

1 **WORKPLACE JUSTICE ADVOCATES, PLC**

2 Tamara S. Freeze, California Bar No. 239037

3 Shirin Forootan, California Bar No. 260390

4 400 Spectrum Drive, Suite 560

5 Irvine, California 92618

6 Telephone: (949) 378-9794

7 tf@workplacejustice.com

8 sf@workplacejustice.com

9 **LIM LAW GROUP, P.C.**

10 Preston Lim, California Bar No. 275249

11 3435 Wilshire Blvd., Suite 2350

12 Los Angeles, California 90010

13 Telephone: (213) 900-3000

14 phl@limlawgroup.com

15 SUPERIOR COURT FOR THE STATE OF CALIFORNIA

16 COUNTY OF LOS ANGELES

17 CURTIS HEFFERNAN, an individual,

18 Plaintiff,

19 vs.

20 IGNITE INTERNATIONAL, LTD., a  
21 Wyoming corporation; IGNITE  
22 INTERNATIONAL BRANDS, LTD, a  
23 Canadian corporation, DAN  
24 BILZERIAN, an individual, and DOES  
25 1 through 50, inclusive,

26 Defendants.

CASE NO.

**COMPLAINT FOR DAMAGES**

1. WHISTLEBLOWER RETALIATION  
[Cal. Labor Code § 1102.5];
2. DEFAMATION (SLANDER);
3. WRONGFUL TERMINATION IN  
VIOLATION OF PUBLIC POLICY

**DEMAND FOR JURY TRIAL**

**PARTIES**

1. Plaintiff CURTIS HEFFERNAN (hereinafter “HEFFERNAN” or “Plaintiff”) is, and at all times mentioned herein was a resident of the County of Los Angeles, California and was an employee of Defendant IGNITE INTERNATIONAL, LTD.

2. Plaintiff alleges on information and belief that Defendant IGNITE INTERNATIONAL, LTD is a Wyoming corporation duly organized and existing under the laws of

1 the State of Wyoming with its principal business office in California at 10979 Chalon Road, Los  
2 Angeles and also conducting business at 5930 W. Jefferson Blvd., Los Angeles, CA 90016. Plaintiff  
3 further alleges on information and belief that Defendant IGNITE INTERNATIONAL, LTD is a  
4 limited company registered and existing under the laws of the State of California and that IGNITE  
5 employed Plaintiff at its Los Angeles locations (WeWork, 10250 Constellation Blvd, Suite 100, Los  
6 Angeles, CA 90067 and 5930 W. Jefferson Blvd., Los Angeles, CA 90016). Plaintiff further alleges  
7 on information and belief that IGNITE INTERNATIONAL, LTD, at all relevant times mentioned  
8 herein, was and currently is licensed to do business in California and was and is currently conducting  
9 business through California with its principle executive office registered with the California  
10 Secretary of States at 10979 Chalon Rd, Los Angeles, CA 90077.

11 3. Plaintiff further alleges that IGNITE INTERNATIONAL, LTD is a wholly-owned  
12 subsidiary of Defendant IGNITE INTERNATIONAL BRANDS, LTD, a Canadian corporation with  
13 its headquarters located at 11 Cidermill Avenue, Vaughan, Ontario, L4K 4B6 1B3. IGNITE  
14 INTERNATIONAL BRANDS, LTD is a publicly traded company currently listed on the Canadian  
15 Securities Exchange (“CSE”), trading under the symbol “BILZ” and on the OTCQX trading under  
16 the symbol “BILZF”. The Company was originally incorporated in the Province of British Columbia  
17 on February 25, 1985 under the name “Info-Stop Communications Inc.” by articles of incorporation  
18 pursuant to the provisions of the Ministry of Consumer and Corporate Affairs Company Act. On  
19 May 30, 2019, the Company completed a business combination constituting a reverse takeover  
20 transaction and acquired all of the shares of IGNITE INTERNATIONAL, LTD. The term “IGNITE”  
21 herein includes Defendants IGNITE INTERNATIONAL, LTD and IGNITE INTERNATIONAL  
22 BRANDS, LTD. IGNITE is in the business of selling cannabidiol (“CBD”), cannabis, and beverage  
23 products.

24 4. Plaintiff alleges on information and belief that Defendant DAN BILZERIAN  
25 (“BILZERIAN”) is IGNITE’s Chairman of Board and CEO and a resident of Los Angeles at 10979  
26 Chalon Rd, Los Angeles, CA 90077. Plaintiff is further informed and believes, and based thereon  
27 alleges, that BILZERIAN was at all times relevant hereinacting within the purpose and scope of  
28

1 IGNITE's agency and employment.

2 5. Plaintiff alleges on information and belief that Defendants Does 1 through 20 were  
3 and are corporations or other business entities, which were authorized to and did business in Los  
4 Angeles County, California. Plaintiff further alleges on information and belief that at all times  
5 mentioned herein, Defendants Does 1 through 20's business activities in the State of California were  
6 and are substantially greater than their business activities in any other state or country, and that a  
7 substantial predominance of their business activity is conducted in California. As such, Defendants  
8 Does 1 through 20 are citizens of California.

9 6. Plaintiff alleges on information and belief that Defendants Does 21 through 50 were  
10 and are individuals who at all relevant times herein were and are employees, managers, supervisors,  
11 managing agents or officers of Defendants, having the actual or apparent authority to participate in  
12 or recommend decisions affecting the Plaintiff's job benefits and employment status. Plaintiff  
13 further alleges that at all times herein mentioned, Defendants Does 21 through 50, were in the chain  
14 of command over the Plaintiff and had sufficient actual or reasonably perceived power or control or  
15 direction in the work environment of the Plaintiff so as to significantly affect Plaintiff's employment  
16 status.

17 7. Plaintiff is ignorant of the true names and capacities of Defendants sued herein as  
18 Does 1 through 50, inclusive, and therefore sues these Defendants by such fictitious names. Plaintiff  
19 will amend this Complaint to allege their true names and capacities when the names are ascertained.  
20 Plaintiff is informed and believes and thereon alleges that each of the fictitiously named Defendants  
21 are responsible in some manner for the occurrences, discriminatory and wrongful acts alleged herein,  
22 and that Plaintiff's damages alleged herein were proximately caused by these Defendants. The term  
23 "DEFENDANTS" herein includes Doe Defendants.

24 8. Plaintiff is informed and believes and thereon alleges that, each of the Defendants,  
25 including the fictitiously named Defendants, was the agent and employee of each of the remaining  
26 Defendants, and in doing some of the things hereinafter alleged, was acting within the scope and  
27 course of such agency. Plaintiff further alleges that the acts and conduct of said Defendants, as  
28

1 hereinafter alleged, which were intentional and/or retaliatory, were not related to personnel actions  
2 and were neither a risk, an incident, nor a normal part of the Plaintiff's employment with Defendants.

3 9. Plaintiff is informed and believes and thereon alleges that at all relevant times herein,  
4 Defendants IGNITE, and DOES 1 through 50, were the agents, employees, and/or joint ventures of,  
5 or working in concert with the other Defendants, and were acting within the course and scope of  
6 such agency, employment, joint venture and/or concerted activity. To the extent that said conduct  
7 and omission were perpetrated by Defendants and their agents, Defendants confirmed and ratified  
8 said conduct and omissions.

9 10. At all times mentioned herein, IGNITE, and DOES 1 through 50, and each of them,  
10 were the agents, servants, and alter-egos of each other, and as such, the acts of one Defendant are  
11 considered the acts of all Defendants. Plaintiff is informed and believes, and thereon alleges, that  
12 there is such unity of interests and ownership between these defendants that separate status no longer  
13 exists and, further, observance of the fiction of separate existence among these defendants would  
14 sanction fraud and promote injustice.

15 11. Whenever and wherever reference is made in this Complaint to any act by a  
16 Defendant or Defendants, such allegations and references shall also be deemed to mean the acts and  
17 failures to act of each Defendant acting individually, jointly, and severally.

18 12. Whenever and wherever reference is made to individuals who are not named as  
19 Plaintiff or Defendant in this Complaint but were agents, servants, employees and/or supervisors of  
20 Defendants, such individuals at all relevant times acted on behalf of Defendants within the scope of  
21 their employment.

### 22 VENUE AND JURISDICTION

23 13. This Court has proper jurisdiction over this action. Plaintiff at all relevant times was  
24 a resident of the County of Los Angeles.

25 14. Plaintiff is informed and believes that Defendant IGNITE and DOES 1 through 20,  
26 at all relevant times mentioned herein, and were and currently are licensed to do business in  
27 California and were and currently are conducting business throughout California.

28



1 concerns.” The Code further stated that “The Corporation assets are meant for business use and not  
2 for personal or any other use, unless otherwise approved by the Corporation. We all have  
3 responsibility to protect and safeguard the Corporation assets from loss, theft, misuse and waste. . .  
4 If you became aware of theft, misuse or waste of your assets or funds or have any questions about  
5 your proper use of them, you should speak with your supervisor.” The Code also emphasized that  
6 “misappropriation of the Corporation’s assets is a breach of your duty to the Corporation and may  
7 be an act of fraud against the Corporation.”

8 23. The Code further set policies and standards for the accounting practices at IGNITE:  
9 “The books and records of the Corporation must reflect in reasonable detail all its transactions in a  
10 timely and accurate manner in order to, among other things, permit the preparation of accurate  
11 financial statements in accordance with general accounting principles . . . All business transactions  
12 must be properly authorized. All transactions must be supported by accurate documentation in  
13 reasonable detail and recorded properly . . . No information must be concealed from the auditors, the  
14 internal audit function, the Audit Committee or the Board. In addition, it is unlawful to fraudulently  
15 influence, coerce, manipulate or mislead any independent public or certified accountant who is  
16 auditing our financial statements.”

17 24. IGNITE also maintained a Whistleblower Policy, which protected employees from  
18 retaliation if they reported “questionable accounting or auditing practices.”

19 25. As a publicly traded company, IGNITE hired Davidson & Company, LLP, Chartered  
20 Professional Accountants, as its auditor. IGNITE also had its own internal Audit Committee, which  
21 included Defendant Luciano (Lu) Galasso and Thomas Kofman. The Audit Committee was  
22 responsible for reviewing IGNITE’s financial statements and company expenses.

23 26. In May, 2020, Davidson & Company, LLP was conducting an audit of the  
24 consolidated financial statements of IGNITE, which comprised of the consolidated statements of  
25 financial position as at December 31, 2019 and 2018 and the consolidated statements of loss and  
26 comprehensive loss, cash flows and changes in shareholders’ equity for the years then ended, and a  
27 summary of significant accounting policies and other explanatory information.  
28

1           27.     On May 15, 2020, Plaintiff received an email from Vice President of Finance, Carrie  
2 Magee, stating that “without the support of planned cash infusion into IGNITE,” the auditors will  
3 not support IGNITE’s latest statement to investors, and called them “going concerns.”

4           28.     On May 29, 2020, former Chief Financial Officer and current consultant and  
5 representative of BILZERIAN, Scott Rohleder, emailed Plaintiff his suggested changes to the budget  
6 that were supposed to allow for the budget projection to achieve breakeven. His suggestions  
7 included, among other things, converting the Paycheck Protection Program loan (“PPP”) and a \$5  
8 million option payment on the 10979 Chalon Road property as “miscellaneous income.”

9           29.     On June 6, 2020, during a call with Paul Bilzerian and Mr. Rohleder, Plaintiff  
10 objected to and refused to artificially inflate the budget to fabricate IGNITE’s profitability by  
11 misclassifying the PPP loan and the \$5 million option payment as “miscellaneous income.” Through  
12 the beginning of June 2020, Plaintiff continued to push back on Paul Bilzerian’s and Mr. Rohleder’s  
13 pressure to fabricate the budget to artificially inflate IGNITE’s potential revenue and profitability to  
14 pass the audit and raised serious concerns regarding acquisition of a new company, Ignite  
15 Distribution.

16           30.     Because Davidson & Company, LLP was raising uncomfortable questions about  
17 IGNITE’s suspicious expenses, in May 2020, Paul Bilzarian, Dan Bilzarian and Mr. Rohelder  
18 unilaterally decided to replace Davidson & Company, LLP with Accell Audit & Compliance, PA or  
19 alternatively add Accell Audit & Compliance PA as a co-auditor. Plaintiff objected to this decision  
20 as there was a clear conflict of interest because Mr. Rohleder was or is on the Board of Accell Audit  
21 & Compliance, PA and could have used his influence to misrepresent and fabricate IGNITE’s  
22 finances. On June 6, 2020, Plaintiff wrote an email to General Counsel Linda Menzel, stating that  
23 he found that “the suggestion of requesting [Davidson & Company, LLP] to resign based on their  
24 audit of [IGNITE’s] financials and subsequent findings was completely inappropriate.” The email  
25 stated that Plaintiff was “not in an agreement on bringing Accell on.”

26           31.     On June 1, 2020, Zachary Faure, a CPA from Davidson & Company, LLP, sent a  
27 draft of the audit findings report (“Report”) for 2019, listing \$843,014.06 in expenses that appeared  
28

1 to be “personal in nature,” to IGNITE’s Audit Committee (Luciano (Lu) Galasso, Thomas Kofman,  
2 and Carrie Magee (IGNITE’s VP of Finance). Ms. Magee sent the draft report to Plaintiff on the  
3 same day. The Report listed significant deficiencies in IGNITE’s internal control systems, including  
4 “lack of internal controls and documented standard operating procedures around the review and  
5 approval of expenses.”

6 32. The Report flagged significant unusual transactions by IGNITE, such as a short term  
7 promissory note for \$15,000,000 with an entity whose principal shareholder is a former director of  
8 IGNITE, “significant expenses put through on a private credit card from Dan Bilzerian” which were  
9 reimbursed by IGNITE, IGNITE payment of 50% of €703,000 for a yacht rental, £102,000 for a two  
10 night stay in London, significant loss incurred on disposal of leasehold improvements made to a  
11 leased property owned by 30 Meadowhawk Lane (a company owned by Dan Bilzarian), a \$65,000  
12 acquisition of “Four Element Guns & Star Wars Set” which was recoded as a leasehold  
13 improvement, and disposed leasehold improvements in excess of \$350,000, which included a paint  
14 ball field (\$75K), rock climbing wall (\$40K), pool renovation (\$31K), games room (\$45K), bed  
15 frame (\$50K), theatre projector (\$25K), Ping Pong Table (\$15,000), and vault (\$88K), to name a  
16 few.

17 33. In addition, the Report flagged “a number of entries with descriptions which suggest  
18 an expense is personal in nature rather than business related.” The Report attached the list of the  
19 suspicious transactions. Based on Plaintiff’s review of the Report, numerous charges did not appear  
20 to be business expenses. For example, the IGNITE’s purported “business expenses” included  
21 (among others) a charge for “leftover liquor from Valentine’s party” (\$18,187.70), an unexplained  
22 charge for a flight from Las Vegas to London (\$104,150), thousands of dollars for transportation of  
23 “models” as Defendant BILZERIAN’s “guests,” an excessive charge for a Bahamas photo shoot  
24 (\$130,340), a social media charge for boosting Instagram followers (\$26,000) and numerous charges  
25 for Instacart, groceries, lotions, razors, trash bags, kitchen gloves, bedding, paper plates, “snacks for  
26 staff,” a laundry detergent, a dishwasher, Trader Joe’s and Amazon. The Report requested that  
27 IGNITE’s “audit committee review this list with management and confirm that these expenses are  
28

1 all related to business operations.”

2 34. On June 5, 2020, Plaintiff received an email from the Board Member and Audit  
3 Committee Member Thomas Kofman that stated that the auditors were asking for “back up regarding  
4 the IK launch and approvals/documentation.” The email asked Plaintiff to provide those “at [the]  
5 earliest convenience.”

6 35. On the same day, Plaintiff received an email from Mr. Rohleder regarding “Ignite’s  
7 expenditures.” Mr. Rohleder stated that the auditors “require management approval of these  
8 expenditures, which by the fact that they were paid by the company, is a defacto approval.” Mr.  
9 Rohleder further added that “the audit firm will not sign off on the audit unless management takes  
10 responsibility for the expenditures, once again, due to lack of documented sign offs,” and pressured  
11 Plaintiff to sign off on the unverified IGNITE’s expenditures.

12 36. On June 6, 2020, Plaintiff received an email from Board Member and Audit  
13 Committee Member Lu Galasso stating that IGNITE needs Plaintiff to “promptly” confirm to the  
14 auditors that “all the items in [Appendix II- Marketing Expenses compiled by the auditor] are 100%  
15 business expenses (not personal)” and stating specifically that “[t]hey want that sign-off from  
16 Curtis.”

17 37. Plaintiff’s review of the Davidson & Company, LLP’s Report and IGNITE’s  
18 exuberant so-called “business expenses,” however, raised a serious concern of financial fraud,  
19 investor fraud, deceptive accounting practices and tax evasion by IGNITE. These charges  
20 particularly concerned Plaintiff, since in 2019, IGNITE reported losses of \$69 million, which  
21 included \$22.3 million in “marketing expenses” (in Canadian dollars). Given that IGNITE only  
22 made \$9.7 million in revenue in 2019 (in Canadian dollars), Plaintiff was extremely uncomfortable  
23 by the largely excessive and inappropriate “business” expenses.

24 38. Suspecting fraud, Plaintiff refused to blindly sign off on what he reasonably believed  
25 to be false “business” expenses. On June 6, 2020, he sent an email to IGNITE management, stating  
26 that he could not confirm that the expenses were “100% business related as [he has] no back up  
27 and/or justification from the person who submitted them. [He has] never seen any of these charges  
28

1 and was not aware that the company had paid for them until the appendix was sent to [him] yesterday.  
2 If [he is] being asked to sign off, [he is] more than willing to review each. However, until [he] has  
3 more details, [he] can't approve [the marketing expenses in the Appendix II].”

4 39. On June 6, 2020, Plaintiff was on a budget call with Paul Bilzerian, Scott Rohleder,  
5 Carrie Magee, Dennis Lider, and John Schafer. During the call, Plaintiff highlighted the fact that  
6 due to the impact of COVID-19 and previously signed lease contracts, IGNITE can no longer  
7 support excessive ongoing (and mostly personal) expenses by BILZARIAN, which included a  
8 \$200,000/month lease for BILZARIAN's residence at 10979 Chalon Road. Plaintiff emphasized  
9 that IGNITE was struggling to get to break even knowing that this is one of their largest company  
10 expenses, that IGNITE's cash was low, funding going forward would be difficult, additional  
11 Directors/Officers were being assigned to the company, and that IGNITE had a compounded lease  
12 payment due (\$450k in July 2020). This was a follow up conversation from the May 28, 2020 board  
13 meeting, where Plaintiff and one of IGNITE's board members expressed their concern over the  
14 expense of the 10979 Chalon house lease based on the ongoing social distancing requirements in  
15 holding large scale in-person marketing events. At that point, Defendant BILZARIAN jumped in as  
16 the Chairman of the Board and said: “I'm going to be doing some summer pool parties and will  
17 utilize the house.”

18 40. On June 7, 2020, during a company meeting, BILZERIAN falsely accused Plaintiff  
19 of “taking drugs” and “acting strange.” However, Plaintiff has never taken drugs. To clear his name,  
20 Plaintiff was willing to take a drug test.

21 41. On the following day, June 8, 2020, Plaintiff was terminated.

22  
23 **FIRST CAUSE OF ACTION**

24 **WHISTLEBLOWER RETALIATION**

25 (California Labor Code §1102.5)

26 (By Plaintiff Against Defendant IGNITE and Does 1 through 20, inclusive)

27 42. Plaintiff repeats and re-alleges the allegations set forth above and incorporates the  
28

1 same by reference as though fully set forth herein.

2 43. California Labor Code § 1102.5(b) provides that “[a]n employer, or any person acting  
3 on behalf of the employer, shall not retaliate against an employee for disclosing information, or  
4 because the employer believes that the employee disclosed or may disclose information, to a  
5 government or law enforcement agency, to a person with authority over the employee or another  
6 employee who has the authority to investigate, discover, or correct the violation or noncompliance,  
7 or for providing information to, or testifying before, any public body conducting an investigation,  
8 hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a  
9 violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal  
10 rule or regulation, regardless of whether disclosing the information is part of the employee's job  
11 duties.”

12 44. California Labor Code § 1102.5(c) provides that “[a]n employer, or any person acting  
13 on behalf of the employer, shall not retaliate against an employee for refusing to participate in an  
14 activity that would result in a violation of state or federal statute, or a violation of or noncompliance  
15 with a local, state, or federal rule or regulation.”

16 45. Plaintiff disclosed illegal accounting practices to IGNITE’s management and  
17 opposed Defendant’s unlawful and fraudulent accounting practices of inflating the company’s  
18 budget by misclassifying the items on the financial statements and the unlawful practice of reporting  
19 unsupported expenses as business expenses. He did so in several ways, including but not limited to,  
20 refusing to sign off on the fraudulent “business” expenses, objecting to hiring a new audit company  
21 due to a conflict of interest, and reporting his concerns to IGNITE about inflating the Defendant’s  
22 budget by adding large miscellaneous income to manipulate the budget.

23 46. Plaintiff reasonably believes that his endorsement of fabricated “business” expenses,  
24 approval of the artificially inflated budget by misclassifying “income,” and hiring of a new third-  
25 party audit firm to make approval of BILZERIAN’s personal expenses without proper verifications,  
26 would have resulted in a violation of a state or federal statute or a violation of or noncompliance with  
27 a local, state and federal rules or regulations, including tax evasion, deceptive accounting practices,  
28

1 tax and accounting fraud/misrepresentation, and investor fraud.

2 47. Plaintiff alleges that Defendants and Does 1 through 20, inclusive terminated his  
3 employment for disclosing illegal accounting practices and refusing to participate in the Defendant's  
4 illegal and unethical practices.

5 48. Plaintiff's activity, which is protected by Section 1102.5 of the Labor Code, was a  
6 contributing factor in the retaliation of Defendants and Does 1 through 20, inclusive against Plaintiff  
7 as described in this complaint.

8 49. As a result of the foregoing conduct, Plaintiff has suffered special and general damages  
9 in an amount in excess of the minimum jurisdiction of this court, the precise amount to be proven at  
10 trial.

11 50. As a direct, foreseeable, and proximate result of Defendant and Does 1 through 20,  
12 inclusive conduct, as alleged above, Plaintiff has suffered and continues to suffer lost past and future  
13 income, benefits, career opportunities, and other economic loss, the precise amount of which will be  
14 proven at trial.

15 51. As a direct, foreseeable, and proximate result of Defendant and Does 1 through 20,  
16 inclusive conduct, as alleged above, Plaintiff has suffered and continues to suffer great anxiety,  
17 embarrassment, anger, loss of enjoyment of life, and emotional distress, the precise amount of which  
18 will be proven at trial.

19 52. The above-recited actions of Defendant were done with malice, fraud or oppression,  
20 and in conscious, despicable and reckless disregard of Plaintiff's rights under California Labor Code.  
21 In addition, Defendants retaliated Plaintiff in a willful manner and in conscious disregard of his  
22 rights and did the foregoing things alleged herein in unjust disregard of Plaintiff's rights. Plaintiff is  
23 entitled to and seeks punitive damages against each Defendant herein in an amount according to  
24 proof.

25 53. The foregoing conduct by Defendant IGNITE and Does 1 through 20, inclusive, was  
26 a substantial factor in causing Plaintiff's harm.

27  
28

1 **SECOND CAUSE OF ACTION**

2 **DEFAMATION (SLANDER)**

3 (By Plaintiff Against All Defendants)

4 54. PLAINTIFF repeats and re-alleges the allegations set forth above and incorporates  
5 same by reference as though fully set forth herein.

6 55. Plaintiff is informed and believes Defendants, and each of them, by the herein-  
7 described acts, conspired to, and in fact, did negligently, recklessly, and intentionally cause excessive  
8 and unsolicited internal and external oral publication of defamation, of and concerning Plaintiff, to  
9 third persons and to the community. This false and defamatory oral statement included express and  
10 implied accusations that Plaintiff is taking drugs.

11 56. During the above-described time-frame, Defendants, and each of them, conspired to,  
12 and in fact, did negligently, recklessly, and intentionally cause excessive and unsolicited  
13 publication of this defamation, of and concerning Plaintiff, to third persons, who had no need or  
14 desire to know. The defamatory meaning of the false and defamatory oral statement and its reference  
15 to Plaintiff was understood by these above-referenced third person recipients.

16 57. The defamatory publication included the above described false and defamatory  
17 statement (in violation of Civil Code § 46(3)(5)) with the meaning and/or substance that Plaintiff was  
18 taking drugs, resulting in his immediate termination without a fair and thorough investigation or  
19 allowing Plaintiff an opportunity to address and refute the false and defamatory accusations.

20 58. None of Defendants' defamatory oral publications against Plaintiff referenced above  
21 are true.

22 59. The false defamatory per se oral publication (as set forth above) was negligently,  
23 recklessly, and intentionally published in a manner equaling malice. The publication was made with  
24 hatred, ill will, and an intent to vex, harass, annoy, and injure Plaintiff. The publication was made in  
25 order to retaliate against Plaintiff for refusing to inflate IGNITE's budget for the auditors, refusing to  
26 sign off on the IGNITE's 2019 business expenses, as well as for his opposition to the hire of the Vice-  
27 Chairman, and his opposition to having Accell Audit & Compliance, PA as IGNITE's supplemental  
28

1 auditor on the IGNITE's 2018 and 2019 audit.

2 60. The Defendants published this slanderous statement knowing it to be false,  
3 unsubstantiated by any reasonable investigation, recklessly published without giving Plaintiff a  
4 meaningful chance to respond to or refute the accusations, and as the result of information from  
5 knowingly hostile witnesses. The acts of an oral publication were known by Defendants, and each of  
6 them, to be negligent to such a degree as to be reckless. In fact, not only did Defendants, and each of  
7 them, have no reasonable basis to believe this statement, but they also had no belief in the truth of  
8 this statement, and in fact knew the statement to be false.

9 61. The above complained-of oral publication by Defendants, and each of them, was  
10 made with hatred and ill will towards Plaintiff and the design and intent to injure Plaintiff, Plaintiff's  
11 good name, his reputation, employment and employability. Defendants, and each of them, published  
12 these statements, not with an intent to protect any interest intended to be protected by any privilege,  
13 but with negligence, recklessness and/or an intent to injure Plaintiff and destroy his reputation,  
14 employment and career. Therefore, no privilege existed to protect any of the Defendants from liability  
15 for any of this aforementioned publication or republication.

16 62. As a proximate result of the defamatory statements by Defendants, and each of them,  
17 Plaintiff has suffered injury to his personal, business and professional reputation including suffering  
18 embarrassment, humiliation, severe emotional distress, shunning, anguish, fear, loss of employment,  
19 and employability, and significant economic loss in the form of lost wages and future earnings, all to  
20 Plaintiff's economic, emotional, and general damage in an amount according to proof.

21 63. Defendants by and through their managing agents and officers committed, authorized,  
22 and ratified the acts alleged herein recklessly, maliciously, fraudulently, and oppressively, with the  
23 wrongful intention of injuring Plaintiff, for an improper and evil motive amounting to malice (as  
24 described above), and which abused and/or prevented the existence of any conditional privilege,  
25 which in fact did not exist, and with a reckless and conscious disregard of Plaintiff's rights. All actions  
26 of Defendants, and each of them, their agents, employees, managing agents and officers as herein  
27 alleged were known, authorized, ratified and approved by the Defendants. Plaintiff thus is entitled to  
28

1 recover punitive and exemplary damages from Defendants BILZARIAN, and Does 1 through 50, and  
2 each of them, for these wanton, obnoxious, and despicable acts in an amount based on the wealth and  
3 ability to pay according to proof at time of trial.

4  
5 **THIRD CAUSE OF ACTION**

6 **WRONGFUL TERMINATION IN VIOLATION OF PUBLIC POLICY**

7 (By Plaintiff Against Defendant IGNITE and Does 1 through 20)

8 64. Plaintiff repeats and re-alleges the allegations set forth above, and incorporates the  
9 same by reference as though fully set forth herein.

10 65. Plaintiff was employed by Defendant and Does 1 through 20, inclusive at all time  
11 herein.

12 66. Plaintiff is informed and believes and thereon alleges that Defendant and Does 1  
13 through 20 inclusive terminated his employment for reasons that violate public policy. Plaintiff was  
14 retaliated against on the basis of his refusal to misclassify income on the company's financial  
15 statements and sign-off on the unsupported fabricated "business" expenses in violation of state and  
16 federal laws.

17 67. Defendant and Does 1 through 20, inclusive's termination of Plaintiff's employment  
18 violates public policy of the State of California as Defendant retaliated and discharged Plaintiff for  
19 refusing to inflate Defendant's budget for the auditors and refusing to sign off on the Defendant's  
20 fraudulent "business" expenses, a practice which is explicitly prohibited by California Labor Code §  
21 1102.5. These acts by Defendant constitute a wrongful termination of Plaintiff in violation of public  
22 policy.

23 68. Plaintiff's refusal to inflate the company's budget by misclassifying the items on the  
24 financial statements and his refusal to report the unsupported expenses on the Defendant's financial  
25 statements was a substantial motivating reason for Plaintiff's termination.

26 69. As a proximate result of the said termination, Plaintiff has suffered and continues to  
27 suffer substantial losses in earnings and other employment benefits according to proof.

28



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**DEMAND FOR JURY TRIAL**

Plaintiff demands a trial by jury as to all issues so triable.

Date: July 7, 2020

WORKPLACE JUSTICE ADVOCATES, PLC



By: \_\_\_\_\_  
Tamara S. Freeze, Esq.  
Attorneys for CURTIS HEFFERNAN