

Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Robert Draper

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JOHN JENKINS

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

JOHN JENKINS, an individual,
Plaintiff,
v.
URBAN COMMONS, LLC, a Delaware limited liability company; GROVER BEACH CAPITAL, LLC, a California limited liability company; HOWARD WU, an individual; TAYLOR WOODS, an individual; and DOES 1-20, inclusive,
Defendants.

Case No.: **21STCV08954**

COMPLAINT FOR DAMAGES

- 1. Breach of Contract;**
- 2. Fraud/Intentional Misrepresentation;**
- 3. Negligent Misrepresentation/Reliance;**
- 4. Failure to Pay Compensation for All Time Worked;**
- 5. Violation of Labor Code § 203;**
- 6. Violation of Labor Code § 558.1; and**
- 7. Violation of Business & Professions Code section 17200, et seq.**

**PUNITIVE DAMAGES
DEMAND FOR JURY TRIAL
UNLIMITED JURISDICTION**

1 Plaintiff JOHN JENKINS (“Plaintiff”), hereby, brings this Complaint against Defendants URBAN
2 COMMONS, LLC (“Urban Commons”); GROVER BEACH CAPITAL, LLC, (“Grover Beach”);
3 HOWARD WU (“Mr. Wu”); and TAYLOR WOODS (“Mr. Woods”) (collectively, “Defendants”).
4 Plaintiff alleges as follows on knowledge as to himself and his known acts, and on information and belief
5 as to all other matters:

6 **I. THE PARTIES**

7 1. Plaintiff is a resident of Los Angeles County and, at all times relevant, performed work for
8 Defendants and/or entered into one or more enforceable contracts with Defendants in said County.

9 2. Urban Commons is a Delaware limited liability company with its principal place of
10 business located at 10250 Constellation Blvd., Ste. 1750, Los Angeles, CA 90067. At all times relevant,
11 Urban Commons committed all the wrongful acts alleged herein.

12 3. Grover Beach is a California limited liability company with its principal place of business
13 located at 10250 Constellation Blvd., Ste. 1750, Los Angeles, CA 90067. At all times relevant, Grover
14 Beach committed all the wrongful acts alleged herein.

15 4. On information and belief, Mr. Wu is a resident of Los Angeles County and, at all times
16 relevant, was a principal or officer of Urban Commons and/or Grover Beach. Mr. Wu also committed all
17 the wrongful acts alleged herein.

18 5. On information and belief, Mr. Woods is a resident of Los Angeles County and, at all times
19 relevant, was a principal or officer of Urban Commons and/or Grover Beach. Mr. Woods also committed
20 all the wrongful acts alleged herein.

21 6. The true names and capacities of Defendants sued herein as Does 1-20, inclusive are
22 unknown to Plaintiff at this time, but Plaintiff will amend this Complaint if and when the true names of
23 said Defendants become known to him. Upon information and belief, each of the Defendants sued herein
24 as a Doe is legally responsible in some manner for the events and happenings referred to herein; and any
25 reference to “Defendant” or “Defendants” shall mean “Defendants and each of them.”

26 7. Defendants are individually, jointly, and severally liable for the wrongful conduct alleged
27 herein because each Defendant directly or indirectly, or through an agent or any other person, has
28 exercised control over one another. Plaintiff is informed and believes and based thereon alleges that, at all

1 times relevant, each Defendant has been the agent and employee of its Co-Defendants, and in doing the
2 things alleged in this Complaint has been acting within the course and scope of that agency and
3 employment.

4 **II. JURISDICTION AND VENUE**

5 8. This Court has jurisdiction over this action pursuant to the California Constitution,
6 specifically Article VI, Section 10, which grants the Superior Court original jurisdiction in all cases except
7 those given by statute to other courts. The statutes under which this action is brought do not specify any
8 other basis for jurisdiction.

9 9. This Court has jurisdiction over all Defendants because, upon information and belief, at all
10 relevant times each Defendant has had sufficient minimum contacts in California, or otherwise has
11 intentionally availed itself of California law so as to render the exercise of jurisdiction over it by a
12 California Court consistent with traditional notions of fair play and substantial justice.

13 10. Venue is proper in this Court because, upon information and belief, each named Defendant
14 transacts business in Los Angeles County, and/or the acts and omissions alleged herein took place within
15 Los Angeles County.

16 **III. FACTUAL BACKGROUND**

17 **A. Contract/Wage Allegations**

18 11. On or about May 16, 2019, Plaintiff was hired as “Chief Operations Officer” by Eagle
19 Hospitality REIT Management Pte. Ltd. (“Eagle Hospitality”) and Grover Beach. At the time of his hiring,
20 he was promised significant bonus compensation, as noted in his offer letter. (**Exhibit “A.”**) Specifically,
21 he was promised (i) an immediate “IPO stock bonus” of “\$1M value” (hereinafter referred to as the “IPO
22 Stock Bonus”) and (ii) a “[g]uaranteed first year bonus . . . of \$275K stock” (hereinafter referred to as the
23 “Guaranteed Stock Bonus”). (*Id.*)

24 12. As partial fulfillment of the promises in the offer letter, Eagle Hospitality and Grover Beach
25 asked Plaintiff on December 12, 2019, to execute a Restricted Securities Award Agreement with a wholly
26 separate entity—Urban Commons. (**Exhibit “B.”**) Under the terms of that agreement, Urban Commons
27 promised to immediately issue Plaintiff his Guaranteed Stock Bonus, in lieu of Eagle Hospitality and
28 Grover Beach. (*Id.*; *see also* Exhibit “A.”)

1 13. However, Urban Commons failed to issue the promised stock after several months.
2 Plaintiff promptly complained in early 2020, after which on May 22, 2020, Urban Commons, Mr. Wu,
3 and Mr. Woods (collectively, the “Sponsors”) signed a “deed of undertaking” with Plaintiff that
4 supplemented the terms of the Restricted Securities Award Agreement. **(Exhibit “C.”)** In this deed, the
5 Sponsors promised to issue Plaintiff the Guaranteed Stock Bonus as well as the IPO Stock Bonus on or
6 before August 19, 2020. **(Exhibit “C.”)** The Sponsors also agreed to assume all liability for payment of
7 both Bonuses, a term Plaintiff consented to. **(See Exhibit “C,” ¶ 2.1(b).)**

8 14. Thereafter, the Sponsors signed and delivered a “Clarification Letter” to Plaintiff on July
9 3, 2020 that made clear the IPO Stock Bonus originally promised in his offer letter **(see Exhibit “A”)**
10 would be “an obligation” that the Sponsors solely would assume, to the exclusion of Eagle Hospitality
11 and Grover Beach, “from the date of the [original] Employment Letter.” **(Exhibit “D.”)**

12 15. Notwithstanding the Sponsors’ written promise to pay both the IPO Stock Bonus and the
13 Guaranteed Stock Bonus, they all failed to pay these Bonuses even through the present time.

14 **B. Fraud Allegations**

15 16. At the time of his hiring, Plaintiff was promised he would be paid the IPO Stock Bonus
16 and the Guaranteed Stock Bonus by the end of 2019 or by early 2020 *at the latest*. However, payment of
17 these Bonuses was not made, as promised, by either of those dates. When Plaintiff complained about this
18 to Mr. Wu and Mr. Woods, they both assured him that payment would be forthcoming. First, they
19 promised that payment would be made by March 2020. But, when payment was not made then, the goal
20 post kept moving and was delayed month after month.

21 17. **On information and belief, and based further on the evidence that will be discovered in this**
22 **case, Plaintiff believes the Sponsors clearly delayed payment of both of his Bonuses because they knew**
23 **the equity that the Bonuses were based on would eventually crash and be worth nothing by the end of**
24 **2020. And, in fact, that is exactly what happened.**

25 18. Based on the foregoing, Plaintiff has suffered grave financial harm, including at least
26 \$1.275M USD in fraud and/or contract damages.

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1 **IV. CAUSES OF ACTION**

2 **FIRST CAUSE OF ACTION**

3 **(Breach of Contract—Against Urban Commons, Howard Wu, and Taylor Woods Only)**

4 19. Plaintiff re-alleges the allegations in paragraphs 1-18, inclusive, and hereby incorporates
5 them by reference as though fully set forth herein.

6 20. Plaintiff and the Sponsors signed various contracts that together required the Sponsors to
7 pay Plaintiff an IPO Stock Bonus and a Guaranteed Stock Bonus. (*See, e.g., Exhibits “A” through “D.”*)

8 21. Plaintiff fully performed all his obligations under the contracts. Yet, the Sponsors failed to
9 reciprocate, failed to fully perform all their obligations thereunder, and materially breached the contracts,
10 including by failing to deliver Plaintiff the promised “bonus” payments he was entitled to, i.e., his IPO
11 Stock Bonus and his Guaranteed Stock Bonus.

12 22. Because of the Sponsors’ material breach, Plaintiff has suffered significant monetary
13 damages. Plaintiff thus seeks all contract damages to which he is entitled, including all consequential and
14 incidental damages relating to the breach.

15 **SECOND CAUSE OF ACTION**

16 **(Fraud/Intentional Misrepresentation—Against Urban Commons,**
17 **Howard Wu, and Taylor Woods Only)**

18 23. Plaintiff re-alleges the allegations in paragraphs 1-22, inclusive, and hereby incorporates
19 them by reference as though fully set forth herein.

20 24. The Sponsors defrauded and/or intentionally made representations to Plaintiff that they
21 knew were materially false in order to induce Plaintiff to delay any legal action for his unpaid bonus
22 wages.

23 25. Plaintiff relied on the Sponsors’ misrepresentations to his detriment.

24 26. Plaintiff’s reliance was justifiable, and because of his reliance, he has suffered severe
25 economic, general, and special damages, amounting to at least \$1.275M USD.

26 27. Because the Sponsors’ conduct (in defrauding Plaintiff) exhibited an intent to knowingly
27 deceive Plaintiff, thereby depriving him of his property and legal rights, and otherwise causing him injury,
28 and because said conduct was so despicable and subjected Plaintiff to cruel and unjust hardship in

1 conscious disregard of his rights, Plaintiff also is entitled to an award of exemplary and punitive damages
2 according to proof. Moreover, the willful conduct of Sponsors warrants an assessment of punitive damages
3 in an amount appropriate to punish Defendants and deter others from engaging in similar wrongful conduct
4 against individuals like Plaintiff.

5 **THIRD CAUSE OF ACTION**

6 **(Negligent Misrepresentation/Reliance—Against Urban Commons,**

7 **Howard Wu, and Taylor Woods Only)**

8 28. Plaintiff re-alleges the allegations in paragraphs 1-27, inclusive, and hereby incorporates
9 them by reference as though fully set forth herein.

10 29. The Sponsors made representations to Plaintiff that were materially false in order to induce
11 him to delay any legal action for his unpaid bonus wages.

12 30. Plaintiff relied on the Sponsors' representations to his detriment. (Moreover, in the absence
13 of these representations, Plaintiff would have pursued legal action against the Sponsors much sooner when
14 the stock underlying his Bonuses were worth something and could be sold, traded, and/or converted for
15 USD.)

16 31. Plaintiff's reliance was justifiable, and because of Plaintiff's reliance, he suffered
17 economic, general, and special damages.

18 **FOURTH CAUSE OF ACTION**

19 **(Failure to Pay Wages—Against Urban Commons, Grover Beach,**

20 **Howard Wu, and Taylor Woods)**

21 32. Plaintiff re-alleges the allegations in paragraphs 1-31, inclusive, and hereby incorporates
22 them by reference as though fully set forth herein.

23 33. Plaintiff was entitled to "wages" within the meaning of Labor Code sections 200.

24 34. The Sponsors knowingly, intentionally, and willfully failed to pay to Plaintiff all wages
25 owed to him under the parties' contracts found at **Exhibits "A" through "D."**

26 35. Plaintiff performed all of the duties and obligations required of him by the Sponsors under
27 these contracts. Plaintiff also met all lawful conditions precedent to payment of all wages specified under
28 these contracts.

1 36. For all these reasons, Plaintiff is entitled to all the wages, including all bonus compensation,
2 owed under his contracts with the Sponsors.

3 37. In addition, Plaintiff is entitled to unpaid wages from Grover Beach. Plaintiff was not paid
4 any wages for work performed for Grover Beach between December 12, 2020 and January 1, 2021. He
5 also was not paid for holiday time on January 1, 2021. Finally, he was not paid out his accrued but unused
6 vacation wages at the time of his termination. For all these reasons, he is owed at least \$48,461.55 in
7 unpaid wages from Grover Beach.

8 38. In addition, and pursuant to Labor Code section 200, *et seq.*, Plaintiff is entitled to recover
9 attorneys' fees, costs, interests, and penalties, all in an amount to be proven at trial.

10 **FIFTH CAUSE OF ACTION**

11 **(Violation of Labor Code § 203—Against All Defendants)**

12 39. Plaintiff re-alleges the allegations in paragraphs 1-38, inclusive, and hereby incorporates
13 them by reference as though fully set forth herein.

14 40. California employers must compensate an employee all wages owed not later than 72 hours
15 after the termination of employment.

16 41. Defendants knowingly and intentionally failed to pay Plaintiff all compensation (including
17 bonus and vacation wages) he was owed within 72 hours of his termination of employment.

18 42. As a direct and proximate result of the unlawful conduct of Defendants, as set forth herein,
19 Plaintiff has sustained damages, including loss of earnings, in an amount to be established at trial.

20 43. Plaintiff is entitled waiting time penalties under California Labor Code §§ 201 to 203, equal
21 to thirty (30) days of Plaintiff's wages.

22 44. As a further direct, legal, and proximate result of the conduct of Defendants, Plaintiff was
23 caused to and did employ the services of counsel to prosecute this action, and is accordingly entitled to an
24 award of attorneys' fees according to proof.

25 **SIXTH CAUSE OF ACTION**

26 **(Violation of Labor Code § 558.1—Against All Defendants)**

27 45. Plaintiff re-alleges the allegations in paragraphs 1-44, inclusive, and hereby incorporates
28 them by reference as though fully set forth herein.

1 55. The harm to Plaintiff in being wrongfully denied lawfully earned wages outweighs the
2 utility, if any, of Defendants' policies or practices and, therefore, Defendants' actions described herein
3 constitute an unfair business practice or act within the meaning of the UCL.

4 56. The unlawful and unfair business practices and acts of Defendants, as described above, has
5 injured Plaintiff in that he was wrongfully denied the payment of earned compensation, both at his regular
6 rate and overtime wages.

7 57. Plaintiff seeks recovery of attorneys' fees and costs of this action to be paid by Defendants,
8 as provided by the UCL and applicable law.

9 58. As a result of the unfair business practices of Defendants as alleged herein, Plaintiff is
10 entitled to restitution in amounts according to proof at trial.

11 **V. PRAYER FOR RELIEF**

12 WHEREFORE, Plaintiff prays for judgment against Defendants, jointly and severally, as follows:

- 13 1. For general, compensatory, and economic damages according to proof;
- 14 2. For special and/or non-economic damages according to proof;
- 15 3. For all damages arising from Defendants' breach of contract, including all consequential
16 and incidental damages relating to the breach;
- 17 4. For all damages arising from Defendants' fraudulent conduct;
- 18 5. For prejudgment interest;
- 19 6. For an award of exemplary and punitive damages according to proof;
- 20 7. For reasonable attorneys' fees available under all applicable statutes, including but not
21 limited to Labor Code §§ 218.5, 226, 1102.5(j), 1194, 1197, 1198.5, and 2802, and
22 California Code of Civil Procedure § 1021.5;
- 23 8. For penalties and premiums available under applicable law, including Labor Code §§ 203,
24 226, 226.3, 226.7, 558, and 1198.5;
- 25 9. For liquidated damages under applicable law, including Labor § 1194.2.
- 26 10. For statutory penalties for unfair business practices pursuant to California Business and
27 Professions Code section 17206, according to proof at trial;
- 28 11. For restitution as provided by California Business and Professions Code §17200, *et seq.*;

- 1 12. For costs of suit herein incurred; and
2 13. For such other relief as the Court deems proper.

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4 DATED: March 5, 2021

EQUITY LEGAL GROUP, P.C.

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8 By: _____
9 Kevin W. Chiang
10 Attorneys for Plaintiff
11 JOHN JENKINS

12 **DEMAND FOR JURY TRIAL**

13 Plaintiff hereby demands trial by jury on all issues so triable in the Complaint.
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15 DATED: March 5, 2021

EQUITY LEGAL GROUP, P.C.

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18
19 By: _____
20 Kevin W. Chiang
21 Attorneys for Plaintiff
22 JOHN JENKINS
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