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7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

10 HENRY SHAHMORADIAN an
11 individual,
12 Plaintiff,
13 vs.
14 CITYCENTER VDARA
15 DEVELOPMENT, LLC,
16 DOES 1 through 100, ROE
17 CORPORATIONS I-XXX
18 Defendants.

A - 1 0 - 6 1 4 4 8 2 - C
Case No.
Dept No. VI

CLASS ACTION COMPLAINT FOR:

- (1) BREACH OF CONTRACT
- (2) BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING
- (3) FRAUD IN THE INDUCEMENT
- (4) VIOLATIONS OF THE INTERSTATE LAND SALES FULL DISCLOSURE ACT, 15 U.S.C. 1701 ET SEQ.
- (5) VIOLATIONS OF NEVADA REVISED STATUTES
- (6) VIOLATIONS OF THE SECURITIES OF EXCHANGE ACT OF 1933.

ARBITRATION EXEMPTION CLAIMED

24 COME NOW, Plaintiff HENRY SHAHMORADIAN, who brings this action on
25 behalf of himself and on behalf of all similarly situated persons (collectively
26 "PLAINTIFFS"), against DEFENDANTS CITYCENTER VDARA DEVELOPMENT,
27 LLC a Nevada Limited Liability Company, and allege, based upon information and belief,
28 except where otherwise stated, as follows:

1 ///

2 **SUMMARY**

3 1. The instant Complaint involves a scheme among DEFENDANTS through
4 which PLAINTIFFS were illegally and fraudulently induced by use of misrepresentations
5 and omissions into purchasing air rights for condominium-hotel room units at the VDARA
6 CONDO HOTEL located at 2600 West Harmon Avenue, Las Vegas NV (hereinafter
7 "VDARA").

8 2. The first phase of this project involved the taking of deposits towards the
9 purchase of air rights to condominium hotel room units in the VDARA. The PLAINTIFFS
10 all made earnest money deposits to acquire the right to purchase the property upon closing.
11 The second phase involved the closing of the sale.

12 3. PLAINTIFFS, therefore, of behalf of themselves and all others similarly
13 situated, seek rescission of their contract to purchase, restitution of their deposited funds,
14 consequential damages, interest, costs, and attorneys fees according to proof and as
15 allowed by law.

16 **THE PARTIES**

17 4. Plaintiff HENRY SHAHMORADIAN is a resident of the State of California
18 and signed an Agreement to purchase one unit in the VDARA.

19 5. Defendant CITYCENTER VDARA DEVELOPMENT LLC doing business
20 as the VDARA, is, and at all relevant times mentioned herein was, a Nevada limited
21 liability company with its principle place of business at 3780 Las Vegas Blvd South, Las
22 Vegas, NV 89109. At all relevant times, CITYCENTER VDARA DEVELOPMENT LLC
23 was and continues to be the original owner of the VDARA.

24 6. PLAINTIFFS are ignorant of the same true names and capacities of the
25 DEFENDANTS sued herein as DOES 1 through 100, inclusive, and therefore sued these
26 DEFENDANTS by fictitious names. PLAINTIFFS will further amend this Complaint to
27 allege the true names and capacities of the DEFENDANTS if and when they are
28 ascertained. Each of these DEFENDANTS, sued by the fictitious DOE designation,

1 comprise various persons and/or entities who participated as co participants, principals
2 and/or agents in the violations alleged herein and preformed acts and made statements in
3 furtherance thereof. These co-participants, principals and/or agents were knowing and
4 willful participants in a scheme to promote, market, sell, advertise, or otherwise benefit
5 from the fraudulent sale of the Securities offered by Defendant. When PLAINTIFFS learn
6 the identities of such persons or entities, PLAINTIFFS will seek leave to amend this
7 complaint to add them as DEFENDANTS.

8 JURISDICTION AND VENUE

9 7. This court has jurisdiction over this action, and venue is proper in Clark
10 County, Nevada, because DEFENDANTS have at all relevant times maintained their
11 offices in, and have minimum contacts with, Clark County, Nevada, and committed the
12 wrongful conduct against each Plaintiff named herein and other members of the Class, in
13 Clark County, Nevada.

14 8. Venue is proper in Clark County, Nevada, because the subject property is
15 located there and because DEFENDANTS CITYCENTER VDARA DEVELOPMENT
16 LLC have their principle place of business there.

17 9. Certain of the claims in this action are being brought under the Interstate
18 Land Sales Full Disclosure Act, which prohibits removal of this action from State court to
19 any court of the United States. See 15 U.S.C. 1719.

20 ARBITRATION EXEMPTION CLAIMED

21 10. Pursuant to Rule 3 of the Nevada Arbitration Rules, this matter should not be
22 subject to arbitration because (1) damages for each Plaintiff are in excess of \$50,000.00;
23 (2) this is a class action complaint.

24 CLASS ALLEGATIONS

25 11. PLAINTIFFS bring this action pursuant to Rule 23 of the Nevada Rules of
26 Civil Procedure as a class action on their own and on behalf of a class defined as:

1 **All individuals or entities who purchased one or more units in**
2 **the VDARA located at 2600 West Harmon Avenue, Las Vegas,**
3 **Nevada.**

4 Excluded from the Class are DEFENDANTS, any parent, subsidiary of
5 Affiliate of DEFENDANTS, and their officers, directors, and employees,
6 Who are or have been employed by DEFENDANTS during the above-
7 Defined Class Period, and any judicial officer who may preside
8 over this cause of action.

9 12. The requirements for maintaining this action as a class action under Rule 23
10 of the Nevada Rules of Civil procedure are satisfied in that:

11 a. The class is so numerous that joinder of all members is impracticable.
12 PLAINTIFFS estimate that there are over 200 Class Members, geographically spread
13 throughout the United States, and that their identities can only be ascertained from
14 DEFENDANTS' books and records. Attempting to join and name each Class member as a
15 Co-Plaintiff would be extremely burdensome, virtually impossible, and impracticable.

16 b. There are questions of law and fact common to the Class, which are
17 identical for each member of the Class and which predominate over the questions affecting
18 the individual Class members, if any. Among these common questions of law and fact are:

19 i. Whether PLAINTIFFS and DEFENDANTS entered into the
20 AGREEMENT;

21 ii. Whether the AGREEMENT is an option contract;

22 iii. Whether DEFENDANTS violated 24 CFR 1710.3, 24 CFR
23 1710.103(a), and 24 CFR 1715.20(b) by failing to give, prior to execution of the
24 AGREEMENT, to PLAINTIFFS a printed Property Report that contained, among other
25 things, "an estimated completion date (month and year)" and relevant facts about the
26 completion date;

27 iv. Whether DEFENDANTS violated 24 CFR 1715.20(d) by
28 failing to advise PLAINTIFFS of a closing date;

1 v. Whether DEFENDANTS violated NRS116.4108(1) by failing
2 to provide to PLAINTIFFS a “public offering statement” before execution of the
3 AGREEMENT;

4 vi. Whether DEFENDANTS violated NRS116.4108(1) by failing
5 to include a provision in the AGREEMENT that unless the purchaser has personally
6 inspected the unit, the purchaser may cancel, by written notice, the contract of purchase
7 until midnight of the fifth calendar day following the date of execution of the contract;

8 vii. Whether DEFENDANTS violated NRS 116.4103 by failing to
9 provide to PLAINTIFFS a “public offering statement” that disclosed the “schedule of
10 commencement and completion of construction of buildings”;

11 viii. Whether DEFENDANTS violated Nevada Administrative
12 Code 119.530(2) by failing to include ““This is a binding contract by which you agree to
13 purchase an interest in real property. You should examine your rights of revocation
14 contained elsewhere in this contract.” at the top of the AGREEMENT;

15 ix. Whether DEFENDANTS violated Nevada Administrative
16 Code 119.530(3) by failing to include certain required language (specified infra) in bold all
17 caps font at the top of the AGREEMENT;

18 x. Whether DEFENDANTS violated Nevada Administrative
19 Code 119.530(4) by failing to include certain required language (specified infra) just above
20 the purchaser’s signature in the AGREEMENT; and

21 c. The claims and defenses of the representative PLAINTIFFS are
22 typical of the claims of the Class in that each Plaintiff executed an identical
23 AGREEMENT to purchase one or more of the Units in the VDARA.

24 d. The claims of the representative PLAINTIFFS will fairly and
25 adequately protect the interests of the Class. The Class interests are coincident with, and
26 not antagonistic to, those of the PLAINTIFFS. Furthermore, PLAINTIFFS are represented
27 by experienced class action counsel who have previously handled numerous, large-scale
28 class action lawsuits.

1 e. The prosecution of separate actions by or against individual members
2 of the class would create a risk of: (A) inconsistent or varying adjudications with respect
3 to individual members of the class which would establish incompatible standards of
4 conduct for the party opposing the class, or (B) adjudications with respect to individual
5 members of the class which would as a practical matter be dispositive of the interests of
6 the other members not parties to the adjudications or substantially impair or impede their
7 ability to protect their interests.

8 13. In this action, PLAINTIFFS and the Class seek all equitable, compensatory,
9 special and punitive damages authorized under Nevada law for which class-wide relief is
10 available, disgorgement, restitution and reasonable attorneys' fees and costs incurred in the
11 prosecution of this action. There are no manageability problems due to variations in state
12 laws or choice of law provisions, because Nevada law applies to the claims of all the
13 members of the Class asserted herein. Class wide litigation of the predominating common
14 issues is superior to any other form of litigation, including individual litigation.

15 **FIRST CLAIM FOR RELIEF**
16 **(BREACH OF CONTRACT AGAINST ALL DEFENDANTS)**

17 14. PLAINTIFFS repeat and reallege each and every allegation contained in this
18 Complaint as though fully set forth herein.

19 15. PLAINTIFFS and the Class entered into a Condominium Purchase and Sale
20 Agreement with Defendant CITYCENTER VDARA DEVELOPMENT LLC, for the
21 purchase of units in the VDARA (hereinafter the "AGREEMENT"). The AGREEMENT
22 is an option contract because it requires DEFENDANTS to hold open to the buyer, for a
23 set time and with set terms, the right to purchase one or more units in the VDARA.
24 (McCall v. Carlson, 63 Nev. 390, 419-420 (1946).)

25 16. PLAINTIFFS and the Class each paid deposit money to DEFENDANTS
26 towards the purchase price of one or more condominium units in the VDARA.
27 PLAINTIFFS and the Class were obligated to pay an additional sum of money at closing
28 to complete the purchase of each unit.

THIRD CLAIM FOR RELIEF
(FRAUD IN THE INDUCEMENT)

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2
3 24. PLAINTIFFS repeat and reallege each and every allegation contained in this
4 Complaint as though fully set forth herein.

5 25. Defendant CITYCENTER VDARA DEVELOPMENT LLC drafted the
6 AGREEMENT, the sixth page of which provides for a "Closing." However,
7 CITYCENTER VDARA DEVELOPMENT LLC intentionally left this entry blank.
8 Nevertheless, since the AGREEMENT is an option contract, it must specify a time to
9 perform and implied contains a "time is of the essence" clause. (McCall v. Carlson, 63
10 Nev. 390, 420 (1946))

11 26. Prior to the execution of the AGREEMENT, Defendant CITYCENTER
12 VDARA DEVELOPMENT LLC represented to PLAINTIFFS that the VDARA would be
13 completed and would close by the end of 2009. PLAINTIFFS relied upon this
14 representation and were induced into entering into the AGREEMENT by this
15 representation.

16 27. Defendant CITYCENTER VDARA DEVELOPMENT LLC, however, failed
17 to construct the VDARA in a timely manner by delaying the design and construction
18 process.

19 28. DEFENDANTS, and each of them, had a duty to disclose the true nature of
20 all known material facts and circumstances surrounding the construction of the VDARA.
21 DEFENDANTS had exclusive knowledge of all such material facts and such material facts
22 were not known or reasonably accessible to PLAINTIFFS. Despite their knowledge that
23 the VDARA could not possibly close by the end of 2009 due to delays in construction.
24 DEFENDANTS failed to advise PLAINTIFFS about any of these delays.

25 29. The concealment of the true facts from PLAINTIFFS was done with the
26 intent to induce their consent to enter into, and continue to be bound by, the
27 AGREEMENT. Had PLAINTIFFS been informed about the numerous delays in
28 construction, they could have rescinded the AGREEMENT and demanded return of their
deposit money at an earlier date.

1 37. ILSA applies to the Purchase Agreements entered into by PLAINTIFFS for
2 the purchase and sale of units in VDARA, which do not fall under any of the exemptions
3 set forth in ILSA.

4 38. DEFENDANTS made use of means and instruments of transportation and
5 communication in interstate commerce and of the mails to sell units in VDARA in the
6 form of air rights to condominium-hotel room units.

7 39. Pursuant to 15 U.S.C. 1703(a)(2), it is unlawful for any developer or agent,
8 with respect to the sale or lease of any lot (including a condominium unit) not exempt
9 under ILSA to:

10 a. employ any device, scheme, or artifice to defraud (subsection
11 1703(a)(2)(A));

12 b. obtain money or property by means of any true statement of a material
13 fact, or any omission to state a material fact necessary in order to make the statements
14 made (in light of the circumstances in which they were made and within the context of the
15 overall offer and sale or lease) not misleading, with respect to any information pertinent to
16 the lot or subdivision (subsection (a)(2)(B)); or

17 c. engage in any transaction, practice, or course of business which
18 operates or would operate as a fraud or deceit upon a purchaser (subsection
19 1703(a)(2)(C)).

20 40. For developments with 100 lots or more, ILSA requires that:

21 a. a Statement of Record be filed with the division (subsection
22 1703(c)(1)),

23 b. a printed Property Report containing certain portions of the Statement
24 of Record be provided to a purchaser prior to the signing of the purchase contract
25 (subsection 1703(c)(2)),

26 c. the Statement of Record or printed Property Report cannot contain
27 any untrue statements or omit any material fact that is required by the Act
28 (subsection 1703(c)(3)),

1 d. advertising or promotional material that is inconsistent with the
2 Property Report cannot be displayed or provided to prospective purchasers (subsection
3 1703(c)(4)).

4 41. The regulations promulgated by HUD under ILSA, which are codified at 24
5 C.F.R. 1710 *et seq.*, provide further detail as to what constitutes a deceptive or misleading
6 sales practice in contravention of ILSA. Under 24 CFR 1710.3, “the developer must give
7 each purchaser a printed Property Report, meeting the requirements of this part, in advance
8 of the purchaser’s signing of any contract or agreement for sale or lease.” Under 24 CFR
9 1715.20(b), it is illegal to “Give a contract to a purchaser or encourage him to sign
10 anything before delivery of the Property Report.” Under 24 CFR 1710.103(a), the
11 Property Report must disclose relevant facts about the completion date, which cannot be
12 conditioned, and “an estimated completion date (month and year) must be stated in the
13 Property Report.” DEFENDANTS violated 24 CFR 1710.3, 24 CFR 1710.103(a), and 24
14 CFR 1715.20(b) by failing to give, prior to execution of the AGREEMENT, to
15 PLAINTIFFS a printed Property Report that contained, among other things, “an estimated
16 completion date (month and year)” and relevant facts about the completion date.

17 42. Under 24 CFR 1715.20(d), it is illegal to “Use any misleading practice,
18 device or representation which would deny a purchaser any cancellation or refund rights or
19 privileges granted the purchaser by the terms of a contract or any other document used by
20 the developer as a sales inducement.” DEFENDANTS violated 24 CFR 1715.20(d) by
21 failing to advise PLAINTIFFS of a closing date and by failing to advise PLAINTIFFS
22 about delays in the closing date, despite their knowledge that the VDARA could not
23 possibly close by the end of 2008 due to delays in construction, default of the
24 aforementioned construction loan, and foreclosure of the property. As a result of
25 DEFENDANTS’ failures to disclose material facts regarding the closing date of the
26 VDARA, PLAINTIFFS were induced into executing the AGREEMENT and paying
27 deposits to DEFENDANTS, and were prevented from rescinding the AGREEMENT and
28 demanding return of their deposit money at an earlier date.

1 AGREEMENT that unless the purchaser has personally inspected the unit, the purchaser
2 may cancel, by written notice, the contract of purchase until midnight of the fifth calendar
3 day following the date of execution of the contract.

4 51. Under NRS 116.4102(1), a public offering statement is required to conform
5 “to the requirements of NRS 116.4103 to 116.4106, inclusive.” Under NRS 116.4103, “a
6 public offering statement must set forth or fully and accurately disclose each of the
7 following: . . . (b) A general description of the common-interest community, including to
8 the extent possible, the types, number and declarant’s schedule of commencement and
9 completion of construction of buildings, and amenities that the declarant anticipates
10 including in the common-interest community. DEFENDANTS violated NRS 116.4103
11 by, among other things, failing to provide to PLAINTIFFS a “public offering statement”
12 that disclosed the “schedule of commencement and completion of construction of
13 buildings.” As a result of DEFENDANTS’ failure to disclose the “schedule of
14 commencement and completion of construction of buildings” for the VDARA, Plaintiffs
15 were induced into entering into the AGREEMENT. DEFENDANTS’ failures to disclose
16 material facts regarding the aforementioned delays in the closing date of the VDARA also
17 prevented PLAINTIFFS from rescinding the AGREEMENT and demanding return of their
18 deposit money at an earlier date.

19 52. Under Nevada Administrative Code 119.530(2), each contract must contain
20 the following statement in 12 point boldface type at the top of the contract:

21 “This is a binding contract by which you agree to purchase an interest in
22 real property. You should examine your rights of revocation contained
23 elsewhere in this contract.”

24 DEFENDANTS violated Nevada Administrative Code 119.530(2) by failing to include
25 this statement at the top of the AGREEMENT.

26 53. Under Nevada Administrative Code 119.530(3), “[t]he following language or
27 language of similar import may not be used in a contract of sale of a subdivision or lot,
28 parcel, unit or interest in a subdivision:

1 Purchaser agrees that no representations, oral or implied, have been made to
2 purchaser other than what is contained in this contract.”

3 DEFENDANTS violated Nevada Administrative Code 119.530(3) by including the
4 following statement in bold all caps font at the top of the AGREEMENT:

5 “Seller advises Buyer not to rely on oral representations as correctly stating
6 the representations of the seller. Rather, reference should be made to this
7 Agreement and the documents required by Nevada Revised Statutes
8 Chapter 116 (the “Act”), to be furnished by Seller to Buyer.”

9 54. Under Nevada Administrative Code 119.530(4), the following wording must
10 be clearly and conspicuously placed just above the purchaser’s signature:

11 “The purchaser of any subdivision or any lot, parcel, unit or interest in any
12 subdivision not exempted pursuant to the provisions of NRS 119.120 or
13 119.122 may cancel the contract of sale, by written notice, until midnight of
14 the fifth calendar day following the date of execution of the contract, unless
15 the contract prescribes a longer period for cancellation. The right of
16 cancellation may not be waived. Any attempt by the developer to obtain
17 such a waiver results in a contract which is voidable by the purchaser.”

18 DEFENDANTS violated Nevada Administrative Code 119.530(4) by failing to include
19 this statement just above the purchaser’s signature in the AGREEMENT.

20 55. As a result of DEFENDANTS’ violations of the NRS, PLAINTIFFS were
21 fraudulently induced into entering into the AGREEMENT and were prevented from
22 rescinding the AGREEMENT and demanding return of their deposit money at an earlier
23 date.

24 56. PLAINTIFFS are therefore entitled to rescission of the AGREEMENT,
25 restitution of their deposited funds, consequential damages, interest, costs, and attorneys
26 fees according to proof and as allowed by law.

27 **SIXTH CLAIM FOR RELIEF**
28 **(VIOLATION OF SECTION 12(a)(1) OF THE SECURITIES AND EXCHANGE
ACT 1933 ACT BY ALL DEFENDANTS)**

1 57. Plaintiffs reallege and incorporate herein by reference the allegations
2 contained in the preceding and subsequent Paragraphs of this Complaint as though fully set
3 forth herein. Plaintiffs bring this cause of action on behalf of themselves and the Class of
4 similarly situated persons as herein defined.

5 58. No registration statement was filed or in effect with the SEC pursuant to the
6 Securities Act and no exemption from registration exists with respect to the Securities and
7 transactions described in this Complaint.

8 59. Defendants, directly and indirectly, have: (a) made use of the means or
9 instruments of transportation or communications in interstate commerce or of the mails to
10 sell the Securities as described herein, through the use or medium of a prospectus or
11 otherwise; (b) caused the Securities to be carried through the mails or in interstate
12 commerce, by any means or instruments of transportation, for the purpose of sale or
13 delivery after sale; and/or (c) made use of the means or instruments of transportation or
14 communication in interstate commerce or of the mails to offer to sell or offer to buy
15 through the use or medium of any prospectus or otherwise, as described in this Complaint,
16 without a registration statement having been filed or being in effect with the Commission
17 as to the Securities or qualify for an exemption therefrom.

18 60. Defendants, directly and indirectly, offered to sell, and indeed sold these
19 Securities to Plaintiffs without a registration statement having been filed or being in effect
20 with the SEC or qualify for an exemption therefrom. By reason of the foregoing,
21 Defendants have violated Sections 5(a) and 5(c) of the Securities Act, 15 U.S.S. §§ 77e(a)
22 and 77e(c).

23 61. By reason of the conduct alleged herein, Defendants violated Section
24 12(a)(1) of the 1933 Act. Plaintiffs demand rescission of these sales of unregistered
25 Securities.

26 62. Defendants affirmatively and actively concealed their unlawful conduct from
27 Plaintiffs. Defendants concealed the true nature of their unlawful conduct and acts in
28 furtherance thereof, and actively concealed their activities through various other means and

1 methods to avoid detection. Plaintiffs did not discover, and could not have discovered
2 through the exercise of reasonable diligence, that Defendants were violating the securities
3 laws as alleged herein until shortly before this class action litigation was commenced. As a
4 result of the active concealment of the unlawful conduct by Defendants, any and all
5 applicable statutes of limitations otherwise applicable to the allegations herein have been
6 tolled.

7 **SEVENTH CLAIM FOR RELIEF**
8 **(VIOLATION OF SECTION 12(a)(2) OF THE SECURITIES AND**
9 **EXCHANGE ACT OF 1933 ACT BY ALL DEFENDANTS)**

10 63. Plaintiffs reallege and incorporate herein by reference the allegations
11 contained in the preceding and subsequent Paragraphs of this Complaint as through fully
12 set forth herein. Plaintiffs bring this cause of action on behalf of themselves and the Class
13 of similarly situated persons as herein defined.

14 64. Under Section 12(a)(2) of the Securities Act of 1933, Defendants were
15 sellers, offerors, and/or solicitors of the Securities. Defendants solicited the sale of the
16 Securities to each of the Class Members for Defendants' own financial benefit.

17 65. The statements referred to hereinabove were made in scripted oral
18 representations made by Defendants to the Class Members. The scripted oral
19 representations to the Class Members contained untrue statements of material facts,
20 omitted other facts necessary to make the statements made not misleading and failed to
21 disclose material facts. Defendants acted to sell the Securities by way of the scripted oral
22 representations. Defendants' actions included preparing the scripted oral presentations and
23 other materials used in the sale of the Securities which were false and misleading because
24 they did not disclose the material adverse facts set forth above.

25 66. Plaintiffs and the other members of the Class purchased the Securities
26 pursuant to the Defendants' scripted oral representations. Plaintiffs and the other members
27 of the Class did not know, and in the exercise of reasonable diligence could not have
28 known, of the untruths and omissions contained in or made in connection with Defendants'
scripted oral representations.

1 Program, which induced Plaintiff to purchase the Securities. The economic benefit, over
2 and above the amounts paid for the purchase of the Securities, that Defendants' sales team
3 promised would flow to Plaintiffs from the purchase of the Securities were the primary
4 motivation behind Plaintiffs purchase of the Securities. Residency was never discussed as
5 a significant motivation for purchase between any member of Defendants' sales or rental
6 representatives and any of the Plaintiffs.

7 72. Plaintiffs did not intend to receive any right to exercise practical and/or
8 actual control over the managerial decisions of the VDARA enterprise. Furthermore,
9 Plaintiffs did not exercise any power to influence the utilization of the capital invested in
10 the Securities. Instead, the economic benefits that Plaintiffs were told by Defendants would
11 flow from the purchase of the Securities would result from name recognition of the
12 VDARA brand, the strength of the rental program management, and the ability of the
13 reservation system of the rental program to yield income after the purchase.

14 73. Defendants issued the Securities, which were not exempt from registration,
15 to Plaintiffs without abiding by the registration requirements of Nevada, did not have any
16 preemption therefrom, and therefore Plaintiffs, under N.R.S. 90.660, may recover the
17 consideration paid for the Securities and interest at the legal rate of this State from the date
18 of payment, costs and reasonable attorney's fees, less the amount of income received on
19 the Securities.

20 74. Plaintiffs are also entitled to all remedies available under N.R.S. 90.640,
21 including a temporary restraining order, permanent or temporary prohibitory or mandatory
22 injunction or a writ of prohibition or mandamus; the imposition of a civil penalty of not
23 more than \$2,500 for a single violation or \$100,000 for multiple violations in a single
24 proceeding or a series of related proceedings; declaratory judgment; restitution; the
25 appointment of a receiver or conservator for the Defendants' assets; an order of payment of
26 the divisions investigative costs; or an order of such other relief as the court deems just.

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PRAYER FOR RELIEF

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PLAINTIFFS pray for judgment and relief on behalf of themselves, and on behalf of the Class, and against DEFENDANTS as follows:

1. For rescission and restitution as required by law;
2. For damages according to proof;
3. For interest on all damages as allowed by the laws of the State of Nevada according to proof at time of trial;
4. For attorneys fees;
5. For a temporary restraining order, permanent or temporary prohibitory or mandatory injunction or a writ of prohibition or mandamus;
6. For the issuance of a declaratory judgment;
7. For an order for an accounting;
8. For an order of punitive damages.
9. For the appointment of a receiver or conservator for the DEFENDANTS' assets;
10. For an order of payment of the divisions investigative costs;
11. For an order of such other relief as the court deems just;
12. For consideration paid for the units and interest at the legal rate of Nevada

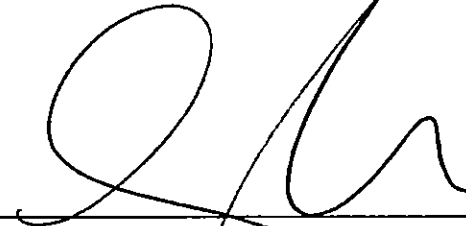
from the date of payment plus all express incurred, costs and reasonable attorney's fees;

and
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1 13. For damages for each Plaintiff who no longer owns the units in the amount
2 that would be recoverable upon a tender less the value of the units when the Plaintiff
3 disposed of it, plus interest at the legal rate of this State from the date of disposition of the
4 units, costs and reasonable attorney's fees determined by the court.

5 DATED: April 14, 2010

LAW OFFICES OF SIGAL CHATTAH



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Attorney for Plaintiffs

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