

19 59. As a direct and proximate result of the anticipatory breach of the terms of the oral  
20 agreement by RAZUKI, Plaintiff HARCOURT has suffered, and continue to suffer, substantial  
21 monetary damages in an amount according to proof at time of trial.

22 **FOURTH CAUSE OF ACTION**

23 **BREACH OF THE IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING**

24 **(Plaintiffs Against Defendants RAZUKI and RAZUKI INVESTMENTS)**

25 60. Plaintiffs incorporate by reference and re-allege each and every allegation  
26 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

27 61. Under California law, there is implied in every contract a covenant by each party  
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1 not to do anything that will deprive the other parties thereto of the benefits of the contract. This  
2 covenant not only imposes upon each contracting party the duty to refrain from doing anything  
3 which would render performance of the contract impossible by any act of his own, but also the  
4 duty to do everything that the contract presupposes that he will do to accomplish its purpose.

5 62. Defendants RAZUKI and RAZUKI INVESTMENTS were at all times bound by  
6 such implied covenants of good faith and fair dealing.

7 63. Defendants RAZUKI and RAZUKI INVESTMENTS' conduct as alleged herein  
8 has unfairly interfered with the rights of Plaintiffs to receive the benefits of the joint venture  
9 agreement, the lease agreement, and the September 2016 oral agreement, and constitute a breach  
10 of the implied covenant of Good Faith and Fair Dealing.

11 64. Moreover, Defendants RAZUKI and RAZUKI INVESTMENTS' conduct as  
12 alleged herein, which injured Plaintiffs' right to receive the benefits of the agreements, was in bad  
13 faith due to Defendants RAZUKI and RAZUKI INVESTMENTS' willful interference with and  
14 failure to cooperate with Plaintiffs in the performance of the contracts.

15 65. As a direct and proximate result of Defendants RAZUKI and RAZUKI  
16 INVESTMENTS' material breaches of the implied covenant of good faith and fair dealing  
17 inherent in the joint venture agreement, the lease agreement, and the September 2016 oral  
18 agreement, as alleged herein, Plaintiffs have suffered, and continue to suffer, substantial monetary  
19 damages in an amount to be proven at time of trial.

20 **FIFTH CAUSE OF ACTION**

21 **BREACH OF CONTRACT WITH RESPECT TO A THIRD PARTY BENEFICIARY**

22 **(Plaintiff SDPCC Against Defendants RAZUKI and RAZUKI INVESTMENTS)**

23 66. Plaintiffs incorporate by reference and re-allege each and every allegation  
24 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

25 67. Defendant RAZUKI INVESTMENTS on the one hand, and High Sierra on the  
26 other hand, entered into a written Commercial Property Purchase Agreement on or around August  
27 22, 2016, and also entered into a written Escrow Agreement on or August 24, 2016.

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1           68.     Although Plaintiff SDPCC was not a party to either the August 22, 2016  
2 Commercial Property Purchase Agreement or the August 24, 2016 Escrow Agreement, Plaintiff  
3 SDPCC was an intended beneficiary of both agreements, in that the agreements provided for,  
4 among other things, the execution of an operating agreement and promissory note between  
5 SDPCC and San Diego Business Services Group, LLC, in which San Diego Business Services  
6 Group LLC would provide business services to SDPCC.

7           69.     Defendant RAZUKI INVESTMENTS breached these aforementioned agreements,  
8 and RAZUKI INVESTMENTS' breaches deprived SDPCC from receiving the benefit of entering  
9 into a contractual and business relationship with San Diego Business Services Group, LLC.

10          70.     As a direct and proximate result of the material breaches of the terms of  
11 aforementioned agreements by RAZUKI INVESTMENTS, Plaintiff SDPCC has suffered, and  
12 continues to suffer, substantial monetary damages in an amount according to proof at time of trial.

13                           **SIXTH CAUSE OF ACTION**

14                           **PROMISSORY ESTOPPEL**

15                   **(Plaintiffs Against Defendants RAZUKI and RAZUKI INVESTMENTS)**

16          71.     Plaintiffs incorporate by reference and re-allege each and every allegation  
17 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

18          72.     Defendants RAZUKI and RAZUKI INVESTMENTS made a promise, which was  
19 clear and unambiguous in its terms.

20          73.     Plaintiffs relied upon the promise made by Defendants RAZUKI and RAZUKI  
21 INVESTMENTS, and Plaintiffs' reliance was reasonable and foreseeable.

22          74.     Plaintiffs were injured because of their reliance upon the promise made by  
23 Defendants RAZUKI and RAZUKI INVESTMENTS in an amount to be determined according to  
24 proof at Trial.

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1 **SEVENTH CAUSE OF ACTION**

2 **FALSE PROMISE**

3 **(Plaintiffs Against Defendants RAZUKI and RAZUKI INVESTMENTS)**

4 75. Plaintiffs incorporate by reference and re-allege each and every allegation  
5 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

6 76. Defendants RAZUKI and RAZUKI INVESTMENTS made a promise to Plaintiffs,  
7 and this promise was important to the transaction.

8 77. Defendants RAZUKI and RAZUKI INVESTMENTS did not intend to perform  
9 this promise when they made it.

10 78. Defendants RAZUKI and RAZUKI INVESTMENTS intended that Plaintiffs rely  
11 on this promise, and Plaintiffs reasonably relied on Defendants RAZUKI and RAZUKI  
12 INVESTMENTS' promise.

13 79. Defendants RAZUKI and RAZUKI INVESTMENTS did not perform the  
14 promised act.

15 80. Plaintiffs were harmed, and Plaintiffs' reliance on Defendants RAZUKI and  
16 RAZUKI INVESTMENTS' promise was a substantial factor in causing Plaintiffs' harm.

17 81. Plaintiffs have been damaged in amount to be determined according to proof at  
18 Trial.

19 **EIGHTH CAUSE OF ACTION**

20 **FRAUD**

21 **(Plaintiffs Against Defendants RAZUKI, RAZUKI INVESTMENTS, and HENDERSON)**

22 82. Plaintiffs incorporate by reference and re-allege each and every allegation  
23 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

24 83. Defendants RAZUKI, RAZUKI INVESTMENTS, and HENDERSON represented  
25 to Plaintiffs that certain important facts were true – namely, that RAZUKI and RAZUKI  
26 INVESTMENTS would “move together as a team” with Plaintiffs, and that RAZUKI would sign  
27 the operating agreement between San Diego Business Services Group, LLC and SDPCC.  
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1           84. Defendants RAZUKI, RAZUKI INVESTMENTS, and HENDERSON, and each  
2 of them, knew that these representations were false when they made them and/or made these  
3 representations recklessly and without regard for the truth.

4           85. Defendants RAZUKI, RAZUKI INVESTMENTS, and HENDERSON intended  
5 that Plaintiff rely upon these representations, and Plaintiffs reasonably relied on these  
6 representations.

7           86. Plaintiffs were harmed, and Plaintiffs' reliance on Defendants RAZUKI, RAZUKI  
8 INVESTMENTS, and HENDERSON's representations were a substantial factor in causing them  
9 harm.

10                                   **NINTH CAUSE OF ACTION**

11                           **INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS**  
12           **(Plaintiffs Against Defendants HENDERSON, MALAN, BALBOA AVE, AMERICAN**  
13                           **LENDING, and SAN DIEGO UNITED)**

14           87. Plaintiffs incorporate by reference and re-allege each and every allegation  
15 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

16           88. There were oral agreements between Plaintiff HARCOURT and Defendant  
17 RAZUKI, as well as a written Lease between Plaintiff SDPCC and Defendant RAZUKI  
18 INVESTMENTS.

19           89. Defendants HENDERSON, MALAN, BALBOA AVE, AMERICAN LENDING,  
20 and SAN DIEGO UNITED knew of these agreements.

21           90. Defendants HENDERSON, MALAN, BALBOA AVE, AMERICAN LENDING,  
22 and SAN DIEGO UNITED intended to disrupt the performance of these contracts.

23           91. Defendants HENDERSON, MALAN, BALBOA AVE, AMERICAN LENDING,  
24 and SAN DIEGO UNITED's conduct prevented performance, or made performance more  
25 expensive or difficult.

26           92. Plaintiffs were harmed, and Defendants HENDERSON, MALAN, BALBOA  
27 AVE, AMERICAN LENDING, and SAN DIEGO UNITED's conduct was a substantial factor in  
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1 causing Plaintiffs' harm.

2 **TENTH CAUSE OF ACTION**

3 **INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGES**

4 **(Plaintiff SDPCC Against Defendants RAZUKI, RAZUKI INVESTMENTS, MALAN,**  
5 **BALBOA AVE, HENDERSON, SAN DIEGO UNITED and AMERICAN LENDING)**

6 93. Plaintiffs incorporate by reference and re-allege each and every allegation  
7 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

8 94. Plaintiff SDPCC and various medical marijuana patients, distributors, cultivators,  
9 and/or manufacturers were in economic relationships that probably would have resulted in an  
10 economic benefit to SDPCC.

11 95. Defendants, and each of them, knew of these relationships.

12 96. Defendants intended to disrupt these relationships, or in the alternative, knew or  
13 should have known that these relationships would have been disrupted if they failed to act with  
14 reasonable care.

15 97. Defendants, and each of them, engaged in wrongful conduct through, among other  
16 things, fraud and interference with contractual relations.

17 98. Plaintiff SDPCC's relationships were disrupted.

18 99. Plaintiff SDPCC was harmed, and Defendants' wrongful conduct was a substantial  
19 factor in causing Plaintiff SDPCC's harm.

20 **ELEVENTH CAUSE OF ACTION**

21 **BREACH OF FIDUCIARY DUTY**

22 **(Plaintiff HARCOURT Against Defendant RAZUKI)**

23 100. Plaintiffs incorporate by reference and re-allege each and every allegation  
24 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

25 101. Plaintiff HARCOURT is informed and believes and based thereon alleges that, at  
26 all times material hereto, HARCOURT and RAZUKI were in a joint venture with each other, as  
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1 there was an undertaking by HARCOURT and RAZUKI to carry out a single business enterprise  
2 jointly for profit.

3 102. Plaintiff HARCOURT is informed and believes and based thereon alleges that, at  
4 all times material hereto, a fiduciary relationship existed between HARCOURT and RAZUKI  
5 pursuant to which RAZUKI owed HARCOURT a fiduciary duty to act at all times honestly,  
6 loyally, with the utmost good faith and in HARCOURT's best interests in that HARCOURT and  
7 RAZUKI's relationship was founded on trust and confidence, and HARCOURT knowingly  
8 undertook to act on behalf of and for the benefit of the joint venture between HARCOURT and  
9 RAZUKI.

10 103. Plaintiff HARCOURT is informed and believes and based thereon alleges that  
11 RAZUKI breached his fiduciary duty owed to HARCOURT.

12 104. As a direct and proximate result of these breaches, Plaintiff HARCOURT has been  
13 damaged in amount to be determined according to proof at Trial.

14 105. RAZUKI acted with malice and with a conscious disregard for Plaintiff  
15 HARCOURT's rights and interests in connection with the acts described herein. Plaintiff  
16 HARCOURT is therefore entitled to an award of punitive damages to punish Defendant  
17 RAZUKI's wrongful conduct and deter future conduct.

18 **TWELFTH CAUSE OF ACTION**

19 **CIVIL CONSPIRACY**

20 **(Plaintiffs Against All Defendants)**

21 106. Plaintiffs incorporate by reference and re-allege each and every allegation  
22 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

23 107. Defendants HENDERSON, MALAN, BALBOA AVE, AMERICAN LENDING,  
24 SAN DIEGO UNITED, and CALIFORNIA CANNABIS GROUP were aware that RAZUKI and  
25 RAZUKI INVESTMENTS planned to engage in wrongful acts directed towards Plaintiff,  
26 including (i) causing Plaintiffs to rely upon various misrepresentations and false promises and (ii)  
27 breaching the oral and written agreements entered into with Plaintiffs, such that an MMCC would  
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1 operate at the Property without Plaintiffs' involvement.

2 108. Defendants HENDERSON, MALAN, BALBOA AVE, AMERICAN LENDING,  
3 SAN DIEGO UNITED, and CALIFORNIA CANNABIS GROUP agreed with RAZUKI and  
4 RAZUKI INVESTMENTS, and intended that these aforementioned wrongful acts be committed.

5 **THIRTEENTH CAUSE OF ACTION**

6 **DECLARATORY RELIEF**

7 **(Plaintiff SDPCC Against Defendants RAZUKI, RAZUKI INVESTMENTS, MALAN,**  
8 **BALBOA AVE, SAN DIEGO UNITED and AMERICAN LENDING)**

9 109. Plaintiffs incorporate by reference and re-allege each and every allegation  
10 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

11 110. An actual dispute and controversy has arisen between Plaintiff SDPCC, on the one  
12 hand, and Defendants RAZUKI, RAZUKI INVESTMENTS, MALAN, BALBOA AVE, SAN  
13 DIEGO UNITED and AMERICAN LENDING, on the other, concerning their rights and duties  
14 with respect to the Lease. Plaintiff SDPCC contends that it has the exclusive right to occupy and  
15 enjoy the Property and operate an MMCC on the Property. Defendants RAZUKI, RAZUKI  
16 INVESTMENTS, MALAN, BALBOA AVE, SAN DIEGO UNITED and AMERICAN  
17 LENDING claim that they have the right to enter and permanently occupy the Property for their  
18 own benefit, and/or evict or otherwise restrict Plaintiff SDPCC from entering the Property and  
19 operating an MMCC on the Property.

20 111. Plaintiffs seeks a declaration of its rights and duties and Defendants RAZUKI,  
21 RAZUKI INVESTMENTS, MALAN, BALBOA AVE, SAN DIEGO UNITED and AMERICAN  
22 LENDING's rights and duties and specifically seeks a declaration that, Plaintiff SDPCC is  
23 entitled to the exclusive use and benefit of the Property during the terms of the Lease.

24 112. A judicial declaration is necessary and appropriate at this time, and under the  
25 circumstances, because if Plaintiffs are correct, Plaintiffs are entitled to all benefits and rights  
26 arising out of the Lease. For these reasons, it is appropriate for this Court to declare the rights and  
27 obligations of the parties with respect to the issues described above.

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1 **FOURTEENTH CAUSE OF ACTION**

2 **INJUNCTIVE RELIEF**

3 **(Plaintiffs Against Defendants RAZUKI, RAZUKI INVESTMENTS, MALAN, BALBOA**  
4 **AVE, SAN DIEGO UNITED and AMERICAN LENDING)**

5 113. Plaintiffs incorporate by reference and re-allege each and every allegation  
6 contained in paragraphs 1 through 44 of this Complaint as though fully set forth herein.

7 114. Plaintiffs are informed and believe and thereon allege that the actions and conduct  
8 of Defendants RAZUKI, RAZUKI INVESTMENTS, MALAN, BALBOA AVE, SAN DIEGO  
9 UNITED and AMERICAN LENDING, and each of them, as alleged herein, has caused, and  
10 threatens to cause, irreparable harm and injury to Plaintiffs inasmuch as Defendants, and each of  
11 them, continue to interfere with Plaintiff SDPCC's exclusive use and benefit of the Property  
12 during the terms of the Lease by preventing Plaintiff SDPCC from entering and/or occupying the  
13 Property, thereby preventing Plaintiff SDPCC from operating an MMCC on the Property.

14 115. The conduct of Defendants RAZUKI, RAZUKI INVESTMENTS, MALAN,  
15 BALBOA AVE, SAN DIEGO UNITED and AMERICAN LENDING, and each of them, unless  
16 enjoined and restrained by order of this Court, will cause great and irreparable injury to Plaintiff  
17 SDPCC inasmuch as Defendants, and each of them, contend that they have the right to restrict  
18 and/or deny Plaintiff SDPCC's access to the Property.

19 116. Plaintiff SDPCC has no adequate remedy at law for the injuries currently being  
20 suffered and/or which will be suffered, as it is, or will be, virtually impossible for Plaintiff to  
21 determine the precise amount of damages it will suffer if Defendants, and each of them, are not  
22 enjoined or restrained from interfering with Plaintiff SDPCC's exclusive use and benefit of the  
23 Property.

24 117. Plaintiffs also has no adequate remedy at law in that, without an injunction by the  
25 Court, preventing Defendants, and each of them, from further interfering with Plaintiff SDPCC's  
26 exclusive use and benefit of the Property, which includes operating an MMCC on the Property,  
27 the injury to Plaintiffs will continue indefinitely causing future losses and damages.

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1 118. As a result of the foregoing acts and conduct, Plaintiffs requests that the Court  
2 enter a preliminary injunction and, thereafter, a permanent injunction, enjoining Defendants  
3 RAZUKI, RAZUKI INVESTMENTS, MALAN, BALBOA AVE, SAN DIEGO UNITED and  
4 AMERICAN LENDING, and each of them, and their agents, servants, employees,  
5 representatives, assigns, and all persons acting in concert with them, from directly or indirectly  
6 interfering with Plaintiff SDPCC’s exclusive use and benefit of the Property during the terms of  
7 the Lease.

8 **PRAYER**

9 WHEREFORE, Plaintiffs SDPCC and HARCOURT pray for judgment against  
10 Defendants, and each of them, as follows:

11 **AS TO THE FIRST CAUSE OF ACTION FOR BREACH OF JOINT VENTURE**

12 **AGREEMENT**

- 13 1. For consequential and incidental damages and prejudgment interest according to  
14 proof at trial;  
15 2. For costs of suit incurred herein; and  
16 3. For such other and further relief as the Court deems just and proper.

17 **AS TO THE SECOND CAUSE OF ACTION FOR BREACH OF LEASE AGREEMENT**

- 18 1. For consequential and incidental damages and prejudgment interest according to  
19 proof at trial;  
20 2. For costs of suit incurred herein; and  
21 3. For such other and further relief as the Court deems just and proper.

22 **AS TO THE THIRD CAUSE OF ACTION FOR ANTICIPATORY BREACH OF ORAL**

23 **CONTRACT**

- 24 1. For consequential and incidental damages and prejudgment interest according to  
25 proof at trial;  
26 2. For costs of suit incurred herein; and  
27 3. For such other and further relief as the Court deems just and proper.

1                   **AS TO THE FOURTH CAUSE OF ACTION FOR BREACH OF THE IMPLIED**  
2                                   **COVENANT OF GOOD FAITH AND FAIR DEALING**

- 3                   1.       For consequential and incidental damages and prejudgment interest according to  
4 proof at trial;
- 5                   2.       For costs of suit incurred herein; and
- 6                   3.       For such other and further relief as the Court deems just and proper.

7                   **AS TO THE FIFTH CAUSE OF ACTION FOR BREACH OF CONTRACT WITH**  
8                                   **RESPECT TO A THIRD PARTY BENEFICIARY**

- 9                   1.       For consequential and incidental damages and prejudgment interest according to  
10 proof at trial;
- 11                   2.       For costs of suit incurred herein; and
- 12                   3.       For such other and further relief as the Court deems just and proper.

13                   **AS TO THE SIXTH CAUSE OF ACTION FOR PROMISSORY ESTOPPEL**

- 14                   1.       For consequential and incidental damages and prejudgment interest according to  
15 proof at trial;
- 16                   2.       For costs of suit incurred herein; and
- 17                   3.       For such other and further relief as the Court deems just and proper.

18                   **AS TO THE SEVENTH CAUSE OF ACTION FOR FALSE PROMISE**

- 19                   1.       For consequential and incidental damages and prejudgment interest according to  
20 proof at trial;
- 21                   2.       For costs of suit incurred herein;
- 22                   3.       For punitive and exemplary damages; and
- 23                   4.       For such other and further relief as the Court deems just and proper.

24                   **AS TO THE EIGHTH CAUSE OF ACTION FOR FRAUD**

- 25                   1.       For consequential and incidental damages and prejudgment interest according to  
26 proof at trial;
- 27                   2.       For costs of suit incurred herein;
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- 3. For punitive and exemplary damages; and
- 4. For such other and further relief as the Court deems just and proper.

**AS TO THE NINTH CAUSE OF ACTION FOR INTENTIONAL INTERFERENCE**  
**WITH CONTRACTUAL RELATIONS**

- 1. For consequential and incidental damages and prejudgment interest according to proof at trial;
- 2. For costs of suit incurred herein;
- 3. For punitive and exemplary damages; and
- 4. For such other and further relief as the Court deems just and proper.

**AS TO THE TENTH CAUSE OF ACTION FOR INTERFERENCE WITH**  
**PROSPECTIVE ECONOMIC RELATIONSHIP**

- 1. For consequential and incidental damages and prejudgment interest according to proof at trial;
- 1. For costs of suit incurred herein;
- 2. For punitive and exemplary damages; and
- 3. For such other and further relief as the Court deems just and proper.

**AS TO THE ELEVENTH CAUSE OF ACTION FOR BREACH OF**  
**FIDUCIARY DUTY**

- 2. For consequential and incidental damages and prejudgment interest according to proof at trial.
- 3. For punitive and exemplary damages;
- 4. For costs of suit incurred herein; and
- 5. For such other and further relief as the Court deems just and proper.

**AS TO THE TWELFTH CAUSE OF ACTION FOR CIVIL CONSPIRACY**

- 1. For consequential and incidental damages and prejudgment interest according to proof at trial.
- 2. For costs of suit incurred herein; and

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3. For such other and further relief as the Court deems just and proper.

**AS TO THE THIRTEENTH CAUSE OF ACTION FOR DECLARATORY RELIEF**

1. For a declaration of Plaintiffs' rights and duties and Defendants' rights and duties, and Plaintiffs specifically seeks a declaration that during the terms of the Lease, Plaintiff SDPCC is entitled to the exclusive use and benefit of the Property.

**AS TO THE FOURTEENTH CAUSE OF ACTION FOR INJUNCTIVE RELIEF**


1. An injunction preliminary and then permanently enjoining Defendants, and each of them and their agents, servants, employees, representatives, assigns, and all persons acting in concert with them, from directly or indirectly interfering with Plaintiff SDPCC's exclusive use and benefit of the Property during the terms of the Lease.

**AS TO ALL CAUSES OF ACTION**

- 1. For interest as may be provided by law;
- 2. For costs of suit incurred herein, and
- 3. For such other and further relief as the Court deems just and proper.

DATED: June 7, 2017

MESSNER REEVES LLP

By: 

NIMA DAROUIAN  
Attorneys for Plaintiffs,  
SAN DIEGO PATIENTS COOPERATIVE  
CORPORATION, INC., and BRADFORD  
HARCOURT



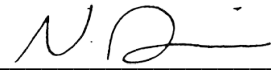
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**DEMAND FOR JURY TRIAL**

Plaintiffs demand a jury trial on all claims and matters which it is entitled to a trial by jury.

DATED: June 7, 2017

MESSNER REEVES LLP

By:  \_\_\_\_\_

NIMA DAROUIAN  
Attorneys for Plaintiffs,  
SAN DIEGO PATIENTS COOPERATIVE  
CORPORATION, INC., and BRADFORD  
HARCOURT

1 DOUGLAS JAFFE, ESQ. Bar No. 170354  
2 LAW OFFICES OF DOUGLAS JAFFE  
3 501 West Broadway, Suite 800  
4 San Diego, California 92101  
5 Telephone: (619) 400-4945  
6 Facsimile: (619) 400-4947

7 Attorneys for Razuki Investments, LLC,  
8 Salam Razuki and Keith Defendants  
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 FOR THE COUNTY OF SAN DIEGO - CENTRAL

12 SAN DIEGO PATIENTS COOPERATIVE )  
13 CORP, et. al., )

14 Plaintiffs, )

15 vs. )

16 RAZUKI INVESTMENT L.L.C., et. al., )

17 Defendants. )  
18  
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21

Case No.: 37-2017-00020661-CU-CO-CTL

**ANSWER BY DEFENDANTS**  
**RAZUKI INVESTMENTS, LLC and**  
**SALAM RAZUKI**

22 Defendants Razuki Investments, LLC and Salam Razuki ("Defendants") answer the  
23 Complaint as follows:  
24

25 1. Pursuant to the California Code of Civil Procedure, Defendants deny each and  
26 every allegation of the unverified complaint and deny that Plaintiffs suffered or sustained any  
27 damages or injuries whatsoever.  
28

**EXHIBIT**

**2**

1 FIRST AFFIRMATIVE DEFENSE

2 2. The complaint against Defendants fails to allege facts sufficient to constitute a  
3 cause of action against Defendants.

4 SECOND AFFIRMATIVE DEFENSE

5 3. The complaint against Defendants is barred by the doctrine of laches.

6 THIRD AFFIRMATIVE DEFENSE

7 4. The complaint against Defendants is barred by the applicable statute of limitation  
8 including, without limitation, the provisions of Code of Civil Procedure sections 337, 338, 339,  
9 340 and 343.

10 FOURTH AFFIRMATIVE DEFENSE

11 5. The complaint against Defendants is barred by the doctrine of waiver.

12 FIFTH AFFIRMATIVE DEFENSE

13 6. The complaint against Defendants is barred by the doctrine of estoppel.

14 SIXTH AFFIRMATIVE DEFENSE

15 7. The complaint against Defendants is barred by the doctrine of unclean hands.

16 SEVENTH AFFIRMATIVE DEFENSE

17 8. The complaint against Defendants was not brought in good faith or with  
18 reasonable cause. Defendants are entitled to recover its costs of defense.

19 EIGHTH AFFIRMATIVE DEFENSE

20 9. Plaintiffs' negligent and/or intentional misconduct was a legal cause of the  
21 incident which forms the basis for the complaint. Plaintiffs' recovery, if any, should be reduced  
22 by an amount proportionate to the amount by which Plaintiffs' negligence and/or intentional  
23 misconduct contributed to the happening of the alleged incident.

24 NINTH AFFIRMATIVE DEFENSE

25 10. The acts or omissions of third persons, other than this answering Defendants,  
26 legally caused or contributed to the events leading up to the incident which forms the basis for  
27 Plaintiffs' complaint. Defendants are entitled to a judicial determination of the percentage of  
28 fault of each person who is a legal cause of the alleged injuries sustained.

TENTH AFFIRMATIVE DEFENSE

11. Plaintiffs have failed to take adequate steps to minimize, alter, reduce or otherwise diminish the damages, if any, with respect to the matters alleged in the complaint, and by reason of the foregoing, Plaintiffs are barred from recovery thereof.

ELEVENTH AFFIRMATIVE DEFENSE

12. Any and all injuries, if any, sustained or suffered by Plaintiffs were proximately caused, contributed to or aggravated by the acts or omissions of Plaintiffs or other person or entities. Such acts or omissions are an intervening and/or superseding cause of the injuries, if any, and damages, if any, thus barring Plaintiffs from any recovery against Defendants.

TWELTH AFFIRMATIVE DEFENSE

13. The complaint is barred by the doctrine of accord and satisfaction.

THIRTEENTH AFFIRMATIVE DEFENSE

14. The complaint is barred by the doctrine of reformation.

FOURTEENTH AFFIRMATIVE DEFENSE

15. At all times and places mentioned in the Complaint, Plaintiffs failed to mitigate the amount of their alleged damages. The alleged damages claimed by Plaintiffs could have been mitigated by due diligence on their part or by one acting under similar circumstances. Plaintiffs' failure to mitigate is a bar to his recovery under the Complaint. Plaintiffs have failed to take adequate steps to minimize, alter, reduce or otherwise diminish the damages, if any, with respect to the matters alleged in the Complaint, and by reason of the foregoing, Plaintiffs are barred from recovery thereof.

FIFTEENTH AFFIRMATIVE DEFENSE

16. Plaintiff's claims, if any, are barred in whole or in part by the contributory and comparative negligence and fault of Plaintiff.

SIXTEENTH AFFIRMATIVE DEFENSE

17. The Complaint is barred by the doctrine of offset of amounts owed by Plaintiffs to Defendants.

1 SEVENTEENTH AFFIRMATIVE DEFENSE

2 18. The Complaint is barred by Plaintiffs' misconduct.

3 EIGHTEENTH AFFIRMATIVE DEFENSE

4 19. Plaintiffs' claims are barred to the extent they have failed to satisfy the  
5 jurisdictional and/or statutory prerequisites for their causes of action or exhaust the appropriate  
6 administrative remedies.

7 NINETEENTH AFFIRMATIVE DEFENSE

8 20. The Complaint is barred by Plaintiffs' lack of standing to bring the causes of  
9 action asserted in the Complaint.

10 TWENTIETH AFFIRMATIVE DEFENSE

11 21. The Complaint is barred by Plaintiffs' failure to include an indispensable party or  
12 parties.

13 TWENTY-FIRST AFFIRMATIVE DEFENSE

14 22. The Complaint is barred by the doctrine of accord and satisfaction.

15 TWENTY-SECOND AFFIRMATIVE DEFENSE

16 23. The Complaint is uncertain in that is impossible to determine from the Complaint  
17 which of the alleged acts of Defendants caused the injuries alleged in the Complaint.

18 TWENTY-THIRD AFFIRMATIVE DEFENSE

19 24. The Complaint is barred because any action taken by Defendants against Plaintiff  
20 was permitted by law.

21 TWENTY-FOURTH AFFIRMATIVE DEFENSE

22 25. The Complaint is barred by the applicable Statute Of Frauds.

23 TWENTY-FIFTH AFFIRMATIVE DEFENSE

24 26. The Complaint is barred because Defendants fully performed all that was  
25 required.

26 TWENTY-SIXTH AFFIRMATIVE DEFENSE

27 27. The Complaint is barred by mistake, fraud, duress or undue influence.  
28

1 TWENTY-SEVENTH AFFIRMATIVE DEFENSE

2 28. The alleged contract at issue is not valid or enforceable.

3 TWENTY-EIGHTH AFFIRMATIVE DEFENSE

4 29. Defendants had no intent to disrupt alleged economic relationships and acted with  
5 reasonable care.

6 TWENTY-NINTH AFFIRMATIVE DEFENSE

7 30. Defendants are informed and believes and thereon alleges that each and all of the  
8 alleged rights, claims and obligations which Plaintiffs seek by way of the Complaint have been  
9 released.

10 THIRTIETH AFFIRMATIVE DEFENSE

11 31. Defendants are informed and believes that attorneys' fees and punitive or  
12 exemplary damages are not permissible.

13 THIRTY-FIRST AFFIRMATIVE DEFENSE

14 32. Defendants are informed and believes there was a failure of consideration.

15 THIRTY-SECOND AFFIRMATIVE DEFENSE

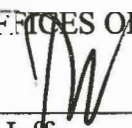
16 33. Defendants reserve the right to assert additional affirmative defenses in the event  
17 investigation and discovery indicates that they would be appropriate.

18  
19 WHEREFORE, Defendants request the following relief:

- 20 A. An order that Plaintiffs be awarding nothing and that the complaint be dismissed;  
21 B. Reasonable attorneys' fees;  
22 C. Costs of suit; and  
23 D. Such other and further relief as the Court deems just and proper.

24  
25 Dated: September 8, 2017

26 LAW OFFICES OF DOUGLAS JAFFE

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Douglas Jaffe

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PROOF OF SERVICE

I am over the age of 18 years and not a party to or interested in the within entitled action. My business address is 501 West Broadway, Suite 800, San Diego, California 92101.

On September 8, 2017, I served the foregoing:


**ANS ANSWER BY DEFENDANTS RAZUKI INVESTMENTS, LLC and SALAM RAZUKI**

by placing a true copy in a sealed envelope, postage fully prepaid, with the United States Postal Service addressed as follows:

Nima Dourouian  
MESSNER REEVES, LLP  
11620 Wilshire Blvd., Suite 500  
Los Angeles, CA 90025

I am readily familiar with the firm's practice of collection and processing for mailing. It is deposited with the U.S. Postal Service, postage prepaid on the same day in the ordinary course of business.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on September 8, 2017 at San Diego, California.

  
\_\_\_\_\_  
Douglas Jaffe

1 DOUGLAS JAFFE, ESQ. Bar No. 170354  
LAW OFFICES OF DOUGLAS JAFFE  
2 501 West Broadway, Suite 800  
San Diego, California 92101  
3 Telephone: (619) 400-4945  
Facsimile: (619) 400-4947  
4

5 Attorneys for Razuki Investments, LLC,  
Salam Razuki and Keith Henderson  
6  
7  
8  
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF SAN DIEGO - CENTRAL

12 SAN DIEGO PATIENTS COOPERATIVE )  
CORP, et. al., )

Case No.: 37-2017-00020661-CU-CO-CTL

13  
14 Plaintiffs,

**ANSWER BY DEFENDANT  
KEITH HENDERSON**

15 vs.

16 RAZUKI INVESTMENT L.L.C., et. al., )

17 Defendants.  
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22 Defendant Keith Henderson ("Henderson") answers the Complaint as follows:

23  
24 1. Pursuant to the California Code of Civil Procedure, Henderson denies each and  
25 every allegation of the unverified complaint and denies that Plaintiffs suffered or sustained any  
26 damages or injuries whatsoever.  
27  
28

**EXHIBIT**

**3**



1 FIRST AFFIRMATIVE DEFENSE

2 2. The complaint against Henderson fails to allege facts sufficient to constitute a  
3 cause of action against Henderson.

4 SECOND AFFIRMATIVE DEFENSE

5 3. The complaint against Henderson is barred by the doctrine of laches.

6 THIRD AFFIRMATIVE DEFENSE

7 4. The complaint against Henderson is barred by the applicable statute of limitation  
8 including, without limitation, the provisions of Code of Civil Procedure sections 337, 338, 339,  
9 340 and 343.

10 FOURTH AFFIRMATIVE DEFENSE

11 5. The complaint against Henderson is barred by the doctrine of waiver.

12 FIFTH AFFIRMATIVE DEFENSE

13 6. The complaint against Henderson is barred by the doctrine of estoppel.

14 SIXTH AFFIRMATIVE DEFENSE

15 7. The complaint against Henderson is barred by the doctrine of unclean hands.

16 SEVENTH AFFIRMATIVE DEFENSE

17 8. The complaint against Henderson was not brought in good faith or with  
18 reasonable cause. Henderson is entitled to recover its costs of defense.

19 EIGHTH AFFIRMATIVE DEFENSE

20 9. Plaintiffs' negligent and/or intentional misconduct was a legal cause of the  
21 incident which forms the basis for the complaint. Plaintiffs' recovery, if any, should be reduced  
22 by an amount proportionate to the amount by which Plaintiffs' negligence and/or intentional  
23 misconduct contributed to the happening of the alleged incident.

24 NINTH AFFIRMATIVE DEFENSE

25 10. The acts or omissions of third persons, other than this answering Henderson,  
26 legally caused or contributed to the events leading up to the incident which forms the basis for  
27 Plaintiffs' complaint. Henderson is entitled to a judicial determination of the percentage of fault  
28 of each person who is a legal cause of the alleged injuries sustained.

1 TENTH AFFIRMATIVE DEFENSE

2 11. Plaintiffs have failed to take adequate steps to minimize, alter, reduce or  
3 otherwise diminish the damages, if any, with respect to the matters alleged in the complaint, and  
4 by reason of the foregoing, Plaintiffs are barred from recovery thereof.

5 ELEVENTH AFFIRMATIVE DEFENSE

6 12. Any and all injuries, if any, sustained or suffered by Plaintiffs were proximately  
7 caused, contributed to or aggravated by the acts or omissions of Plaintiffs or other person or  
8 entities. Such acts or omissions are an intervening and/or superseding cause of the injuries, if  
9 any, and damages, if any, thus barring Plaintiffs from any recovery against Henderson.

10 TWELTH AFFIRMATIVE DEFENSE

11 13. The complaint is barred by the doctrine of accord and satisfaction.

12 THIRTEENTH AFFIRMATIVE DEFENSE

13 14. The complaint is barred by the doctrine of reformation.

14 FOURTEENTH AFFIRMATIVE DEFENSE

15 15. At all times and places mentioned in the Complaint, Plaintiffs failed to mitigate  
16 the amount of their alleged damages. The alleged damages claimed by Plaintiffs could have  
17 been mitigated by due diligence on their part or by one acting under similar circumstances.  
18 Plaintiffs' failure to mitigate is a bar to his recovery under the Complaint. Plaintiffs have failed  
19 to take adequate steps to minimize, alter, reduce or otherwise diminish the damages, if any, with  
20 respect to the matters alleged in the Complaint, and by reason of the foregoing, Plaintiffs are  
21 barred from recovery thereof.

22 FIFTEENTH AFFIRMATIVE DEFENSE

23 16. Plaintiff's claims, if any, are barred in whole or in part by the contributory and  
24 comparative negligence and fault of Plaintiff.

25 SIXTEENTH AFFIRMATIVE DEFENSE

26 17. The Complaint is barred by the doctrine of offset of amounts owed by Plaintiffs to  
27 Henderson.

1 SEVENTEENTH AFFIRMATIVE DEFENSE

2 18. The Complaint is barred by Plaintiff's misconduct.

3 EIGHTEENTH AFFIRMATIVE DEFENSE

4 19. Plaintiffs' claims are barred to the extent they have failed to satisfy the  
5 jurisdictional and/or statutory prerequisites for their causes of action or exhaust the appropriate  
6 administrative remedies.

7 NINETEENTH AFFIRMATIVE DEFENSE

8 20. The Complaint is barred by Plaintiffs' lack of standing to bring the causes of  
9 action asserted in the Complaint.

10 TWENTIETH AFFIRMATIVE DEFENSE

11 21. The Complaint is barred by Plaintiffs' failure to include an indispensable party or  
12 parties.

13 TWENTY-FIRST AFFIRMATIVE DEFENSE

14 22. The Complaint is barred by the doctrine of accord and satisfaction.

15 TWENTY-SECOND AFFIRMATIVE DEFENSE

16 23. The Complaint is uncertain in that is impossible to determine from the Complaint  
17 which of the alleged acts of Henderson caused the injuries alleged in the Complaint.

18 TWENTY-THIRD AFFIRMATIVE DEFENSE

19 24. The Complaint is barred because any action taken by Henderson against Plaintiff  
20 was permitted by law.

21 TWENTY-FOURTH AFFIRMATIVE DEFENSE

22 25. The Complaint is barred by the applicable Statute Of Frauds.

23 TWENTY-FIFTH AFFIRMATIVE DEFENSE

24 26. The Complaint is barred because Henderson fully performed all that was required.

25 TWENTY-SIXTH AFFIRMATIVE DEFENSE

26 27. The Complaint is barred by mistake, fraud, duress or undue influence.  
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1 TWENTY-SEVENTH AFFIRMATIVE DEFENSE

2 28. The alleged contract at issue is not valid or enforceable.

3 TWENTY-EIGHTH AFFIRMATIVE DEFENSE

4 29. Henderson had no intent to disrupt alleged economic relationships and acted with  
5 reasonable care.

6 TWENTY-NINTH AFFIRMATIVE DEFENSE

7 30. Henderson is informed and believes and thereon alleges that each and all of the  
8 alleged rights, claims and obligations which Plaintiffs seek by way of the Complaint have been  
9 released.

10 THIRTIETH AFFIRMATIVE DEFENSE

11 31. Henderson is informed and believes that attorneys' fees and punitive or  
12 exemplary damages are not permissible.

13 THIRTY-FIRST AFFIRMATIVE DEFENSE

14 32. Henderson is informed and believes there was a failure of consideration.

15 THIRTY-SECOND AFFIRMATIVE DEFENSE

16 33. Henderson reserves the right to assert additional affirmative defenses in the event  
17 investigation and discovery indicates that they would be appropriate.

18  
19 WHEREFORE, Henderson requests the following relief:

- 20 A. An order that Plaintiffs be awarding nothing and that the complaint be dismissed;  
21 B. Reasonable attorneys' fees;  
22 C. Costs of suit; and  
23 D. Such other and further relief as the Court deems just and proper.

24  
25 Dated: August 30, 2017

26 LAW OFFICES OF DOUGLAS JAFFE

27  
28 Douglas Jaffe 

1  
2 PROOF OF SERVICE

3 I am over the age of 18 years and not a party to or interested in the within entitled action.  
4 My business address is 501 West Broadway, Suite 800, San Diego, California 92101.

5 On August 30, 2017, I served the foregoing:

6 **ANSWER BY DEFENDANT KEITH HENDERSON**

7 by placing a true copy in a sealed envelope, postage fully prepaid, with the United States Postal  
8 Service addressed as follows:

9 Nima Dourouian  
10 MESSNER REEVES, LLP  
11 11620 Wilshire Blvd., Suite 500  
12 Los Angeles, CA 90025

13 I am readily familiar with the firm's practice of collection and processing for mailing. It  
14 is deposited with the U.S. Postal Service, postage prepaid on the same day in the ordinary course  
15 of business.

16 I declare under penalty of perjury under the laws of the State of California that the  
17 foregoing is true and correct. Executed on August 30, 2017 at San Diego, California.

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Douglas Jaffe

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): <b>J. Scott Russo, Esq. (SBN 155631)</b> Russo & Duckworth, LLP 3404 Via Oporto, Ste. 201 Newport Beach, CA 92663 TELEPHONE NO.: (949) 752-7106 FAX NO. (Optional): E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name): <b>Defendant Keith Henderson</b>	FOR COURT USE ONLY           CASE NUMBER: <b>37-2017-00020661-CU-CO-CTL</b>
<b>SUPERIOR COURT OF CALIFORNIA, COUNTY OF San Diego</b> STREET ADDRESS: <b>330 W. Broadway</b> MAILING ADDRESS: CITY AND ZIP CODE: <b>San Diego, CA</b> BRANCH NAME:	
CASE NAME: <b>San Diego Patients Cooperative Corporation Inc vs Razuki, et. al.,</b>	
<b>SUBSTITUTION OF ATTORNEY—CIVIL (Without Court Order)</b>	

THE COURT AND ALL PARTIES ARE NOTIFIED THAT (name): Keith Henderson makes the following substitution:

- Former legal representative**  Party represented self  Attorney (name): Douglas Jaffe, Esq.
- New legal representative**  Party is representing self\*  Attorney
  - Name: J. Scott Russo, Esq.
  - State Bar No. (if applicable): 155631
  - Address (number, street, city, ZIP, and law firm name, if applicable):  
Russo & Duckworth, LLP, 3404 Via Oporto, Ste. 201, Newport Beach, CA 92663
  - Telephone No. (include area code): (949) 752-7106
- The party making this substitution is a  plaintiff  defendant  petitioner  respondent  other (specify):

**\*NOTICE TO PARTIES APPLYING TO REPRESENT THEMSELVES**

- Guardian
- Personal Representative
- Guardian ad litem
- Conservator
- Probate fiduciary
- Unincorporated association
- Trustee
- Corporation

**If you are applying as one of the parties on this list, you may NOT act as your own attorney in most cases. Use this form to substitute one attorney for another attorney. SEEK LEGAL ADVICE BEFORE APPLYING TO REPRESENT YOURSELF.**

**NOTICE TO PARTIES WITHOUT ATTORNEYS**  
 A party representing himself or herself may wish to seek legal assistance. Failure to take timely and appropriate action in this case may result in serious legal consequences.

4. I consent to this substitution.  
 Date: October 3, 2023  
 Keith Henderson  
 \_\_\_\_\_  
 (TYPE OR PRINT NAME)

DocuSigned by:  
**KEITH HENDERSON**  
 CAB7EE0A93574ES...  
 \_\_\_\_\_  
 (SIGNATURE OF PARTY)

5.  I consent to this substitution.  
 Date: October 3, 2023  
 Douglas Jaffe, Esq.  
 \_\_\_\_\_  
 (TYPE OR PRINT NAME)

DocuSigned by:  
*Douglas Jaffe*  
 F40BB2BBC9B2408  
 \_\_\_\_\_  
 (SIGNATURE OF FORMER ATTORNEY)

6.  I consent to this substitution.  
 Date: October 3, 2023  
 J. Scott Russo, Esq.  
 \_\_\_\_\_  
 (TYPE OR PRINT NAME)

*J. Scott Russo*  
 \_\_\_\_\_  
 (SIGNATURE OF NEW ATTORNEY)

(See reverse for proof of service by mail)

CASE NAME: — San Diego Patients Cooperative Corporation Inc vs Razuki, et. al.,	CASE NUMBER: 37-2017-00020661-CU-CO-CTL
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**PROOF OF SERVICE BY MAIL  
Substitution of Attorney—Civil**

**Instructions:** After having all parties served by mail with the Substitution of Attorney—Civil, have the person who mailed the document complete this Proof of Service by Mail. An unsigned copy of the Proof of Service by Mail should be completed and served with the document. Give the Substitution of Attorney—Civil and the completed Proof of Service by Mail to the clerk for filing. If you are representing yourself, someone else must mail these papers and sign the Proof of Service by Mail.

1. I am over the age of 18 and **not a party to this cause**. I am a resident of or employed in the county where the mailing occurred. My residence or business address is (*specify*):
  
2. I served the Substitution of Attorney—Civil by enclosing a true copy in a sealed envelope addressed to each person whose name and address is shown below and depositing the envelope in the United States mail with the postage fully prepaid.
  - (1) Date of mailing:
  - (2) Place of mailing (*city and state*):
  
3. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date:

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(TYPE OR PRINT NAME)

\_\_\_\_\_  
(SIGNATURE)

**NAME AND ADDRESS OF EACH PERSON TO WHOM NOTICE WAS MAILED**

4. a. Name of person served:  
b. Address (*number, street, city, and ZIP*):
  
- c. Name of person served:  
d. Address (*number, street, city, and ZIP*):
  
- e. Name of person served:  
f. Address (*number, street, city, and ZIP*):
  
- g. Name of person served:  
h. Address (*number, street, city, and ZIP*):
  
- i. Name of person served:  
j. Address (*number, street, city, and ZIP*):

List of names and addresses continued in attachment.

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN DIEGO - CENTRAL

SAN DIEGO PATIENTS COOPERATIVE  
CORP, et al.,

Case No. 37-2017-  
00020661-CU-CO-CTL

Plaintiffs,

vs.

RAZUKI INVESTMENT L.L.C., et  
al.,

Defendants.

---

DEPOSITION OF BRADFORD TURNER HARCOURT - PMK

San Diego, California

July 23, 2018

Reported by:

Debby M. Gladish

RPR, CCRR, CLR, CSR No. 9803

NCRA Realtime Systems Administrator

Job No. 10045533

**EXHIBIT**  
**5**



SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO

SAN DIEGO PATIENTS	)	
COOPERATIVE CORPORATION, INC.,	)	
a California cooperative	)	
corporation, and BRADFORD	)	
HARCOURT, an individual,	)	
	)	
Plaintiff,	)	
	)	
-vs-	)	Case No.:37-2017-00020661
	)	CU-C0-CTL
RAZUKI INVESTMENTS, L.L.C.,	)	
a California limited	)	
liability company; BALBOA AVE	)	
COOPERATIVE, a California	)	
cooperative corporation;	)	
AMERICAN LENDING AND HOLDINGS,	)	
LLC, a California limited	)	
liability company; SAN DIEGO	)	
UNITED HOLDINGS GROUP, LLC, a	)	
California limited liability	)	
company; CALIFORNIA CANNABIS	)	
GROUP, a nonprofit mutual	)	
benefit corporation; SALAM	)	
RAZUKI, an individual; NINUS	)	
MALAN, an individual, KEITH	)	
HENDERSON, an individual, AND	)	
DOES 1-20, INCLUSIVE,	)	
	)	
Defendants.	)	
_____	)	

DEPOSITION OF KEITH HENDERSON  
Tuesday, July 24, 2018

**EXHIBIT**  
**6**

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA

2 FOR THE COUNTY OF SAN DIEGO

3 SAN DIEGO PATIENTS COOPERATIVE ) CASE NO.  
4 CORPORATION, INC., a California ) 37-2017-00020661  
cooperative corporation, and ) CU-CO-CTL  
5 BRADFORD HARCOURT, an individual, )

6 Plaintiffs, )

7 v. )

8 RAZUKI INVESTMENTS, LLC, a )  
California limited liability )  
9 company; BALBOA AVE COOPERATIVE, )  
a California cooperative )  
10 corporation; AMERICAN LENDING AND )  
HOLDINGS, LLC, a California )  
11 limited liability company; SAN )  
DIEGO UNITED HOLDINGS GROUP, LLC, )  
12 a California limited liability )  
company; CALIFORNIA CANNABIS )  
13 GROUP, a nonprofit mutual benefit )  
corporation; SALAM RAZUKI, an )  
14 individual; NINUS MALAN, an )  
individual, KEITH HENDERSON, an )  
15 individual, AND DOES 1-20 )  
INCLUSIVE, )

16 Defendants. )  
17 \_\_\_\_\_ )

18 DEPOSITION OF NINUS MALAN

19 CONFIDENTIAL PORTIONS

20 Wednesday, November 9, 2022

21 9:03 a.m.

22 402 West Broadway, Suite 750

23 San Diego, California 92101

24 Dalia R. Smith, CSR No. 8486

25 **EXHIBIT**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN DIEGO-CENTRAL

SAN DIEGO PATIENTS  
COOPERATIVE CORP, et al.,

Plaintiff,

vs.

No. 37-2017-00020661-CU-  
CO-CTL

RAZUKI INVESTMENT L.L.C., et  
al.,

Defendants.

\_\_\_\_\_ /

DEPOSITION OF CHRISTOPHER STEFAN

Taken remote via Zoom Meeting before CHRISTY CURRY, CSR

Certified Shorthand Reporter No. 13982

State of California

Thursday, September 14, 2023

JOB NO. 10127381

**EXHIBIT**  
**8**

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN DIEGO

Case No. 37-2017-00020661-CU-CO-CTL

SAN DIEGO PATIENTS COOPERATIVE	)	Honorable Eddie C.
CORPORATION, INC., a California	)	Sturgeon, Dept. C-67
cooperative corporation, and	)	
BRADFORD HARCOURT, an individual,	)	
Plaintiffs,	)	
	)	
v.	)	
	)	
RAZUKI INVESTMENTS, L.L.C., a	)	
California limited liability	)	
Company; BALBOA AVE COOPERATIVE,	)	
A California cooperative	)	
Corporation; AMERICAN LENDING	)	
AND HOLDINGS, LLC, a California	)	
Limited liability company; SAN	)	
DIEGO UNITED HOLDINGS GROUP,	)	
LLC, a California limited	)	
Liability company; CALIFORNIA	)	
CANNABIS GROUP, a nonprofit	)	
Mutual benefit corporation;	)	
SALAM RAZUKI, an individual;	)	
NINUS MALAN, an individual,	)	
KEITH HENDERSON, an individual,	)	
AND DOES 1-20, INCLUSIVE,	)	
Defendants.	)	

C O N F I D E N T I A L

V I D E O T A P E D  
D E P O S I T I O N

OF

SALAM RAZUKI

October 12, 2023

8:00 A.M.

TAKEN AT: Remote

STENOGRAPHER: Jesse L. Anders  
(PURSUANT TO NOTICE)

**EXHIBIT**

**9**

1 DOUGLAS JAFFE, ESQ. Bar No. 170354  
2 LAW OFFICES OF DOUGLAS JAFFE  
3 501 West Broadway, Suite 800  
4 San Diego, California 92101  
5 Telephone: (619) 400-4945  
6 Facsimile: (619) 400-4947

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9 Attorneys for Razuki Investments, LLC  
10 and Salam Razuki

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN DIEGO - CENTRAL

SAN DIEGO PATIENTS COOPERATIVE )  
CORP, et. al., )

Plaintiffs,

vs.

RAZUKI INVESTMENT L.L.C., et. al., )

Defendants. )

Case No.: 37-2017-00020661-CU-CO-CTL

**NOTICE TO BRADFORD HARCOURT  
TO APPEAR AT TRIAL**

20 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD

21 PLEASE TAKE NOTICE that pursuant to, without limitation, Code of Civil Procedure  
22 section 1987, Defendant Bradford Harcourt is required to appear and attend the trial in this action  
23 scheduled for trial on November 2, 2023 at 9:00 a.m., in Department 67 of the Superior Court,  
24 County of San Diego, California, 330 West Broadway, San Diego, CA 92101, and such dates  
25 thereafter as set by the Court for trial.

26 Dated: October 17, 2023

LAW OFFICES OF DOUGLAS JAFFE

/s/ Douglas Jaffe  
Douglas Jaffe

1 DOUGLAS JAFFE, ESQ. Bar No. 170354  
2 LAW OFFICES OF DOUGLAS JAFFE  
3 501 West Broadway, Suite 800  
4 San Diego, California 92101  
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9 Attorneys for Razuki Investments, LLC  
10 and Salam Razuki

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN DIEGO - CENTRAL

SAN DIEGO PATIENTS COOPERATIVE )  
CORP, et. al., )

Plaintiffs,

vs.

RAZUKI INVESTMENT L.L.C., et. al., )

Defendants. )

Case No.: 37-2017-00020661-CU-CO-CTL

**NOTICE TO SAN DIEGO PATIENTS  
COOPERATIVE CORP  
TO APPEAR AT TRIAL**

20 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD

21 PLEASE TAKE NOTICE that pursuant to, without limitation, Code of Civil Procedure  
22 section 1987, Defendant San Diego Patients Cooperative Corp. is required to appear and attend  
23 the trial in this action scheduled for trial on November 2, 2023 at 9:00 a.m., in Department 67 of  
24 the Superior Court, County of San Diego, California, 330 West Broadway, San Diego, CA  
25 92101, and such dates thereafter as set by the Court for trial.

26 Dated: October 17, 2023

LAW OFFICES OF DOUGLAS JAFFE

/s/ Douglas Jaffe  
Douglas Jaffe

1 DOUGLAS JAFFE, ESQ. Bar No. 170354  
2 LAW OFFICES OF DOUGLAS JAFFE  
3 501 West Broadway, Suite 800  
4 San Diego, California 92101  
5 Telephone: (619) 400-4945  
6 Facsimile: (619) 400-4947

7 Attorneys for Razuki Investments, LLC  
8 and Salam Razuki

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 FOR THE COUNTY OF SAN DIEGO - CENTRAL

11 SAN DIEGO PATIENTS COOPERATIVE )  
12 CORP, et. al., )

13 Plaintiffs, )

14 vs. )

15 RAZUKI INVESTMENT L.L.C., et. al., )

16 Defendants. )  
17 )  
18 )  
19 )

Case No.: 37-2017-00020661-CU-CO-CTL

**NOTICE TO KEITH HENDERSON  
TO APPEAR AT TRIAL**

20 TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD

21 PLEASE TAKE NOTICE that pursuant to, without limitation, Code of Civil Procedure  
22 section 1987, Defendant Keith Henderson is required to appear and attend the trial in this action  
23 scheduled for trial on November 2, 2023 at 9:00 a.m., in Department 67 of the Superior Court,  
24 County of San Diego, California, 330 West Broadway, San Diego, CA 92101, and such dates  
25 thereafter as set by the Court for trial.

26 Dated: October 17, 2023

LAW OFFICES OF DOUGLAS JAFFE

27 /s/ Douglas Jaffe  
28 Douglas Jaffe

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SAN DIEGO**

SAN DIEGO PATIENTS COOPERATIVE CORPORATION, INC., a California cooperative corporation, and BRADFORD HARCOURT, an individual,

Plaintiffs,

v.

RAZUKI INVESTMENTS, L.L.C., a California limited liability company; BALBOA AVE COOPERATIVE, a California cooperative corporation; AMERICAN LENDING AND HOLDINGS, LLC, a California limited liability company; SAN DIEGO UNITED HOLDINGS GROUP, LLC, a California limited liability company; CALIFORNIA CANNABIS GROUP, a nonprofit mutual benefit corporation; SALAM RAZUKI, an individual; NINUS MALAN, an individual, KEITH HENDERSON, an individual, AND DOES 1-20, INCLUSIVE,

Defendants.

Case No. 37-2017-00020661-CU-CO-CTL

Honorable Eddie C. Sturgeon, Dept. C-67

**[PROPOSED] JUDGMENT ON JURY VERDICT**

Complaint Filed: June 7, 2017  
Trial Date: October 27, 2023

**EXHIBIT  
13**



1 The parties tried this action to a jury between October 30, 2023, and November 14,  
2 2023, the Honorable Eddie C. Sturgeon presiding.

3 Plaintiffs San Diego San Diego Patients Cooperative Corporation, Inc. (“San Diego  
4 Patients Cooperative”) and Bradford Harcourt (“Harcourt”) (together, “Plaintiffs”) were  
5 represented by Mark Collier, Charles Cavanagh, and Allan Claybon with Messner Reeves LLP.

6 Defendants Salam Razuki (“Razuki”) and Razuki Investments, LLC (“Razuki  
7 Investments”) were represented by Douglas Jaffe, Esq. with Law Offices of Douglas Jaffe.

8 Defendants Ninus Malan (“Malan”) and American Lending & Holdings, LLC.  
9 (“American Lending”) were represented by David Demergian, Esq. with Demergian Law.

10 A jury of persons was regularly impaneled and sworn. Witnesses were sworn and  
11 testified.

12 After Plaintiffs rested their case, Plaintiffs dismissed their Second, Third, Fifth, Sixth and  
13 Tenth Causes Of Action, and Plaintiffs’ Thirteenth and Fourteenth Causes Of Action were deemed to  
14 be moot and dismissed. At that time, Plaintiffs were also permitted to amend their First and Eleventh  
15 Causes of Action to add Razuki Investments as a Defendant with respect to both of those causes of  
16 action.

17 Also after Plaintiffs rested their case, motions for non-suit were made by Razuki Investments,  
18 Razuki, Malan, and American Lending as to all causes of action. The Court granted the motion for  
19 non-suit by Razuki Investments and Razuki regarding the Seventh, Eighth and Twelfth Causes Of  
20 Action. The Court granted the motions for non-suit by Malan and American Lending regarding the  
21 Ninth and Twelfth Causes Of Action.

22 After hearing evidence and arguments of counsel, the jury was duly instructed by the  
23 Court, and the following claims were presented to the jury: 1) plaintiff Bradford Harcourt’s  
24 claim against defendants Razuki Investments, LLC and Salam Razuki for breach of joint  
25 venture agreement; 2) plaintiff Bradford Harcourt’s claim against defendants Razuki  
26 Investments, LLC and Salam Razuki for breach of the implied covenant of good faith and fair  
27 dealing; 3) plaintiff San Diego Patients Cooperative Corporation, Inc.’s claim against  
28

1 defendants Razuki Investments, LLC and Salam Razuki for breach of the implied covenant of  
2 good faith and fair dealing; and 4) plaintiff Bradford Harcourt's claim against defendants  
3 Razuki Investments, LLC and Salam Razuki for breach of fiduciary duty. The jury deliberated  
4 and thereafter rendered its verdict as follows:

5 **SPECIAL VERDICT FORMS—SALAM RAZUKI**

6 We, the jury, find the following special verdict on the questions submitted to us as  
7 follows:

8 SPECIAL VERDICT FORM #1—BREACH OF JOINT VENTURE AGREEMENT

9 1. Did Plaintiff Harcourt and Defendant Razuki enter into a joint venture agreement?

10 Answer: Yes \_\_\_\_\_ No x\_\_\_\_\_

11 SPECIAL VERDICT FORM #2—BREACH OF IMPLIED COVENANT

12 OF GOOD FAITH AND FAIR DEALING

13 1. Did Plaintiff Harcourt and Defendant Razuki enter into a joint venture agreement?

14 Answer: Yes \_\_\_\_\_ No x\_\_\_\_\_

15 SPECIAL VERDICT FORM #3—BREACH OF IMPLIED COVENANT

16 OF GOOD FAITH AND FAIR DEALING

17 1. Did Plaintiff San Diego Patients Cooperative and Defendant Razuki enter into a joint  
18 venture agreement?

19 Answer: Yes \_\_\_\_\_ No x\_\_\_\_\_

20 SPECIAL VERDICT FORM #4—BREACH OF FIDUCIARY DUTY

21 1. Were Plaintiff Harcourt and Defendant Razuki joint venturers?

22 Answer: Yes \_\_\_\_\_ No x\_\_\_\_\_

23  
24 Have the presiding juror sign and date this Special Verdict Form.  
25 Notify the bailiff that you are ready to present your verdict in the courtroom.

26 Dated: 11/13/2023 By: /s/ Presiding Juror\_\_\_\_\_

27 Presiding Juror

1 **SPECIAL VERDICT FORMS—RAZUKI INVESTMENTS**

2 **SPECIAL VERDICT FORM #1—BREACH OF JOINT VENTURE AGREEMENT**

3 1. Did Plaintiff Harcourt and Defendant Razuki Investments enter into a joint venture  
4 agreement?

5 Answer: Yes  x  No \_\_\_\_\_

6 If your answer to question 1 is yes, then answer question 2. If you answered no, stop  
7 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
8 Verdict Form #2.

9 2. Did Plaintiff Harcourt do all or substantially all of the significant things that the joint  
10 venture agreement required him to do and/or was Plaintiff Harcourt excused from having to do  
11 all or substantially all of the significant things that the joint venture agreement required him to  
12 do?

13 Answer: Yes  x  No \_\_\_\_\_

14 If your answer to question 2 is yes, then answer question 3. If you answered no, stop  
15 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
16 Verdict Form #2.

17 3. Did Defendant Razuki Investments either fail to do something that the joint venture  
18 agreement required it to do or do something that the joint venture agreement prohibited it from  
19 doing?

20 Answer: Yes  x  No \_\_\_\_\_

21 If your answer to question 3 is yes, then answer question 4. If you answered no, stop  
22 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
23 Verdict Form #2.

24 4. Was Plaintiff Harcourt harmed?

25 Answer: Yes  x  No \_\_\_\_\_

1 If your answer to question 4 is yes, then answer question 5. If you answered no, stop  
2 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
3 Verdict Form #2.

4 5. Was Defendant Razuki Investments's breach of the joint venture agreement a  
5 substantial factor in causing Plaintiff Harcourt's harm?

6 Answer: Yes  x  No \_\_\_\_\_

7 If your answer to question 5 is yes, then you must also answer the questions contained in  
8 the Special Verdict Form – Damages.

9 Proceed to Special Verdict Form #2.

10 SPECIAL VERDICT FORM #2—BREACH OF IMPLIED COVENANT  
11 OF GOOD FAITH AND FAIR DEALING

12 1. Did Plaintiff Harcourt and Defendant Razuki Investments enter into a joint venture  
13 agreement?

14 Answer: Yes  x  No \_\_\_\_\_

15 If your answer to question 1 is yes, then answer question 2. If you answered no, stop  
16 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
17 Verdict Form #3.

18 2. Did Plaintiff Harcourt do all or substantially all of the significant things that the joint  
19 venture agreement required him to do and/or was Plaintiff Harcourt excused from having to do  
20 all or substantially all of the significant things that the joint venture agreement required him to  
21 do?

22 Answer: Yes  x  No \_\_\_\_\_

23 If your answer to question 2 is yes, then answer question 3. If you answered no, stop  
24 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
25 Verdict Form #2.

26 3. Did Defendant Razuki Investments prevent, or unfairly interfere with, Plaintiff  
27 Harcourt's right to receive the benefits of the joint venture agreement?  
28

1 Answer: Yes  No \_\_\_\_\_

2 If your answer to question 3 is yes, then answer question 4. If you answered no, stop  
3 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
4 Verdict Form #3.

5 4. Was Plaintiff Harcourt harmed?

6 Answer: Yes  No \_\_\_\_\_

7 If your answer to question 4 is yes, then answer question 5. If you answered no, stop  
8 here, answer no further questions on this Special Verdict Form, and proceed to the Special  
9 Verdict Form #3.

10 5. Was Defendant Razuki Investments’s prevention of, or unfair interference with,  
11 Plaintiff Harcourt’s right to receive the benefits of the joint venture agreement a substantial  
12 factor in causing Plaintiff Harcourt’s harm?

13 Answer: Yes  No \_\_\_\_\_

14 If your answer to question 5 is yes, then you must also answer the questions contained in  
15 the Special Verdict Form – Damages.

16 Proceed to Special Verdict Form #3.

17 SPECIAL VERDICT FORM #3—BREACH OF IMPLIED COVENANT  
18 OF GOOD FAITH AND FAIR DEALING

19 1. Did Plaintiff San Diego Patients Cooperative and Defendant Razuki Investments enter  
20 into a joint venture agreement?

21 Answer: Yes \_\_\_\_\_ No

22 SPECIAL VERDICT FORM #4—BREACH OF FIDUCIARY DUTY

23 1. Were Plaintiff Harcourt and Defendant Razuki Investments joint venturers?

24 Answer: Yes  No \_\_\_\_\_

25 If your answer to question 1 is yes, then answer question 2. If you answered no, stop  
26 here, answer no further questions on this Special Verdict Form.

27  
28

1           2. Did Defendant Razuki Investments fail to act as a reasonably careful joint venturer  
2 would have acted under the same or similar circumstances, or knowingly act against Plaintiff  
3 Harcourt’s interests in connection with operating a Medical Marijuana Consumer Cooperative?

4           Answer: Yes   x   No \_\_\_\_\_

5           If your answer to question 2 is yes, then answer question 3. If you answered no, stop  
6 here, answer no further questions on this Special Verdict Form.

7           3. Was Plaintiff Harcourt harmed?

8           Answer: Yes   x   No \_\_\_\_\_

9           If your answer to question 3 is yes, then answer question 4. If you answered no, stop  
10 here, answer no further questions on this Special Verdict Form.

11          4. Was Defendant Razuki Investments’s conduct a substantial factor in causing Plaintiff  
12 Harcourt’s harm?

13          Answer: Yes   x   No \_\_\_\_\_

14          If your answer to question 4 is yes, then you must also answer the questions contained in  
15 the Special Verdict Form – Damages.

16   **SPECIAL VERDICT FORM – DAMAGES**

17          This Special Verdict Form should be completed only if you were specifically instructed  
18 to do so in response to the answers you provided on one or more of the other Special Verdict  
19 Forms.

20          We, the jury in the above-captioned action, find the following special verdict on the  
21 questions submitted to us as follows:

22          1. What are Plaintiff Harcourt’s damages, if any, against Defendant Razuki Investments?

23          Answer: \$  2,500,000.00 \_\_\_\_\_

24          2. What are Plaintiff San Diego Patients Cooperative’s damages, if any, against  
25 Defendant Razuki Investments?

26          Answer: \$   0 \_\_\_\_\_

27  
28

1 3. Did Defendant Razuki Investments engage in conduct towards Plaintiff Harcourt with  
2 malice or oppression?

3 Answer: Yes  x  No \_\_\_\_\_

4  
5 Have the presiding juror sign and date this Special Verdict Form.  
6 Notify the bailiff that you are ready to present your verdict in the courtroom.

7 Dated: 11/13/2023 By: /s/ Presiding Juror \_\_\_\_\_  
8 Presiding Juror

9 After Plaintiffs rested their case with respect to punitive damages, Razuki Investments made  
10 a motion for non-suit regarding punitive damages. The Court granted the motion for non-suit  
11 regarding punitive damages.

12 On January 26, 2024, the Court conducted a hearing on, and denied, motions by Razuki  
13 Investments for judgment notwithstanding the verdict and for a new trial.

14 Based on the foregoing, IT IS HEREBY ORDERED AND ADJUDGED that final  
15 judgment is hereby ENTERED in favor of plaintiff Bradford Harcourt and against defendant  
16 Razuki Investments, LLC in the amount of \$2,500,000.00, with interest thereon at the rate of ~~ten~~  
17 percent (10%) per annum from the date of the entry of this Judgment until paid. *ECS*

18  
19 Dated: 02/14/2024 By: *Eddie C. Sturgeon*  
20 Honorable Eddie C. Sturgeon

21  
22 Submitted By: MESSNER REEVES LLP

23  
24 *Chris Cough*  
25 Allan B. Clayton  
26 Mark Collier  
27 Charles C. Cavanagh  
28 Attorneys for Plaintiffs

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**PROOF OF SERVICE**

(1013A(3) Code Civ. Proc. Revised 5/1/88)

STATE OF COLORADO, COUNTY OF DENVER

I am employed in the City and County of Denver, Colorado. I am over the age of eighteen years and not a party to the within entitled action; my business address is 1550 Wewatta Street, Suite 710, Denver, CO 80202.

On January 31, 2024, I served the foregoing document described as:

**[PROPOSED] JUDGMENT ON JURY VERDICT**

on the interested parties as follows:

Douglas Jaffe  
LAW OFFICES OF DOUGLAS JAFFE  
501 West Broadway, Suite 800  
San Diego, CA 92101  
T.: (619) 400-4945  
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E.: dougjaffelaw@gmail.com  
Attorney for Defendants Razuki  
Investments, L.L.C. and Keith Henderson  
and Defendant/Cross-Complainant Salam  
Razuki

David K. Demergian  
DEMERGIAN LAW  
501 West Broadway, Suite 800  
San Diego, CA 92101  
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F: (619) 239-3029  
E: [david@demergianlaw.com](mailto:david@demergianlaw.com)  
Attorney for Defendants/Cross-  
Defendants Ninus Malan, San Diego  
United Holdings, LLC, American  
Lending and Holdings, LLC

J. Scott Russo  
RUSSO & DUCKWORTH, LLP  
3404 Via Oporto, Suite 201  
Newport Beach, CA 92663  
T.: (949) 752-7106  
F.: (949) 752-0629  
E.: jsrusso@russoandduckworth.com  
Attorney for Defendant Keith Henderson

by mail as follows: I am “readily familiar” with the firm’s practice of collecting and processing correspondence for mailing. Under that practice, it would be deposited with the U.S Postal Service on that same day with postage thereon fully prepaid at Denver, Colorado in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

by personal delivery to:

by overnight delivery via Federal Express pursuant to Code of Civil Procedure section 1013.

**by email transmission** [CCP §§1013(e) 1010.6(a)(6)] I caused such document to be served on this date by electronic transmission in accordance with standard procedures and to the email address listed on the attached service list.



1 [X] (STATE) I declare under penalty of perjury under the laws of the State of Colorado that the  
above is true and correct.

2 [ ] (FEDERAL) I declare that I am employed in the office of a member of the bar of this Court at  
3 whose direction the service was made.

4 Executed on January 31, 2024, at Denver, Colorado.



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6 Tara Nelson, Declarant

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