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**Attorneys for Plaintiffs**

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION**

-----X		
LICGO PARTNERS, LLC, SOVEREIGN	:	Case No.
PARTNERS, LLC, and PARADIGM	:	
CAPITAL HOLDINGS, LLC,	:	
	:	<b>COMPLAINT</b>
Plaintiffs,	:	
	:	
v.	:	<b>JURY TRIAL DEMANDED</b>
	:	
KEITH BERMAN, and DECISION	:	
DIAGNOSTICS CORP.,	:	
	:	
Defendants.	:	
	:	
-----X		

Plaintiffs, LICGO Partners, LLC (“LICGO”), Sovereign Partners, LLC (“Sovereign”) and Paradigm Capital Holdings, LLC (“Paradigm”) (collectively, “Plaintiffs”), by and through their undersigned attorneys, as and for their Complaint as against Defendants Keith Berman (“Berman”), Decision Diagnostics Corp. (“DECN”) and PharmaTech Solutions, Inc. (“PharmaTech”) (collectively, “Defendants”), hereby allege and state as follows:

Complaint on behalf of Plaintiffs LICGO Partners, LLC, Sovereign Partners, LLC Paradigm Capital Holdings, LLC  
Case No

**FACTS COMMON TO ALL COUNTS**

**NATURE OF THE CASE**

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3 1. This case involves Defendants’ fraudulent and unlawful conduct inducing  
4 Plaintiffs to invest, and to purchase securities, in DECN, only to, thereafter, wrongfully deprive  
5 Plaintiffs from exercising their rights and realizing gains from their investments. After  
6 procuring substantial investments from Plaintiffs, Defendants abjectly and wrongfully refused  
7 to permit Plaintiffs to convert preferred shares of DECN into common stock, as DECN  
8 previously agreed and was obligated to do, pursuant to the express written terms of the  
9 agreements. Rather, Berman misappropriated Plaintiffs’ investment funds for his own personal  
10 use and benefit, causing DECN to become financially distressed. To remedy this dire situation,  
11 Defendants sought to capitalize upon the COVID-19 pandemic by misrepresenting DECN’s  
12 marketing and distribution of a COVID-19 screening test that never was developed and did not  
13 exist. After Defendants’ fraud was uncovered, DECN’s common stock was rendered  
14 worthless, as was Plaintiffs’ investment in DECN. This suit follows.  
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**THE PARTIES**

**A. Plaintiff LICGO**

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19 2. Plaintiff LICGO is a Florida limited liability company with two members. One  
20 member is a resident of New Jersey, and the other member is a resident of Florida. Its principal  
21 place of business is located in Boca Raton, Florida.  
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23 3. LICGO is an entity which invested funds to purchase securities in DECN.  
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**B. Plaintiff Sovereign**

4. Plaintiff Sovereign is a Florida limited liability company with two members. One member is a resident of New Jersey, and the other member is a resident of Florida. Its principal place of business is located in Albuquerque, New Mexico.

5. Sovereign is an entity which invested funds to purchase securities in DECN.

**C. Plaintiff Paradigm**

6. Plaintiff Paradigm is a Florida limited liability company. Paradigm is a single-member managed limited liability company in which its sole member is a resident of Florida. Its principal place of business is located in Boca Raton, Florida.

7. Paradigm is a business consulting company that provided business consulting services to DECN.

**D. Defendant Berman**

8. Defendant Berman is a resident of Westlake Village, California. Berman represents that he has over 35 years' experience in the healthcare field, in general, and has over 27 years' experience specializing in healthcare software including intranet and internet systems.

See <https://www.decisiondiagnostics.co/about.html>

**E. Defendant DECN**

9. Defendant DECN is a corporation incorporated in the State of Nevada with a principal place of business located in Westlake Village, California.



1 17. Additionally, subject matter jurisdiction is proper pursuant to 28 U.S.C. § 1332  
2 (diversity) in that the amount in controversy exceeds \$75,000.00 and the Plaintiffs and the  
3 Defendants to this matter are citizens of different states.

4 18. Venue is proper in this Court under 28 U.S.C. § 1391 because defendant Berman  
5 is a resident of California, both defendants DECN and PharmaTech have their principal place  
6 of business in California, and a substantial part of the events giving rise to Plaintiffs' claims  
7 occurred in this judicial district.

8 19. While subject matter jurisdiction is proper pursuant to 28 U.S.C. § 1332, this  
9 Court also has supplemental jurisdiction of all state statutory and common law claims asserted  
10 herein under 28 U.S.C. § 1367, as they are so related to the federal claims asserted that they  
11 form part of the same case under Article III of the United States Constitution.  
12

13 **DEFENDANTS PERPETRATED A FRAUD UPON PLAINTIFFS**

14 **A. Plaintiffs Were Fraudulently Induced To Invest and Purchase Securities in**  
15 **DECN**

16 20. To induce Plaintiffs to invest in DECN, Berman, made numerous material  
17 misrepresentations and/or omissions and failed to disclose facts necessary to make other  
18 statements not misleading concerning DECN. Plaintiffs relied upon these material  
19 representations and/or omissions to their detriment in deciding to invest in DECN and purchase  
20 securities from DECN.  
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22 21. For example, DECN, by and through Berman, routinely misrepresented and  
23 overstated DECN's distribution contracts for its medical device products.  
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31. In or about August 2017, Sovereign invested in DECN by and through the “Convertible Preferred Class D Subscription Agreement” (the “First Sovereign Subscription Agreement”).

32. Pursuant to the First Sovereign Subscription Agreement, Sovereign purchased twenty (20) Series 2012 Convertible Preferred Class D shares of DECN (the “First 2012 Convertible Shares”) at a purchase price of twelve thousand five hundred dollars (\$12,500.00) per share for a total purchase price of two hundred fifty thousand dollars (\$250,000.00).

33. Pursuant to the First Sovereign Subscription Agreement, sixty thousand (60,000) bonus common stock purchase warrants were attached to each of the First 2012 Convertible Shares.

34. As set forth at Paragraph (g)(i)(A) in an Amendment to the First Sovereign Subscription Agreement, the First 2012 Convertible Shares “shall be convertible, at the option of the holder thereof [i.e., Sovereign], at any time after thirty-six months and one day from the time such shares of Series D Preferred Stock are issued ...”

35. Significantly, pursuant to Paragraph (g)(iii) of the Amendment to the First Sovereign Subscription Agreement, Defendants expressly represented that DECN would not take any action to “avoid or seek to avoid the observance of or performance of” Sovereign’s right to convert the First 2012 Convertible shares.

36. Additionally, pursuant to Paragraph (g)(iii) of the Amendment to the First Sovereign Subscription Agreement, Defendants expressly represented that DECN would “at all



1 times in good faith assist in the carrying out of” Sovereign right to convert the First 2012  
2 Convertible shares.

3 **b. The Second Sovereign Subscription Agreement**

4 37. Thereafter, in or about October 2017, Sovereign again invested in DECN by and  
5 through another “Convertible Preferred Class D Subscription Agreement” (the “Second  
6 Sovereign Subscription Agreement”).

7 38. Pursuant to the Second Sovereign Subscription Agreement, as amended by a  
8 subsequent Amendment to Subscription Agreement, Sovereign purchased fourteen (14) Series  
9 2012 Convertible Preferred Class D shares of DECN (the “Second 2012 Convertible Shares”) at a purchase price of twelve thousand five hundred dollars (\$12,500.00) per share for a total  
10 purchase price of one hundred seventy five thousand dollars (\$175,000.00). Additionally, as a  
11 bonus for consideration agreed upon by and between Sovereign and DECN, Sovereign was  
12 granted six (6) additional Second 2012 Convertible Shares, which were accorded the same  
13 rights to convert to Sovereign, and imposed the same obligations to convert upon Defendants.  
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17 39. Pursuant to the Second Sovereign Subscription Agreement, sixty thousand  
18 (60,000) bonus common stock purchase warrants were attached to each of the Second 2012  
19 Convertible Shares.

20 40. As set forth at Paragraph (g)(i)(A) in an Amendment to the Second Sovereign  
21 Subscription Agreement, the Second 2012 Convertible Shares “shall be convertible, at the  
22 option of the holder thereof [i.e., Sovereign], at any time after thirty-six months and one day  
23 from the time such shares of Series D Preferred Stock are issued ...”  
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**B. Defendants' Fraudulent Efforts To Capitalize on the Covid-19 Pandemic**

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2 46. In January 2020, Covid-19 was spreading throughout Europe and Asia. Shortly  
3 thereafter, the first cases of Covid-19 were detected in the United States. By January 31, 2020,  
4 the Secretary of Health and Human Services declared Covid-19 a national public health  
5 emergency. By March 11, 2020, the Covid-19 outbreak was officially declared a global  
6 pandemic.

7  
8 47. Of critical necessity, adequate and affordable Covid-19 testing did not exist at  
9 the outset of the pandemic, and governments and businesses throughout the world immediately  
10 reacted in an effort to meet this demand.

11 48. Given this calamity, Defendants sought to unscrupulously capitalize on the  
12 Covid-19 pandemic by convincing DECN investors and the unsuspecting public that DECN  
13 was uniquely positioned to develop and distribute an at-home test that could detect the Covid-  
14 19 virus.

15  
16 49. At the beginning of 2020, Defendants were in an exceedingly dire financial  
17 position. Berman confirmed that Defendants financial situations were “perilous”, and that  
18 DECN was forced to let go employees as a result. See Indictment dated December 15, 2020, ¶  
19 9, United State of America v. Berman, United States District Court, District of Columbia,  
20 Criminal Case No. 1:20-cr-00278, Document No. 1 (the “Indictment”).

21 50. Notwithstanding Defendants’ “perilous” financial position, DECN, by and  
22 through Berman, routinely minimized and misrepresented the financial position of DECN, all  
23 while Berman was using DECN as his “alter ego” and misappropriating its funds for his own  
24

1 personal benefit. Indeed, upon information and belief, throughout 2019 and 2020, “Berman  
2 misappropriated hundreds of thousands of dollars from DECN for his own personal use and  
3 benefit.” See Indictment, ¶¶ 7-8.

4 51. Upon information and belief, Berman similarly used PharmaTech as his “alter  
5 ego” and personal piggy bank. Upon information and belief, Berman misappropriated and  
6 diverted funds from DECN, including those funds invested by Plaintiffs, to PharmaTech.

7 52. Defendants sought to remedy their financial condition by artificially  
8 manipulating DECN’s share price, by “(a) making materially false and misleading public  
9 statements related to DECN’s purported COVID-19 test; (b) concealing the true facts about  
10 DECN’s purported COVID-19 test; (c) diverting the proceeds of the scheme for his personal  
11 use and benefit; and (d) concealing the scheme ...” from interested parties, such as Plaintiffs.  
12 See Indictment, ¶ 12.

13 53. In particular, DECN, by and through Berman, knowingly misstated and  
14 misrepresented the readiness, availability and capabilities of its alleged COVID-19 screening  
15 test. DECN coordinated its misrepresentations with PharmaTech, in which it misrepresented  
16 that DECN’s alleged COVID-19 screening test would be widely available and accessible by  
17 and through PharmaTech. Among other means of dissemination, Defendants made such  
18 misrepresentations through DECN’s and PharmaTech’s websites, and through official press  
19 releases and various other forms of disclosures. See Indictment ¶¶ 16-32; See also  
20 <http://investor.decisiondiagnostics.co/press.html>; See  
21 <https://pharmatechsolutions.co/genviro.html>  
22  
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1           54. For example, on or about March 16, 2020, DECN, by and through Berman  
2 issued a press release confirming that DECN was implementing a plan by which it would bring  
3 at least 100,000 kits of DECN's alleged COVID-19 screening test to the United States market,  
4 and 100,000 kits to the European market, by May 2020. See  
5 [https://www.accesswire.com/580769/DECN-Updates-on-Its-Corona-Virus-Testing-Product-](https://www.accesswire.com/580769/DECN-Updates-on-Its-Corona-Virus-Testing-Product-GenviroTM-With-200000-Kits-to-Be-Provided-in-USA-EU-Prior-to-the-Summer-12-Month-Forecast-Updated-to-480mm)  
6 [GenviroTM-With-200000-Kits-to-Be-Provided-in-USA-EU-Prior-to-the-Summer-12-Month-](https://www.accesswire.com/580769/DECN-Updates-on-Its-Corona-Virus-Testing-Product-GenviroTM-With-200000-Kits-to-Be-Provided-in-USA-EU-Prior-to-the-Summer-12-Month-Forecast-Updated-to-480mm)  
7 [Forecast-Updated-to-480mm](https://www.accesswire.com/580769/DECN-Updates-on-Its-Corona-Virus-Testing-Product-GenviroTM-With-200000-Kits-to-Be-Provided-in-USA-EU-Prior-to-the-Summer-12-Month-Forecast-Updated-to-480mm)  
8

9           55. Upon learning this news, a member of Plaintiffs called Berman to inquire as to  
10 the specifics of DECN's plan. No specifics were provided, rather, Berman simply hung the  
11 telephone instead of providing any response.

12           56. On or about March 20, 2020, DECN, by and through Berman, issued a press  
13 release celebrating that its COVID-19 screening test was progressing through FDA approvals,  
14 and that DECN secured thirteen million dollars (\$13,000,000.00) of financing. See  
15 [https://www.accesswire.com/581701/DECN-to-Finance-2Q-2020-Roll-Out-of-its-GenViro-](https://www.accesswire.com/581701/DECN-to-Finance-2Q-2020-Roll-Out-of-its-GenViro-Covid-19-Rapid-Kits-Using-Non-Dilutive-Debt-Financing-Totaling-13-Million-Acquired-in-Near-0-Rate-Environment)  
16 [Covid-19-Rapid-Kits-Using-Non-Dilutive-Debt-Financing-Totaling-13-Million-Acquired-in-](https://www.accesswire.com/581701/DECN-to-Finance-2Q-2020-Roll-Out-of-its-GenViro-Covid-19-Rapid-Kits-Using-Non-Dilutive-Debt-Financing-Totaling-13-Million-Acquired-in-Near-0-Rate-Environment)  
17 [Near-0-Rate-Environment](https://www.accesswire.com/581701/DECN-to-Finance-2Q-2020-Roll-Out-of-its-GenViro-Covid-19-Rapid-Kits-Using-Non-Dilutive-Debt-Financing-Totaling-13-Million-Acquired-in-Near-0-Rate-Environment)  
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19           57. Remarkably, despite DECN's alleged procurement of such purported financing,  
20 Berman complained to the members of Plaintiffs that DECN did not have sufficient funds by  
21 which to proceed with the manufacture and distribution of its COVID-19 screening test.

22           58. Thereafter, DECN, by and through Berman, issued a false press release that  
23 DECN had entered into a vital distributorship agreement with a company owned by members  
24

1 of Plaintiffs. See [https://www.bloomberg.com/press-releases/2020-04-23/decn-to-submit-](https://www.bloomberg.com/press-releases/2020-04-23/decn-to-submit-second-eua-application-for-covid-19-15-home-testing-genviro-swift-kit-reports-huge-response-from-for)  
2 [second-eua-application-for-covid-19-15-home-testing-genviro-swift-kit-reports-huge-response-](https://www.bloomberg.com/press-releases/2020-04-23/decn-to-submit-second-eua-application-for-covid-19-15-home-testing-genviro-swift-kit-reports-huge-response-from-for)  
3 [from-for](https://www.bloomberg.com/press-releases/2020-04-23/decn-to-submit-second-eua-application-for-covid-19-15-home-testing-genviro-swift-kit-reports-huge-response-from-for) The content of the press release, which attempted to legitimize DECN’s purported  
4 COVID-19 screening test, was an outright lie. No relationship ever existed between DECN and  
5 the aforementioned company, either to assist in the sale of COVID-19 screening tests or for any  
6 other basis.

7  
8 59. This was not the only example of Defendants’ flagrant misrepresentation of  
9 DECN’s distribution of its purported COVID-19 screening test. DECN promoted that it was  
10 forging a distributorship agreement with Major League Baseball (“MLB”). DECN’s promotion  
11 was a fabrication, as no such agreement was ever realized. Rather, only a member of Plaintiffs  
12 introduced Berman to a contact with a MLB franchise, and nothing further came of this simple  
13 introduction.

14  
15 60. In fact, Plaintiffs have come to learn, virtually, all, if not all, of the information  
16 disseminated by DECN, by and through Berman, concerning DECN’s purported COVID-19  
17 screening test was false. See Indictment, ¶ 35.

18  
19 61. Neither DECN, nor Berman, ever developed or created a COVID-19 screening  
20 test kit, let alone one that was either ready to pass FDA approvals or be available for  
21 distribution. Id.

22  
23 62. As a result of Defendants’ fraudulent conduct, the United States of America  
24 issued the Indictment, and, on or about December 17, 2020, the Securities and Exchange  
25 Commission filed a Complaint against Defendants alleging violations of Section 10(b) of the

1 Exchange Act and Rule 10b-5 thereunder. See Indictment; see also Securities and Exchange  
2 Commission v. Keith Berman and Decision Diagnostics Corp., United States District Court,  
3 Southern District of New York, Case No. 1:20-cr-10658, Document No. 1, the “Complaint”.

4 63. At no time did Plaintiffs or any of its members have any knowledge of  
5 Defendants wrongful, fraudulent and unlawful conduct perpetrated by Defendants.

6 **C. DECN and Berman’s Unlawful Refusal to Permit Plaintiffs to Exercise**  
7 **their Conversion Rights**

8 64. DECN, by and through Berman, wrongfully rejected Plaintiffs right to exercise  
9 their conversion rights in the various DECN securities they owned while and at a time when  
10 Plaintiffs would have realized tens of millions of dollars in profits upon the conversion and sale  
11 of the shares.

12 65. At each and every instance that Plaintiffs sought to lawfully exercise their  
13 conversion rights, DECN, by and through Berman, wrongfully and unlawfully precluded,  
14 prevented and prohibited the conversion.  
15

16 66. For example, in March 2020, LICGO specifically informed Defendants that it  
17 was exercising its right to convert its 2011 Convertible Shares. Rather than acceding to  
18 LICGO’s rightful request, DECN, by and through Berman, wrongfully proffered  
19 misinformation with respect to as to certain prerequisites to effectuate LICGO’s conversion and  
20 wrongfully rejected the same.  
21

22 67. Thereafter, in April 2020, LICGO again sought to exercise its right to convert its  
23 2011 Convertible Shares. As LICGO had already held the 2011 Convertible Shares for the  
24 requisite period of time to permit conversion thereof, DECN’s obligations at that time were  
25

1 clear and unambiguous – DECN had no right other than to convert the 2011 Convertible  
2 Shares. DECN, by and through Berman, however, wrongfully denied LICGO its lawful  
3 opportunity to convert, stating “uhhhh ... not for awhile.”

4 68. In response to LICGO’s prompt challenge to Defendants’ wrongful rejection of  
5 its right to convert, Defendants wrongful and unlawful response was merely “I cannot allow  
6 that to happen.” Significantly, and without equivocation, the LICGO Subscription Agreement  
7 does not confer on DECN the discretion to accept or reject LICGO’s right for conversion, nor  
8 does the Subscription Agreement provide any reservation by which DECN could refuse to  
9 convert the Convertible Shares to common stock.  
10

11 69. The same unlawful conduct that Defendants inflicted on LICGO’s attempted  
12 conversion request similarly befell Sovereign and Paradigm. Berman, on behalf of DECN,  
13 summarily ignored and rejected Plaintiffs’ conversion rights, childishy responding that "the  
14 store is closed" and that Plaintiffs should "go away" or "fuck off."  
15

16 70. For example, in March 2020, Paradigm requested that its shares be issued  
17 pursuant to the Paradigm Independent Contractor Agreement; DECN and Berman rejected this  
18 lawful request, and refused to issue such shares. Rather, Berman, on behalf of DECN,  
19 misrepresented that the issuance would occur, and asked Paradigm to “give me a few days.... I  
20 am a little busy this week.” Berman, on behalf of DECN, made similar excuses to the other  
21 Plaintiffs, and at no point thereafter did DECN ever issue the requisite shares owed.  
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23 71. Inequitably, during the same time period when DECN and Berman were  
24 wrongfully frustrating and wrongfully refusing to permit Plaintiffs to exercise their conversion  
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rights, DECN, by and through Berman, authorized the conversion of, leading to the sales of,  
hundreds of millions of DECN shares by other investors.

**FIRST COUNT**

**(Breach of Contract)**

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3 72. Plaintiffs repeat and reallege the previous allegations of the Complaint as if  
4 more fully set forth herein.

5 73. Pursuant to the various Subscription Agreements, and the Independent  
6 Contractor Agreement (collectively, the “Agreements”), defendant DECN was contractually  
7 bound to Plaintiffs to, among other things, to convert DECN securities for the benefit of  
8 Plaintiffs.

9  
10 74. Plaintiffs fulfilled all of its obligations to defendant DECN under the  
11 Agreements.

12 75. Defendant DECN materially breached its contractual obligations owed  
13 Plaintiffs.

14 76. As a result of those breaches, Plaintiffs have been damaged.

**SECOND COUNT**

**(Breach of Implied Covenant of  
Good Faith and Fair Dealing)**

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18 77. Plaintiffs repeat and reallege the previous allegations of the Complaint as if  
19 more fully set forth herein.

20 78. Pursuant to the common law of the State of California, there is inherent in every  
21 contract an implied covenant of good faith and fair dealing.  
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**FOURTH COUNT**

**(Breach of Fiduciary Duty)**

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3 87. Plaintiffs repeat and reallege the previous allegations of the Complaint as if  
4 more fully set forth herein.

5 88. Berman, as officer, director, employee, principal or agent of the corporate  
6 defendant, DECN, owed a fiduciary duty to Plaintiffs.

7 89. By reason of the foregoing, Berman breached his fiduciary duties to Plaintiffs  
8 and is liable for the damages cause thereby.

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10 90. Plaintiffs have been substantially damaged as a result of defendant Berman's  
11 wrongful conduct.

**FIFTH COUNT**

**(Trover and Conversion)**

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14 91. Plaintiffs repeat and reallege the previous allegations of the Complaint as if  
15 more fully set forth herein.

16 92. Defendants wrongfully obtained, and wrongfully continue to exercise dominion  
17 and control over Plaintiffs' assets, namely, Plaintiffs common stock in DECN, in a manner  
18 which is inconsistent with Plaintiffs' rights.

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20 93. By reason of the foregoing, Defendants are liable for the damages caused  
21 thereby.

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**SIXTH COUNT**

**(Unjust Enrichment)**

94. Plaintiffs repeat and reallege the previous allegations of the Complaint as if more fully set forth herein.

95. By reason of the foregoing alleged above, Defendants have been unjustly enriched at Plaintiffs' expense.

**SEVENTH COUNT**

**(Conspiracy and Aiding and Abetting)**

96. Plaintiffs repeat and reallege the previous allegations of the Complaint as if more fully set forth herein.

97. By reason of the foregoing, Defendants joined in a conspiracy, the common purpose and effect of which was to unlawfully obtain the monies and/or assets of Plaintiffs for their own use and benefit, and to conceal the fact of such improper conduct from Plaintiffs and perform other acts in furtherance of the conspiracy.

98. Each of the Defendants committed acts in furtherance of the conspiracy and aided and abetted the others' unlawful actions.

99. By reason of the foregoing, Defendants are liable for the damages caused thereby.

**EIGHTH COUNT**

**(Piercing the Corporate Veil)**

100. Plaintiffs repeat and reallege the previous allegations of the Complaint as if more fully set forth herein

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101. As alleged above, DECN and PharmaTech are merely the “alter egos” of Berman.

102. As alleged above, DECN and PharmaTech share identical equitable ownership in the two entities.

103. As alleged above, DECN and PharmaTech’s directors and officers of the two entities are one and the same and share in the responsible supervision and management of the two entities.

104. Upon information and belief, sole ownership of all of the stock in the two entities is controlled by Berman.

105. As alleged above, DECN and PharmaTech use the same office or business location.

106. Upon information and belief, DECN and PharmaTech share employment of the same employees.

107. As alleged above, DECN and PharmaTech, by and through Berman’s facilitation and assistance, fail to maintain an arm’s length relationships among the two related entities.

108. As a matter of law, the Court should disregard the corporate formalities of DECN and PharmaTech, and pierce the corporate veils of DECN and PharmaTech, as it would promote injustice and bring about an inequitable result to allow Berman to avoid liability by standing behind corporate formalities which he flagrantly ignored and/or refused to abide by.

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**NINTH COUNT**

**(Violations of Sections 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder)**

109. Plaintiffs repeat and reallege the previous allegations of the Complaint as if more fully set forth herein.

110. DECN and Berman, in connection with the purchase and sale of securities, by the use of the means and instrumentalities of interstate commerce and by the use of the mails, directly and indirectly: (a) used and employed devices, schemes and artifices to defraud; (b) made untrue statements of material fact and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices and courses of business which operated or would have operated as a fraud and deceit upon sellers and purchasers and prospective purchasers of securities.

111. DECN and Berman acted with scienter in that they knowingly or recklessly made the material misrepresentations and omissions and engaged in the fraudulent scheme described above.

112. By reason of the foregoing conduct alleged above, DECN and Berman violated Section 10(b) of the Exchange Act, 15 U.S.C. 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. 240.10b-5.

**TENTH COUNT**

**(Violations of California Corp. Code § 25401)**





1 recover the consideration paid for the security, plus interest at the legal rate, less the amount of  
2 any income received on the security, upon tender of the security.

3 119. By reason of the foregoing conduct alleged above, DECN and Berman violated  
4 California Corp. Code § 25401.

5 **PRAYER FOR RELIEF**

6 WHEREFORE, Plaintiffs demand judgment against Defendants as follows:

7  
8 a. Temporarily restraining Defendants from disposing of all or part of their assets,  
9 pending appointment of a receiver and a completion of an accounting and restitution to  
10 Plaintiffs;

11 b. Enjoining and restraining Defendants temporarily and pending trial, directly or  
12 indirectly, from selling, transferring, encumbering, hypothecating, or otherwise alienating or  
13 impairing their interests in any real or personal property in which they have any interest,  
14 whether said interest be equitable or legal in nature;

15  
16 c. Preliminarily enjoining Defendants from disposing of Plaintiffs' assets fraudulently  
17 obtained by them;

18 d. Requiring Defendants to make a full accounting, disclosure and return of Plaintiffs'  
19 monies;

20 e. Imposing a constructive trust upon Defendants' assets, pending completion of the  
21 accounting and restitution to Plaintiffs;

22  
23 f. Appointing a custodial receiver of all Defendants' assets, pending completion of the  
24 accounting and restitution to Plaintiffs;

1 g. Piercing the corporate veil of DECN and PharmaTech to hold Berman responsible  
2 for any and all conduct alleged against each entity;

3 h. Compensatory and/or consequential damages;

4 i. Punitive damages;

5 j. Rescission;

6 k. Restitution;

7 l. Costs of suit and attorneys' fees;

8 m. Costs of investigation; and

9 n. Granting such further equitable relief as the Court may deem appropriate.

10  
11 **JURY DEMAND**

12 Plaintiffs hereby demand a trial by jury on all issues of the Complaint so triable.

13  
14 Dated: March 17, 2021

WILENTZ, GOLDMAN & SPITZER, P.A.

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