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Mark Mooney

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YU CHUNG KOO

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FILED
LOS ANGELES SUPERIOR COURT

MAY 22 2009

JOHN A. CLARKE, CLERK
John A. Clarke
BY MARY GARCIA, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, CENTRAL JUDICIAL DISTRICT

BC 414375

YU CHUNG KOO, an individual,

Plaintiff,

vs.

HUANG CHO HONG, an individual a/k/a Joe Hong; XI FAN HONG, an individual a/k/a Fred Hong; SIU LING LI, an individual; YAN NAN HONG, an individual; HONGYE STONE, INC., a California corporation; and DOES 1 through 50, inclusive,

Defendants.

Case No.:

COMPLAINT FOR:

1. FRAUD IN INDUCEMENT;
2. BREACH OF CONTRACT;
3. BREACH OF DIRECTORS' FIDUCIARY DUTIES AND REMOVAL OF DIRECTORS;
4. ACCOUNTING;
5. INVOLUNTARY DISSOLUTION OF CORPORATION AND APPOINTMENT OF RECEIVER
6. DECLARATORY RELIEF;
7. EMBEZZLEMENT BY FIDUCIARY;
8. RESTITUTION AND CONSTRUCTIVE TRUST;
9. FALSE IMPRISONMENT;
10. ASSAULT;
11. BATTERY;
12. INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS

CIT/CASE: BC414375 LEA/DEF#:
RECEIPT #: CCH478057107
DATE PAID: 05/22/09 03:45:13 PM
PAYMENT: \$350.00 0310
RECEIVED:
CHECK: 350.00
CASH:
CHANGE:
FUND:

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ORIGINAL

1 Plaintiff Alleges:

2 **General Allegations:**

3 1. Plaintiff YU CHUNG KOO, an individual ("Plaintiff") is, and was at all relevant
4 times a resident of Los Angeles County, California.

5 2. Plaintiff is informed and believes and based thereon alleges that defendant,
6 HUANG CHO HONG, an individual, also known as Joe Hong ("JOE"), is and was at all relevant
7 times a resident of and/or doing business in Los Angeles County, California.

8 3. Plaintiff is informed and believes and based thereon alleges that defendant,
9 XI FAN HONG, an individual, also known as Fred Hong ("FRED"), is and was at all relevant
10 times a resident of and/or doing business in Los Angeles County, California. On information and
11 belief, FRED is JOE's son.

12 4. Plaintiff is informed and believes and based thereon alleges that defendant,
13 SIU LING LI, an individual ("SIU"), is and was at all relevant times a resident of and/or doing
14 business in Los Angeles County, California.

15 5. Plaintiff is informed and believes and based thereon alleges that defendant,
16 YAN NAN HONG, an individual ("YAN"), is and was at all relevant times a resident of and/or
17 doing business in Los Angeles County, California.

18 6. Plaintiff is informed and believes and based thereon alleges that defendant,
19 HONGYE STONE, INC. ("HONGYE"), has at all relevant times been a Corporation organized
20 under the laws of the State of California, with its principal place of business in Los Angeles
21 County, California.

22 7. Plaintiff is ignorant of the true names and capacities of defendants sued as DOES
23 1 through 50, inclusive, and therefore sues these defendants by such fictitious names. Plaintiff
24 believes that each fictitiously sued defendant was in some way responsible for the acts alleged in
25 the complaint. Plaintiff will amend this complaint to allege their true names and capacities when
26 ascertained.

27 8. Plaintiff is informed and believes and based thereon alleges that at all times
28 mentioned herein, JOE, FRED, SIU, YAN, HONGYE and DOES 1 through 50 at all relevant
times were, each the agent, servant, employee, joint venturer, partner and/or co-conspirators of

1 one another, and to the extent of doing the acts alleged herein, each acted within the course and
2 scope of said agency, service, employment, joint venture, partnership and/or conspiracy.

3 9. Plaintiff is informed and believes that the "corporate" form of HONGYE and
4 other corporate defendants should be disregarded, and the remaining defendants, and each of
5 them, should be held liable for all obligations of the corporate defendants hereunder alleged, due
6 to fraud, defalcation, undercapitalization, lack of observance of corporate formalities, unity of
7 interest and ownership, abuse of corporate privilege, undercapitalization, transfer of corporate
8 assets without adequate consideration, domination, intermingling of assets, use of corporation as
9 mere shell and instrumentality, and/or improper distribution of corporate assets.

10 10. This action is not subject to Sections 1812.10 or 2984.4 of the California Civil
11 Code. This action is subject to Section 395 of the California Code of Civil Procedure. The
12 obligations were entered into in, and/or when the obligations were entered into the defendant(s)
13 resided in, and/or when this action was commenced the defendant(s) resided in, and/or the
14 obligations herein alleged were to be performed were to be performed in this judicial district
15 and/or Defendants' tortious conduct caused injuries within this judicial district.

16 FACTUAL OVERVIEW

17 11. Plaintiff incorporated HYSTONE DEPOT, INC. ("HYSTONE") under California
18 law in February 2007. Since HYSTONE's incorporation, Plaintiff was the sole shareholder,
19 officer and director of HYSTONE. Conformed copies of HYSTONE's Articles of Incorporation
20 and the initial Statement of Information are collectively attached hereto as "Exhibit 1" and
21 incorporated herein by reference. HYSTONE was in the business of stone and marble supply
22 and installation. Plaintiff opened HYSTONE's business account with Bank of America, where
23 Plaintiff was the sole signatory.

24 12. At all relevant times mentioned herein, Plaintiff has been the lawful tenant of the
25 real property located at 3268 Rosemead Boulevard, El Monte, California (the "Warehouse").
26 Since its incorporation, HYSTONE has occupied the Warehouse and conducted business therein.

27 13. On or about June 2007, SIU, JOE and YAN approached Plaintiff with a
28 proposition to "invest" in HYSTONE and become co-shareholders of HYSTONE. SIU proposed
that SIU will invest \$75,000 in cash as consideration for receiving HYSTONE's shares. JOE and
YAN indicated that they are the owners of HONGYE, a competitor of HYSTONE. JOE and

1 YAN proposed to merge HONGYE into HYSTONE as consideration for receiving HYSTONE's
2 shares. Defendants proposed that after these contributions, Plaintiff would hold one-quarter
3 (25%) of the shares of HYSTONE, and each of SIU, JOE and YAN would hold one-quarter
4 (25%) of the shares of HYSTONE. JOE prepared a "shareholder agreement" to this effect which
5 the parties signed on or about June 29, 2007. A true copy of this shareholder agreement is
6 attached hereto as "Exhibit 2" and incorporated herein by reference. At the time Plaintiff signed
7 this document, Plaintiff believed Defendants would perform on their promises.

8 14. On or about the June 19, 2007, Plaintiff, JOE, FRED, SIU, and YAN were present
9 at the offices of HYSTONE's accountant, Kit Leung, CPA. That day, JOE started a verbal
10 argument with Plaintiff, and while this argument was taking place, defendants removed from the
11 accountant's office HYSTONE's corporate minute book, containing HYSTONE's Articles of
12 Incorporation, the bylaws, the minutes of corporate meetings, the stock certificates and the
13 corporate seal. Kit Leung, CPA later stated that FRED had taken the corporate minute book.
14 Plaintiff inquired FRED about this and FRED stated that FRED had turned the corporate minute
15 book over to JOE. Plaintiff demanded JOE to return the minute book, to no avail. Plaintiff
16 believes the verbal argument caused by JOE was a pretext to allow defendants to convert the
17 corporate minute book.

18 15. Soon after removing the corporate minute book, defendants filed a with the
19 California Secretary of State, a Statement of Information dated June 19, 2007, purporting to strip
20 Plaintiff's of ownership, officership and directorship in HYSTONE. A conformed copy of this
21 Statement of Information is attached as "Exhibit 3" and incorporated herein by this reference.

22 16. On or about June 19, 2007, prior to signing of the "shareholder agreement" on
23 June 29, 2007, without Plaintiff's knowledge and consent, defendants opened a bank account for
24 HYSTONE with Washington Mutual Bank. Plaintiff was not given signatory power on this
25 Washington Mutual bank account, nor was Plaintiff aware of the existence of this bank account.
26 Defendants have taken control of HYSTONE's sales, and take all proceeds of sale for themselves
27 or deposit them into the Washington Mutual bank account.

28 17. HYSTONE's account with Bank of America became depleted as defendants
forced Plaintiff to pay all HYSTONE expenses from this Bank of America account, but refused
to deposit any of HYSTONE's income into that bank account.

1 18. Defendants did not provide their promised investments into HYSTONE. Yet,
2 Defendants usurped control of HYSTONE, ousted Plaintiff from HYSTONE, and subsequently
3 merged the assets of HYSTONE into HONGYE. This is the exact opposite of the transaction
4 defendants had promised to Plaintiff.

5 19. On information and belief, soon after defendants approached Plaintiff about
6 investing into HYSTONE, they also approached another business owner with a similar proposal.
7 To wit, on or about January 2008, SIU, JOE and YAN approached Jason Tsao, the owner of
8 Rock Castle Enterprises ("R.C.E."), and offered to merge HONGYE into R.C.E. as consideration
9 for receiving R.C.E.'s shares. Defendants prepared and signed another "shareholder agreement"
10 with the owner of R.C.E., which shareholder agreement is nearly identical to the shareholder
11 agreement defendants signed with Plaintiff.¹ A copy of the shareholder agreement with Jason
12 Tsao is attached hereto as "Exhibit 4".²

13 20. On or about August 7, 2007 at approximately 8:00 O'clock in the evening, at the
14 Warehouse, while Plaintiff was present at the Warehouse, JOE closed and locked the doors of
15 office and the Warehouse, so Plaintiff could not exit. As a result JOE seized Plaintiff and
16 forcibly, against Plaintiff's will, and without his consent and over his protest, and caused Plaintiff
17 by force and threats of physical violence to remain in the office within the Warehouse for a
18 period approximately an hour (60 minutes). During this time JOE refused to reconcile cash
19 receipts and attempted to deny Plaintiff's participation in operation and access to books, records
20 and accounts by the use of threats and coercion. JOE threatened to attack Plaintiff by force. JOE
21 violently took away all cash and checks received and taking away all books and receipts.
22 Starting from this date, all revenues, whether cash, checks or credit cards are taken away by JOE,
23 and any checks made payable to the business were likely deposited into the Washington Mutual

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¹ Plaintiff is informed and believes there is pending litigation in that matter, in the case
of Hongye Stone, Inc., et al. vs. Jason Tsao, et al., Los Angeles Superior Court, Central District,
Case number BC 404245.

² Pursuant to the June 29, 2007 shareholder agreement (Exhibit 2), HONGYE should
have been merged into HYSTONE and all the assets of HONGYE should have become part of
HYSTONE. Defendants' promise to use the same underlying assets of HONGYE as
contribution of capital into the merger with R.C.E. is a testament to defendants' fraudulent intent.

1 account under JOE's control.

2 21. On or about October 8, 2007, at approximately 11:30 O'clock in the morning, at
3 the office and the Warehouse, JOE approached Plaintiff in a menacing manner, with closed fists,
4 and stated JOE's intention of striking plaintiff with his hands, fist and elbow. Joe struck plaintiff
5 in the face with his fists and elbow, directing the blows to plaintiff's head and body, causing
6 injuries inter alia to Plaintiff's left eye and lips. Thereafter, JOE violently assaulted Plaintiff
7 causing injuries to Plaintiff's left eye and lips. There are witnesses to this assault.

8 **First Cause of Action:**

9 **FRAUD IN INDUCEMENT**

10 **(Against all Defendants)**

11 22. Plaintiff realleges paragraphs 1 through 18 and incorporates them herein by
12 reference as though restated herein in full.

13 23. On or about June 2007, SIU, JOE and YAN approached Plaintiff with a
14 proposition to "invest" in HYSTONE and become co-shareholders of HYSTONE. SIU proposed
15 that SIU will invest \$75,000 in cash as consideration for receiving HYSTONE's shares. JOE and
16 YAN indicated that they are the owners of HONGYE, a competitor of HYSTONE. JOE and
17 YAN proposed to merge HONGYE into HYSTONE as consideration for receiving HYSTONE's
18 shares. Defendants proposed that after these contributions, Plaintiff would hold one-quarter
19 (25%) of the shares of HYSTONE, and each of SIU, JOE and YAN would hold one-quarter
20 (25%) of the shares of HYSTONE. JOE prepared a "shareholder agreement" to this effect which
21 the parties signed on or about June 29, 2007. A true copy of this shareholder agreement is
22 attached hereto as "**Exhibit 2**" and incorporated herein by reference.

23 24. At the time SIU, JOE and YAN made the above promises to Plaintiff, they had no
24 intention of performing on them. When, SIU, JOE and YAN made these representations, each of
25 them knew these representations to be false and made these representations with the intention to
26 deceive and defraud Plaintiff and to induce Plaintiff to act in reliance on these representations in
27 the manner hereafter alleged, or with the expectation that Plaintiff would so act.

28 25. Plaintiff, at the time these representations were made by the defendants and at the
time the plaintiff took the actions herein alleged, was ignorant of the falsity of the defendant's
representations and believed them to be true. In reliance on these representations, and without the

1 knowledge of other facts concealed, Plaintiff was induced to and did sign the Shareholder
2 Agreement. Had Plaintiff known the actual facts, Plaintiff would not have taken such action.
3 Plaintiff's reliance on the defendant's representations was justified because SIU is a relative of
4 Plaintiff whom Plaintiff trusted at that time. SIU introduced JOE and YAN to Plaintiff, and
5 endorsed JOE and YAN as respectable business people.

6 26. On information and belief, soon after defendants approached Plaintiff about
7 investing into HYSTONE, they also approached another business owner with a similar proposal.
8 To wit, on or about January 2008, SIU, JOE and YAN approached Jason Tsao, the owner of
9 Rock Castle Enterprises ("R.C.E."), and offered to merge HONGYE into R.C.E. as consideration
10 for receiving R.C.E.'s shares. Defendants prepared and signed another "shareholder agreement"
11 with the owner of R.C.E., which shareholder agreement is nearly identical to the shareholder
12 agreement defendants signed with Plaintiff.¹ A copy of the shareholder agreement with Jason
13 Tsao is attached hereto as "**Exhibit 4**".

14 27. Plaintiff is entitled to pre-judgment interest at the rate of 10% per annum pursuant
15 to Section 3289(b) of the California Civil Code, from and after June 2007.

16 28. As a proximate result of the fraudulent conduct of the defendant(s) as herein
17 alleged, the plaintiff was induced to sign the Shareholder Agreement based on which Defendants
18 took control of HYSTONE, but has Plaintiff has not received any profit or other compensation
19 for the shares of HYSTONE, by reason of which the plaintiff has been damaged in the sums
20 according to proof at trial, in no event less than \$700,000.

21 29. The aforementioned conduct of the defendant was an intentional
22 misrepresentation, deceit, or concealment of a material fact known to the defendant(s) with the
23 intention on the part of the defendant of thereby depriving the plaintiff of property or legal rights
24 or otherwise causing injury, and was despicable conduct that subjected the plaintiff to a cruel and
25 unjust hardship in conscious disregard of the plaintiff's rights, so as to justify an award of
26 exemplary and punitive damages.

27 ¹ Plaintiff is informed and believes there is pending litigation in that matter, in the case
28 of Hongye Stone, Inc., et al. vs. Jason Tsao, et al., Los Angeles Superior Court, Central District,
Case number BC 404245.

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Second Cause of Action:
BREACH OF CONTRACT
(Against all Defendants)

30. Plaintiff realleges paragraphs 1 through 29 and incorporates them herein by reference as though restated herein in full.

31. Plaintiff is informed and believes and thereon alleges that all relevant times mentioned herein, JOE, FRED, SIU, and YAN held themselves out as the officers and directors of HYSTONE, and had control and management of HYSTONE.

32. Plaintiff has performed all conditions, covenants, and promises required by it on its part to be performed in accordance with the terms and conditions of the contract.

33. Within the past four years, JOE, FRED, SIU, and YAN breached the contract by failing to contribute money and/or inventory into HYSTONE.

34. Plaintiff is entitled to pre-judgment interest on past due accounts, inter alia, pursuant to Section 3289(b) of the California Civil Code at the rate of 10% per annum, from and after June 2007.

35. As a result of Defendants' breach of the contracts, Plaintiff has been damaged in the sum according to proof at trial, but in no event less than Seven Hundred Thousand Dollars (\$700,000.00), together with interest, and general damages in form of loss of goodwill and loss of profits, and other consequential and incidental damages, and the attorney fees and costs incurred in recovering these damages.

Third Cause of Action:
BREACH OF DIRECTOR'S FIDUCIARY DUTIES
AND REMOVAL OF DIRECTORS
(Against all Defendants)

36. Plaintiff realleges paragraphs 1 through 35 and incorporates them herein by reference as though restated herein in full.

37. At all times herein mentioned, JOE, FRED, SIU, and YAN have had control of HYSTONE, and held themselves out as the directors and/or officers of HYSTONE.

38. JOE, FRED, SIU, and YAN were never properly elected as officers or directors of HYSTONE. JOE, FRED, SIU, and YAN never properly paid consideration to become

1 shareholders of HYSTONE, and therefore had no authority to elect directors. Even if JOE,
2 FRED, SIU, and YAN had become shareholders, they never called any shareholders meetings to
3 elect directors for HYSTONE, in place of Plaintiff. JOE, FRED, SIU, and YAN never called any
4 directors' meetings to elect themselves as officers of HYSTONE, in place of Plaintiff.

5 39. On information and belief, the JOE, FRED, SIU, and YAN have committed a
6 waste of the assets of HYSTONE and/or a diminution of the value of Plaintiff's shares in
7 HYSTONE. During all relevant times, JOE, FRED, SIU, and YAN have had control and
8 management of HYSTONE, and Plaintiff has been excluded from the same.

9 40. In acting as described above defendants did not exercise the care required of
10 directors in that, the JOE, FRED, SIU, and YAN owe a duty of care to Plaintiff, the shareholder
11 who is excluded from the operations of the company and does not have access to its books and
12 records.

13 41. As a proximate result of the act(s) of JOE, FRED, SIU, and YAN herein-above
14 described, Plaintiff has been damaged in the sum of at least Seven Hundred Thousand Dollars
15 (\$700,000.00), according to proof at trial.

16 **Fourth Cause of Action:**

17 **ACCOUNTING**

18 **(Against all Defendants)**

19 42. Plaintiff realleges paragraphs 1 through 41 and incorporates them herein by
20 reference as though restated herein in full.

21 43. Plaintiff is the true shareholder of HYSTONE. JOE, FRED, SIU, and YAN have
22 had control and management of HYSTONE, and hence, they are fiduciaries of Plaintiff. On
23 information and belief, in the course of this relationship the JOE, FRED, SIU, and YAN have
24 breached their fiduciary duties to Plaintiff, inter alia, by engaging in self dealing, by committing
25 waste and/or by causing a diminution of the value of Plaintiff's shares of stock.

26 44. Plaintiff has requested JOE, FRED, SIU, and YAN for documentation and
27 accounting concerning HYSTONE, but JOE, FRED, SIU, and YAN have failed and refused to
28 provide any documentation or accounting to Plaintiff.

45. The amount of money due from JOE, FRED, SIU, and YAN and Does to Plaintiff

1 is unknown to Plaintiff and cannot be ascertained without an accounting of the receipts and
2 disbursements of the aforementioned operations and the transactions Defendants have conducted.

3 **Fifth Cause of Action:**

4 **INVOLUNTARY DISSOLUTION OF CORPORATION
AND APOINTMENT OF RECEIVER**

5 **(Against all Defendants)**

6 46. Plaintiff realleges paragraphs 1 through 45 and incorporates them herein by
7 reference as though restated herein in full.

8 47. HYSTONE is not subject to the Banking Law, Public Utilities Law, Savings and
9 Loan Association Act, or Sections 1010-1062 of the California Insurance Code.

10 48. Plaintiff has paid for and is owner of one hundred percent (100%) of the shares of
11 stock of HYSTONE.

12 49. SIU, JOE and YAN wrongfully claim to be shareholders of HYSTONE, and they
13 are wrongfully interfering with Plaintiff's rights as a true shareholder. There is internal
14 dissension and two or more factions of "shareholders" in HYSTONE are so deadlocked that its
15 business can no longer be conducted with advantage to its shareholders.

16 50. On information and belief, JOE, FRED, SIU, and YAN who hold themselves out
17 as the directors and officers of HYSTONE and are apparently in control of HYSTONE have been
18 guilty of mismanagement or abuse of authority or unfairness toward Plaintiff in the following
19 respects: JOE, FRED, SIU, and YAN have apparently taken corporate actions alleged above, in
20 favor of themselves and to the detriment of Plaintiff; JOE, FRED, SIU, and YAN apparently
21 caused a diminution of the value of Plaintiff's shares of HYSTONE stock; JOE, FRED, SIU, and
22 YAN have embezzled money and properties belonging to HYSTONE.

23 51. Unless a receiver is appointed to take over and manage the business and affairs of
24 HYSTONE and to preserve its property during the pendency of this action, the interests of both
25 HYSTONE and Plaintiff, its true shareholder, will suffer in that because HYSTONE's
26 "shareholders" are deadlocked they cannot come to any resolution about management of the
27 company, no election of directors or officers can take place, JOE, FRED, SIU, and YAN who are
28 apparently in control of HYSTONE have not been duly elected by Plaintiff, they do not share
with Plaintiff information about operations of HYSTONE, Plaintiff does not consent to the JOE,

1 FRED, SIU, and YAN operation of HYSTONE without Plaintiff's input, Plaintiff is concerned
2 that JOE, FRED, SIU, and YAN have apparently taken corporate actions alleged above, in favor
3 of themselves, and to the detriment of Plaintiff; JOE, FRED, SIU, and YAN apparently caused a
4 diminution of the value of Plaintiff's shares of HYSTONE stock. JOE, FRED, SIU, and YAN
5 have apparently embezzled properties belonging to HYSTONE.

6 **Sixth Cause of Action:**

7 **DECLARATORY RELIEF**

8 **(Against all Defendants)**

9 52. Plaintiff realleges paragraphs 1 through 51 and incorporates them herein by
10 reference as though restated herein in full.

11 53. An actual controversy has arisen and now exists relating to the rights and duties of
12 the parties herein in that Plaintiff contends that the Shareholder Agreement (**Exhibit 2**) is invalid
13 and unenforceable because it was obtained by fraud and Plaintiff received no consideration for it.

14 54. Plaintiff seeks a declaration as to the validity of the Shareholder Agreement and
15 the rights and responsibilities of Plaintiff and defendants under this instrument.

16 **Seventh Cause of Action:**

17 **EMBEZZLEMENT BY FIDUCIARY**

18 **(Against all Defendants)**

19 55. Plaintiff realleges paragraphs 1 through 54 and incorporates them herein by
20 reference as though restated herein in full.

21 56. As alleged above, defendants wrongfully acquired title as shareholders, officers
22 and directors of HYSONE. On information and belief, JOE, FRED, SIU, and YAN continue in
23 such position of control and management of HYSTONE. During the course of this relationship,
24 JOE, FRED, SIU, and YAN have solely and completely been in charge of keeping the inventory,
25 cash, bank accounts, books and business records of HYSTONE.

26 57. During the period of this relationship, JOE, FRED, SIU, and YAN, by means of
27 false and fraudulent alteration and writing of checks drawn on HYSTONE business account, and
28 by means of false, fraudulent, and deceptive entries in the check register, the journal, and other
business records, misappropriated and converted to his personal use and possession, without
plaintiff's knowledge or consent, the sum according to proof at trial, in no event less than One

1 Million Dollars (\$1,000,000), all of which sum belonged to Plaintiff.

2 58. As a result of Defendants' conduct, assets and properties belonging to
3 HYSTONE have been misappropriated. Since Plaintiff is the only true shareholder of
4 HYSTONE, Defendants' conduct has caused serious diminution to the value of shares of stock of
5 HYSTONE held by Plaintiff.

6 **Eighth Cause of Action:**

7 **RESTITUTION AND CONSTRUCTIVE TRUST**

8 **(Against all Defendants)**

9 59. Plaintiff realleges paragraphs 1 through 58 and incorporates them herein by
10 reference as though restated herein in full.

11 60. Defendants have profited from their wrongful and fraudulent acts as described
12 above. To permit Defendants to retain any of the proceeds from their wrongful conduct would
13 permit Defendants to profit from their own wrongdoing and to be unjustly enriched at the
14 expense of Plaintiff.

15 61. To avoid unjust enrichment, Defendants and each of them should be required to
16 make restitution to Plaintiff of any and all of Plaintiff's monies, goods and/or wares, as well as
17 all profits and proceeds received and/or derived by Defendants, from such monies goods and/or
18 wares prior to the entry of judgment in this action.

19 62. Plaintiff further requests for a court order directing Defendants and each of them
20 to hold Plaintiff's monies, goods and/or wares, and any profits or proceeds derived therefrom, as
21 a constructive trustee for Plaintiff.

22 **Ninth Cause of Action:**

23 **FLASE IMPRISONMENT**

24 **(Against all Defendants)**

25 63. Plaintiff realleges paragraphs 1 through 62 and incorporates them herein by
26 reference as though restated herein in full.

27 64. On or about August 7, 2007 at approximately 8:00 O'clock in the evening, at the
28 Warehouse, while Plaintiff was present at the Warehouse, JOE closed and locked the doors of
office and the Warehouse, so Plaintiff could not exit. As a result JOE seized Plaintiff and
forcibly, against Plaintiff's will, and without his consent and over his protest, and caused Plaintiff

1 by force and threats of physical violence to remain in the office within the Warehouse for a
2 period approximately an hour (60 minutes). During this time JOE refused to reconcile cash
3 receipts and attempted to deny Plaintiff's participation in operation and access to books, records
4 and accounts by the use of threats and coercion. JOE threatened to attack Plaintiff by force.
5 Following this period of detention, JOE released plaintiff from the office and the Warehouse
6 without charging him with any crime or taking him before a magistrate.

7 65. Immediately prior to the acts of JOE herein alleged, Plaintiff had been peacefully
8 standing on the Warehouse, which Warehouse is leased to Plaintiff. Plaintiff did not steal, nor
9 was he in the process of stealing, any property belonging to JOE or any of the Defendants or
10 anyone else, nor had he committed any crime against JOE or anyone else, and defendant knew of
11 plaintiff's innocence.

12 66. In making these threats of criminal prosecution and in imprisoning plaintiff,
13 defendants acted with deliberate malice and for the purpose of extorting money from Plaintiff.

14 67. As a proximate result of the acts of JOE, Doe defendants, and each of them,
15 Plaintiff was injured in his health, strength, and activity, sustaining injury to his body and shock
16 and injury to his nervous system and person, and among others, sustained the following physical
17 injuries: injury to his eye and his face, all of which injuries have caused Plaintiff to suffer
18 extreme and severe physical pain and mental anguish. These injuries will result in some
19 permanent disability to Plaintiff, namely continuing mental anguish, all to his general damage.

20 68. At the time of the acts of defendants herein complained of, Plaintiff was a
21 shareholder and an officer of HYSTONE, and of the lawful tenant of the Warehouse. As a
22 further proximate result of the acts of defendant, and each of them, as herein alleged, Plaintiff has
23 been, and will continue to be, prevented from attending to his occupation. The amount of
24 earnings which will be lost to Plaintiff is unknown at this time.

25 69. The acts of defendants, and each of them, as herein alleged were willful, wanton,
26 malicious, and oppressive, and justify the awarding of punitive damages.

27 **Tenth Cause of Action:**

28 **ASSAULT**

(Against all Defendants)

70. Plaintiff realleges paragraphs 1 through 69 and incorporates them herein by

1 reference as though restated herein in full.

2 71. On or about August 7, 2007 at approximately 8:00 O'clock in the evening, at the
3 Warehouse, while Plaintiff was present at the Warehouse, JOE closed and locked the doors of
4 office and the Warehouse, so Plaintiff could not exit. As a result JOE seized Plaintiff and
5 forcibly, against Plaintiff's will, and without his consent and over his protest, and caused Plaintiff
6 by force and threats of physical violence to remain in the office within the Warehouse for a
7 period approximately an hour (60 minutes). During this time JOE refused to reconcile cash
8 receipts and attempted to deny Plaintiff's participation in operation and access to books, records
9 and accounts by the use of threats and coercion. JOE threatened to attack Plaintiff by force. JOE
10 violently took away all cash and checks received and taking away all books and receipts.
11 Starting from this date, all revenues, whether cash, checks or credit cards are taken away by JOE,
12 and any checks made payable to the business were likely deposited into the Washington Mutual
13 account under JOE's control.

14 72. On or about October 8, 2007, at approximately 11:30 O'clock in the morning, at
15 the office and the Warehouse, JOE approached Plaintiff in a menacing manner, with closed fists,
16 and stated JOE's intention of striking plaintiff with his hands, fist and elbow. Joe struck plaintiff
17 in the face with his fists and elbow, directing the blows to plaintiff's head and body, causing
18 injuries inter alia to Plaintiff's left eye and lips. Thereafter, JOE violently assaulted Plaintiff
19 causing injuries to Plaintiff's left eye and lips. There are witnesses to this assault.

20 73. In doing the acts as alleged above, JOE intended to place Plaintiff in apprehension
21 of great bodily harm.

22 74. As a result of defendant's acts as alleged above, plaintiff, in fact, was placed in
23 great apprehension of great bodily harm.

24 **Eleventh Cause of Action:**

25 **BATTERY**

26 **(Against all Defendants)**

27 75. Plaintiff realleges paragraphs 1 through 74 and incorporates them herein by
28 reference as though restated herein in full.

76. On or about October 8, 2007, at approximately 11:30 O'clock in the morning, at
the office and the Warehouse, JOE approached Plaintiff in a menacing manner, with closed fists,

1 and stated JOE's intention of striking plaintiff with his hands, fist and elbow. Joe struck plaintiff
2 in the face with his fists and elbow, directing the blows to plaintiff's head and body, causing
3 injuries inter alia to Plaintiff's left eye and lips. Thereafter, JOE violently assaulted Plaintiff
4 causing injuries to Plaintiff's left eye and lips.

5 77. In doing the acts as alleged above, defendants acted with the intent to make a
6 contact with Plaintiff's person.

7 **Twelfth Cause of Action:**

8 **INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS**

9 **(Against all Defendants)**

10 78. Plaintiff realleges paragraphs 1 through 77 and incorporates them herein by
11 reference as though restated herein in full.

12 79. JOE, FRED, SIU, and YAN held themselves out as officers and directors and
13 HYSTONE, and as Plaintiff's co-shareholders of HYSTONE.

14 80. As alleged above, on August 7 and October 8, 2007, defendants caused assault,
15 battery and false imprisonments on Plaintiff.

16 81. Defendants conduct was intentional and malicious and done for the purpose of
17 causing Plaintiff to suffer humiliation, mental anguish, and emotional and physical distress. The
18 remaining defendants' conduct in confirming and ratifying that conduct was done with
19 knowledge that plaintiff's emotional and physical distress would thereby increase, and was done
20 with a wanton and reckless disregard of the consequences to plaintiff].

21 82. As the proximate result of the acts alleged above, plaintiff suffered humiliation,
22 mental anguish, and emotional and physical distress, and has been injured in mind and body as
23 follows: injury to Plaintiff's face and his general emotional state.

24 83. The acts of defendants alleged above were willful, wanton, malicious, and
25 oppressive, and justify the awarding of exemplary and punitive damages.

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1 **PRAYER**

2 WHEREFORE, Plaintiff prays judgment against the Defendants, and against each of
3 them, jointly and severally, as follows:

4 **As to First Cause of Action for Fraud in Inducement:**

- 5 1. For general damages according to proof at trial, in no event less than \$1,000,000;
6 2. For special damages for loss of value of Plaintiff's shares of stock, according to
7 proof at trial, in no event less than \$700,000;
8 3. For punitive damages in an amount appropriate to punish the defendant(s) and
9 deter others from engaging in similar misconduct;

10 **As to Second Cause of Action for Breach of Contract:**

- 11 4. For damages according to proof at trial, but in no event less than 700,000;

12 **As to Third Cause of Action for Breach of Fiduciary Duties / Removal of Directors:**

- 13 5. For damages according to proof at trial, but in no event less than \$700,000;
14 6. For exemplary and punitive damages;
15 7. For removal of the JOE, FRED, SIU and YAN as the officers and directors of the
16 corporation;
17 8. That provisional directors be appointed by the Court, or other appropriate relief be
18 given, pursuant to Section 308 of the California Corporation Code to break the
19 deadlock between the shareholders;

20 **As to Fourth Cause of Action for Accounting:**

- 21 9. For an accounting between Plaintiff and Defendants;
22 10. For payment over to Plaintiff of the amount due from Defendants as a result of the
23 account, and interest on that amount at the highest legal rate;

24 **As to Fifth Cause of Action for Involuntary Dissolution of Corporation and
Appointment of Receiver:**

- 25 11. That the court decree a winding up and dissolution of HYSTONE;
26 12. That the court entertain such proceedings as may be necessary or proper for the
27 involuntary winding up or dissolution of HYSTONE and, in that regard, make
28 such orders for winding up and dissolution of HYSTONE as justice and equity

1 require That a receiver be appointed to take over and manage the business and
2 affairs of HYSTONE and to preserve its property pending the hearing and
3 determination of this complaint for dissolution of HYSTONE

4 **As to Sixth Cause of Action for Declaratory Relief:**

- 5 13. To declare the Shareholder Agreement (Exhibit 2) invalid;
6 14. To declare Plaintiff as the sole shareholder, officer and director of HYSTONE;
7 15. For such other and further declaratory relief the Court may deem just;

8 **As to Seventh Cause of Action for Embezzlement:**

- 9 16. For the value of the property converted according to proof at trial, but not less
10 than \$1,000,000;
11 17. For interest at the legal rate on the foregoing sum pursuant to Section 3336 of the
12 California Civil Code;
13 18. For damages for the proximate and foreseeable loss resulting from cross-
14 defendants' conversion according to proof at trial, but not less than \$1,000,000;
15 19. For interest at the legal rate on the foregoing sum pursuant to Section 3287(a) of
16 the California Civil Code;
17 20. For punitive and exemplary damages;
18 21. For reasonable attorney's fees;

19 **As to Eighth Cause of Action for Restitution and Constructive Trust:**

- 20 22. For restitution to Plaintiff of all monies, goods and/or wares Defendants received
21 from Plaintiff, and the profits and proceeds therefrom;
22 23. For a court order court order directing Defendants and each of them to hold
23 Plaintiff's monies, goods and/or wares, and any profits or proceeds derived
24 therefrom, as a constructive trustee for Plaintiff;

25 **As to Ninth Cause of Action for False Imprisonment:**

- 26 24. For general damages according to proof;
27 25. For all medical and incidental expenses according to proof;
28 26. For all loss of earnings, past and future, according to proof;
27 27. For punitive damages;

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As to Tenth Cause of Action for Assault:

- 28. For general damages according to proof;
- 29. For medical and related expenses according to proof;
- 30. For lost earnings, past and future, according to proof, in no event less than \$700,000;
- 31. For punitive damages;
- 32. For interest as allowed by law;
- 33. For costs of suit herein incurred; and
- 34. For such other and further relief as the court may deem proper.

As to Eleventh Cause of Action for Battery:

- 35. For general damages according to proof;
- 36. For medical and related expenses according to proof;
- 37. For lost earnings, past and future, according to proof, in no event less than \$700,000;
- 38. For punitive damages;
- 39. For interest as allowed by law;
- 40. For costs of suit herein incurred; and
- 41. For such other and further relief as the court may deem proper.

As to Twelfth Cause of Action for Intentional Infliction of Emotional Distress:

- 42. For general damages according to proof;
- 43. For medical and related expenses according to proof;
- 44. For lost earnings, past and future, according to proof, in no event less than \$700,000;
- 45. For exemplary and punitive damages;

As to All Causes of Action:

- 46. For general damages according to proof at trial;
- 47. For interest on the above damages, at the contract rate or at the highest rate allowable by law;

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48. For costs of suit; and

49. For such other and further remedy as the court may deem just and proper.

HONG & MASHAL, LLP

Dated: May 21, 2009

By: 

Robin Mashal,
Attorney for Plaintiff
YU CHUNG KOO

FILED

In the office of the Secretary of State
of the State of California

ARTICLE OF INCORPORATION

OF

FEB 06 2007

HYSTONE DEPOT, INC.

I. The name of this corporation is:

HYSTONE DEPOT, INC.

II. The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III. The name and address in the State of California of this corporation's initial agent for service of process is:

**YU CHUNG KOO
1101 MONTEREY PASS ROAD UNIT A
MONTEREY PARK, CA 91754**

IV. This corporation is authorized to issue only one class of share of stock; and the total number of shares which this corporation is authorized to issue is:

ONE MILLION SHARES (1,000,000 SHARES)

DATE: FEBURARY 1, 2007

Yu Chung Koo

Signature of Incorporator

YU CHUNG KOO

Typed name of Incorporator



07-111443

S



State of California Secretary of State

STATEMENT OF INFORMATION (Domestic Stock Corporation)

FEES (Filing and Disclosure): \$25.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

CORPORATE NAME (Please do not alter if name is preprinted.)

HYSTONE DEPOT INC
1101 MONTEREY PASS RD UNIT A
MONTEREY PARK CA 91754
2960329

FILED
In the office of the Secretary of State
of the State of California

FEB 28 2007

ll This Space For Filing Use Only

DUE DATE:

CALIFORNIA CORPORATE DISCLOSURE ACT (Corporations Code section 1502.1)
A publicly traded corporation must file with the Secretary of State a Corporate Disclosure Statement (Form SI-PT) annually, within 150 days after the end of its fiscal year. Please see reverse for additional information regarding publicly traded corporations.

COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 2 and 3 cannot be P.O. Boxes)

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY AND STATE	ZIP CODE
1101 MONTEREY PASS RD UNIT A	MONTEREY PARK, CA	91754

3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
1101 MONTEREY PASS RD UNIT A	MONTEREY PARK	CA	91754

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

4. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
YUCHUNG KOO	2015 S BUSHNELL AVE	ALHAMBRA, CA	91803

5. SECRETARY/	ADDRESS	CITY AND STATE	ZIP CODE
YUCHUNG KOO	2015 S BUSHNELL AVE	ALHAMBRA, CA	91803

6. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
YUCHUNG KOO	2015 S BUSHNELL AVE	ALHAMBRA, CA	

NAMES AND COMPLETE ADDRESSES OF ALL DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (The corporation must have at least one director. Attach additional pages, if necessary)

7. NAME	ADDRESS	CITY AND STATE	ZIP CODE
YUCHUNG KOO	2015 S BUSHNELL AVE	ALHAMBRA, CA	91803

8. NAME	ADDRESS	CITY AND STATE	ZIP CODE

9. NAME	ADDRESS	CITY AND STATE	ZIP CODE

10. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and Item 12 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 12 must be left blank.)

11. NAME OF AGENT FOR SERVICE OF PROCESS
YUCHUNG KOO

12. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
2015 S BUSHNELL AVE	ALHAMBRA	CA	91803

TYPE OF BUSINESS

13. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
GRANET AND DIAMBLE

14. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT

YUCHUNG KOO	<i>Yuchung Koo</i>	CEO	2/23/07
TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM	SIGNATURE	TITLE	DATE

弘业石材大卖场股东协议书

一、经过多方协商，就成立弘业石材大卖场（HY Stone Depot INC）

新、旧股东达成如下协议：

1) 弘业石材大卖场（简称新公司）是由美国弘业石材公司（Hongye Stone INC—简称旧公司）招股扩充而成立的，HY Stone 是 Hongye Stone 的缩写。

2) 弘业石材公司用：现拥有的库存商品、卡车、工具及在 12200 E Washington Blvd #I Whittier, CA90606 的店铺装修和租用权计价伍万美元；公司商号、市场资源等无形资产估价伍万美元；投入 LAS Vegas HY Stone Depot INC 伍万美元并拥有该公司 50% 的股份，折价伍万美元；以上三项共计壹拾伍万美元投入弘业石材大卖场。其中：中国公民厦门弘业石材公司洪延南先生（身份证 350204196303172031）持有新公司柒万伍仟美元股份；美国公民洪煌照，持有新公司柒万伍仟美元的股份。

3) 美国公民古瑜春先生因从事石材经营有一些经验，除自愿将其已建立的个人商业信用在必要时给新公司使用，及部分设备、工具（2020 软件）无偿献给新公司使用之外；另投入现金美元肆万伍仟柒佰玖拾肆元伍角整投入新公司，即持有新公司柒万伍仟美元的股份。

4) 美国公民李少玲女士用现金美元柒万伍仟元整投入新公司，即拥有新公司柒万伍仟元的股份。

5) 弘业石材大卖场以 100% 的股份计算，具体明确如下：

洪延南：占 25%

洪煌照：占 25%

古瑜春：占 25%

李少玲：占 25%

二、HY Stone Depot INC 公司经营地址是：3268 Rose Mead Blvd E1 Monte. CA91731, 电话：(626) 573-8899、(626) 573-1899；
传真：(626) 571-8877； 所有新、旧公司商号、商标及电话、
场地租约、市场资源均归新公司拥有，任何个人不得侵占或损害，
公司的所有有形无形资产受美国公司法保护。

三、新公司自 2007 年 4 月 1 日起开始正式营业，自此之日起新、旧
公司的所有债权债务均由新公司承担，之前除特别注明之外旧公司
发生的债权债务与新公司无关。特别注明：3 月份发生延续到 4-5
月份完成的客户货物订单，经协商 TMS 一半利益归旧公司以外，
其他一切业务的责权均归新公司。

四)、公司上设董事会、下设经理部。董事会由全体股东 (4 人) 组
成，董事长由董事会选举产生、或由股份拥有最多者担任，董事长
按公司法行使职权；经理部总经理，由业务较熟悉者担任并对董事
会负责，执行董事会的决定，主管公司日常业务的营运事务。

五)、股东与公司员工权责：

1) 公司全体员工是公司董事会聘请的、对其岗位负责的员工，股
东可以是员工，员工也可以是非股东。

2) 当股东成为公司的职员时，其行使的是职员的职责而非股东

权力。

3) 股东的权利只有在董事会上行使才有效。

六、在协议由全体成员签定生效之后，再由全部股东根据具体情况制定：财务、银行、现金、仓储、工资、业务等管理制度供全体员工执行。

七、公司股东实行自愿进出原则：

1) 原始股东原则上三年内不能腿股，除特别情况下经董事会同意之外。

2) 公司股东经董事会同意后，可以增资持股。

3) 随着公司发展的需要，公司员工或其他人在愿意遵守公司的规章制度和缴足规定的资金后可以持股成为新股东。

4) 股东所持股票在不造成公司利益受损的情况下可以自由转让，在公平原则下受让人的顺序是公司、公司股东、公司员工、其他人。

八、中国厦门弘业通商 (HONGYE TONGSHANG)、弘业石材 (HONGYE STONE) 均为洪延南控股的公司；是美国弘业石材的商号法源、最重要的商业搭档；应尽全力向美国公司做好货源供货工作，向美国公司提供最合理的、好的包装产品；协助美国公司做好客户的服务工作；在未经许可之下不得与美国弘业石材公司的客户进行直接联系或干预他们之间的业务工作。

九、特别重要条款,为了确保公司正常运作和股东的良好信誉,财务必需确保公司经营场所的租金为第一支付款项。

十、本协议经全体股东签字后生效，如日后根据实际情况，经股东大

会修改并一致通过，视与本和约同等法律效应；本合同一式五份，

公司及股东各持一份。

十一. 2007年7月7日，为合同成立之日。

股东 1) 

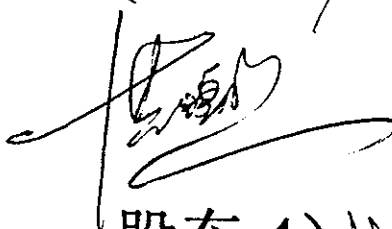
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6/29/07

股东 2)

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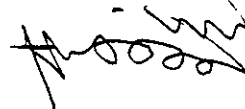
6/29/07



股东 3) 

日期:

6/29/07

股东 4) 

日期:

6/29/2007

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State of California
Secretary of State

STATEMENT OF INFORMATION
(Domestic Stock Corporation)

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07-690654

S

FEEES (Filing and Disclosure): \$25.00. If amendment, see instructions.

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

1. **CORPORATE NAME** (Please do not alter if name is preprinted.)

HYSTONE DEPOT, INC
3268 ROSEMEAD BLVD
EL MONTE, CA 91731
2980329

FILED
in the office of the Secretary of State
of the State of California.

JUN 2 2 2007

Aec
This Space For Filing Use Only

DUE DATE:

CALIFORNIA CORPORATE DISCLOSURE ACT (Corporations Code section 1502.1)

A publicly traded corporation must file with the Secretary of State a Corporate Disclosure Statement (Form SI-PT) annually, within 150 days after the end of its fiscal year. Please see reverse for additional information regarding publicly traded corporations.

COMPLETE ADDRESSES FOR THE FOLLOWING (Do not abbreviate the name of the city. Items 2 and 3 cannot be P.O. Boxes.)

2. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY AND STATE	ZIP CODE
3268 ROSEMEAD BLVD	EL MONTE, CA 91731	

3. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
		CA	

NAMES AND COMPLETE ADDRESSES OF THE FOLLOWING OFFICERS (The corporation must have these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

4. CHIEF EXECUTIVE OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
SUI LING LI	4061 JENNINGS DR	LOS ANGELES, CA	90032

5. SECRETARY/	ADDRESS	CITY AND STATE	ZIP CODE
XIFAN HONG	306 N MOORE AVE #A	MONTEREY PARK, CA	91754

6. CHIEF FINANCIAL OFFICER/	ADDRESS	CITY AND STATE	ZIP CODE
YANNAN HONG	306 N MOORE AVE #A	MONTEREY PARK, CA	91754

NAMES AND COMPLETE ADDRESSES OF ALL DIRECTORS, INCLUDING DIRECTORS WHO ARE ALSO OFFICERS (The corporation must have at least one director. Attach additional pages, if necessary.)

7. NAME	ADDRESS	CITY AND STATE	ZIP CODE
SUI LING LI	4061 JENNINGS DR	LOS ANGELES, CA	90032

8. NAME	ADDRESS	CITY AND STATE	ZIP CODE
FAN HONG	306 N MOORE AVE #A	MONTEREY PARK, CA	91754

9. NAME	ADDRESS	CITY AND STATE	ZIP CODE
YANNAN HONG	306 N MOORE AVE #A	MONTEREY PARK, CA	91754

10. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

11. **AGENT FOR SERVICE OF PROCESS** (If the agent is an individual, the agent must reside in California and Item 12 must be completed with a California address. If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1505 and Item 12 must be left blank.)

NAME OF AGENT FOR SERVICE OF PROCESS
SUI LING LI

12. ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL	CITY	STATE	ZIP CODE
4061 JENNINGS DR	LOS ANGELES	CA	90032

TYPE OF BUSINESS

13. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
WHOLESALES OF BUILDING MATERIALS

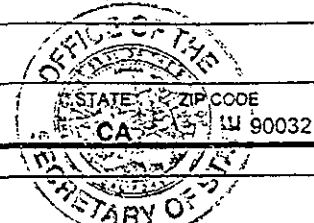
14. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

XIFAN HONG
TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

Xi Fan Hong
SIGNATURE

SECRETARY
TITLE

6/19/07
DATE





Granite Countertops, Tiles, & Cabinets
Import, Wholesale, Factory Outlet

3268 Rosemead Blvd El Monte CA 91731

Tel: (626) 573-8899

Fax: (626) 571-8877

弘业石头城股东协议书

一. 经多方协商, 现成立弘业石头城, 英文名为: **HY STONE CITY INC.**

1. 弘业石头城 **HY STONE CITY INC** 是由美国弘业石材公司 **HONG YE STONE INC** 招股扩充而成立, **HY STONE** 是由 **HONGYE STONE** 缩写而成。

2. **HY STONE CITY INC.** 将投入 10 万现金及 10 万货物作为初始股拥有公司 66.6% 的股份。

3. Jason Tsao (地址在 1655 E Mission Blvd Pomona, CA 91766) 以

- 1) 原有公司所有库存货物及设备展品 (以 2008 年 2 月 4 日登记的为准),
- 2) 原有客户,
- 3) 建筑执照

作为入股资本, 占公司 33.3% 的股份。

4. **HY STONE CITY INC** 是一间独立公司, 不会承担由其他公司带来的债权债务。

二. **HY STONE CITY INC.** 的地址是 1655 E Mission Blvd Pomona CA

91766, 公司商标, 电话号码, 租约市场, 货源均归公司所有, 任何人不得侵



Granite Countertops, Tiles, & Cabinets
Import, Wholesale, Factory Outlet

3268 Rosemead Blvd El Monte CA 91731

Tel: (626) 573-8899

Fax: (626) 571-8877

占及损害公司利益，有形及无形资产均受法律保障。

三. 公司设董事会及经理部。

1. 董事会由董事长，秘书长，财务长，常务董事组成。董事长由董事会选举产生，或由拥有股份最多者担任。
2. 经理部是执行公司经营的部门。总理由董事长任命，总经理有雇佣和解雇，订货及售货之决定权。总经理必须向董事会负责。

四. 股东分为记名股和不记名股。记名股原则上三年内不能退股，除非董事会多数人同意。不记名股则可视市场需求而扩增。

五. 初始股为:

Jason Tsao 占 33.3%

Hongye Stone Inc. 占 66.7%

董事会由:

Jason Tsao

JOE (~~Hui Yao~~) Hong

Yan Nan Hong

Cui Zhong Hai

共同组成。



Granite Countertops, Tiles, & Cabinets
Import, Wholesale, Factory Outlet

3268 Rosemead Blvd El Monte CA 91731

Tel: (626) 573-8899

Fax: (626) 571-8877

六. 在协议由全体成员签订生效之后, 再由全部股东根据具体情况制定: 财务, 银行, 现金, 仓储, 工资, 业务等管理制度供全体员工执行。股东的权利只有在董事会上行使才有效。

七. 公司股东实行自愿进出原则:

- 1) 原始股东原则上三年内不能退股, 除特别情况下经董事会同意之外。
- 2) 公司股东经董事会同意后, 可以增资持股。
- 3) 随着公司发展的需要, 公司员工或其他人在愿意遵守公司的规章制度和缴足规定的资金后可以持股成为新股东。
- 4) 股东所持股票在不造成公司利益受损的情况下可以自由转让, 在公平原则下受让人的顺序是公司, 公司股东, 公司员工, 其他人。

八. 中国厦门弘业通商 (HONG YE TONG SHANG), 弘业石材 (HONG YE STONE) 均为洪延南控股的公司, 是美国弘业石材的商号法源, 最重要的商业搭档, 应尽全力向美国公司做好货源供货工作, 向美国公司提供最合理的, 最好的包装产品, 协助美国公司做好客户的服务工作, 在未经许可之下不得与美国弘业石材公司的客户进行直接联系或干预他们之间的业务工作。

九. 特别重要条款, 为了确保公司正常运作和股东的良好信誉, 财务必需确



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保公司经营场所的租金为第一支付款项。

十. 本协议经全体股东签字后生效, 如日后根据实际情况, 经股东大会修改并一致通过, 视与本合同同等法律效应。本合同一式六份, 公司及股东各持一份。

股东 1)

日期:

股东 2)

日期:

股东 3)

日期:

股东 4)

日期:

FILED

CM-010

LOS ANGELES SUPERIOR COURT

MAY 22 2009

JOHN A. CLARKE, CLERK
BY MARY GARCIA, DEPUTY

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address):

Robin Mashal (California State Bar No. 205003)
HONG & MASHAL, LLP
1875 Century Park East, Sixth Floor, Los Angeles, California 90067-2507
TELEPHONE NO.: (310) 286-2000 FAX NO.: (310) 286-2525
ATTORNEY FOR (Name): YU CHUNG KOO

SUPERIOR COURT OF CALIFORNIA, COUNTY OF Los Angeles

STREET ADDRESS: 111 N. Hill Street
MAILING ADDRESS: 111 N. Hill Street
CITY AND ZIP CODE: Los Angeles, California 90012
BRANCH NAME: Stanley Mosk Courthouse

CASE NAME:

Koo vs. Hong

CIVIL CASE COVER SHEET

Unlimited (Amount demanded exceeds \$25,000) Limited (Amount demanded is \$25,000 or less)

Complex Case Designation

Counter Joinder
Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)

CASE NUMBER:

BC 414375

JUDGE:
DEPT:

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

Auto Tort

Auto (22)
 Uninsured motorist (46)

Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort

Asbestos (04)
 Product liability (24)
 Medical malpractice (45)
 Other PI/PD/WD (23)

Non-PI/PD/WD (Other) Tort

Business tort/unfair business practice (07)
 Civil rights (08)
 Defamation (13)
 Fraud (16)
 Intellectual property (19)
 Professional negligence (25)
 Other non-PI/PD/WD tort (35)

Employment

Wrongful termination (36)
 Other employment (15)

Contract

Breach of contract/warranty (06)
 Rule 3.740 collections (09)
 Other collections (09)
 Insurance coverage (18)
 Other contract (37)

Real Property

Eminent domain/Inverse condemnation (14)
 Wrongful eviction (33)
 Other real property (26)

Unlawful Detainer

Commercial (31)
 Residential (32)
 Drugs (38)

Judicial Review

Asset forfeiture (05)
 Petition re: arbitration award (11)
 Writ of mandate (02)
 Other judicial review (39)

Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403)

Antitrust/Trade regulation (03)
 Construction defect (10)
 Mass tort (40)
 Securities litigation (28)
 Environmental/Toxic tort (30)
 Insurance coverage claims arising from the above listed provisionally complex case types (41)

Enforcement of Judgment

Enforcement of judgment (20)

Miscellaneous Civil Complaint

RICO (27)
 Other complaint (not specified above) (42)

Miscellaneous Civil Petition

Partnership and corporate governance (21)
 Other petition (not specified above) (43)

2. This case is is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:

- a. Large number of separately represented parties
- b. Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve
- c. Substantial amount of documentary evidence
- d. Large number of witnesses
- e. Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
- f. Substantial postjudgment judicial supervision

3. Remedies sought (check all that apply): a. monetary b. nonmonetary; declaratory or injunctive relief c. punitive

4. Number of causes of action (specify): Twelve

5. This case is is not a class action suit.

6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: May 21, 2009

Robin Mashal

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

ORIGINAL

SHORT TITLE: Koo vs. Hong	CASE NUMBER BC414375
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**CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION
(CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)**

This form is required pursuant to LASC Local Rule 2.0 in all new civil case filings in the Los Angeles Superior Court.

Item I. Check the types of hearing and fill in the estimated length of hearing expected for this case:

JURY TRIAL? YES CLASS ACTION? YES LIMITED CASE? YES TIME ESTIMATED FOR TRIAL 5.0 HOURS/ DAYS

Item II. Select the correct district and courthouse location (4 steps – If you checked “Limited Case”, skip to Item III, Pg. 4):

Step 1: After first completing the Civil Case Cover Sheet Form, find the main civil case cover sheet heading for your case in the left margin below, and, to the right in Column **A**, the Civil Case Cover Sheet case type you selected.

Step 2: Check one Superior Court type of action in Column **B** below which best describes the nature of this case.

Step 3: In Column **C**, circle the reason for the court location choice that applies to the type of action you have checked. For any exception to the court location, see Los Angeles Superior Court Local Rule 2.0.

Applicable Reasons for Choosing Courthouse Location (see Column C below)

- | | |
|---|--|
| 1. Class Actions must be filed in the County Courthouse, Central District. | 6. Location of property or permanently garaged vehicle. |
| 2. May be filed in Central (Other county, or no Bodily Injury/Property Damage). | 7. Location where petitioner resides. |
| 3. Location where cause of action arose. | 8. Location wherein defendant/respondent functions wholly. |
| 4. Location where bodily injury, death or damage occurred. | 9. Location where one or more of the parties reside. |
| 5. Location where performance required or defendant resides. | 10. Location of Labor Commissioner Office. |

Step 4: Fill in the information requested on page 4 in Item III; complete Item IV. Sign the declaration.

	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Auto Tort	Auto (22)	<input type="checkbox"/> A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1., 2., 4.
	Uninsured Motorist (46)	<input type="checkbox"/> A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1., 2., 4.
Other Personal Injury/Property Damage/Wrongful Death Tort	Asbestos (04)	<input type="checkbox"/> A6070 Asbestos Property Damage <input type="checkbox"/> A7221 Asbestos - Personal Injury/Wrongful Death	2. 2.
	Product Liability (24)	<input type="checkbox"/> A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
	Medical Malpractice (45)	<input type="checkbox"/> A7210 Medical Malpractice - Physicians & Surgeons <input type="checkbox"/> A7240 Other Professional Health Care Malpractice	1., 2., 4. 1., 2., 4.
	Other Personal Injury Property Damage Wrongful Death (23)	<input type="checkbox"/> A7250 Premises Liability (e.g., slip and fall)	1., 2., 4.
		<input type="checkbox"/> A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.)	1., 2., 4.
<input type="checkbox"/> A7270 Intentional Infliction of Emotional Distress		1., 2., 3.	
<input type="checkbox"/> A7220 Other Personal Injury/Property Damage/Wrongful Death		1., 2., 4.	
Non-Personal Injury/Property Damage/Wrongful Death Tort	Business Tort (07)	<input type="checkbox"/> A6029 Other Commercial/Business Tort (not fraud/breach of contract)	1., 2., 3.
	Civil Rights (08)	<input type="checkbox"/> A6005 Civil Rights/Discrimination	1., 2., 3.
	Defamation (13)	<input type="checkbox"/> A6010 Defamation (slander/libel)	1., 2., 3.
	Fraud (16)	<input type="checkbox"/> A6013 Fraud (no contract)	1., 2., 3.

ORIGINAL

Non-Personal Injury/Property Damage/
Wrongful Death Tort (Cont'd.)

SHORT TITLE: Koo vs. Hong	CASE NUMBER
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Employment

A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons -See Step 3 Above
Professional Negligence (25)	<input type="checkbox"/> A6017 Legal Malpractice <input type="checkbox"/> A6050 Other Professional Malpractice (not medical or legal)	1., 2., 3. 1., 2., 3.
Other (35)	<input type="checkbox"/> A6025 Other Non-Personal Injury/Property Damage tort	2., 3.
Wrongful Termination (36)	<input type="checkbox"/> A6037 Wrongful Termination	1., 2., 3.
Other Employment (15)	<input type="checkbox"/> A6024 Other Employment Complaint Case <input type="checkbox"/> A6109 Labor Commissioner Appeals	1., 2., 3. 10.

Contract

Breach of Contract/Warranty (06) (not insurance)	<input type="checkbox"/> A6004 Breach of Rental/Lease Contract (not Unlawful Detainer or wrongful eviction) <input type="checkbox"/> A6008 Contract/Warranty Breach -Seller Plaintiff (no fraud/negligence) <input type="checkbox"/> A6019 Negligent Breach of Contract/Warranty (no fraud) <input type="checkbox"/> A6028 Other Breach of Contract/Warranty (not fraud or negligence)	2., 5. 2., 5. 1., 2., 5. 1., 2., 5.
Collections (09)	<input type="checkbox"/> A6002 Collections Case-Seller Plaintiff <input type="checkbox"/> A6012 Other Promissory Note/Collections Case	2., 5., 6. 2., 5.
Insurance Coverage (18)	<input type="checkbox"/> A6015 Insurance Coverage (not complex)	1., 2., 5., 8.
Other Contract (37)	<input checked="" type="checkbox"/> A6009 Contractual Fraud <input type="checkbox"/> A6031 Tortious Interference <input type="checkbox"/> A6027 Other Contract Dispute(not breach/insurance/fraud/negligence)	1., 2., 3., 5. 1., 2., 3., 5. 1., 2., 3., 8.

Real Property

Eminent Domain/Inverse Condemnation (14)	<input type="checkbox"/> A7300 Eminent Domain/Condemnation Number of parcels _____	2.
Wrongful Eviction (33)	<input type="checkbox"/> A6023 Wrongful Eviction Case	2., 6.
Other Real Property (26)	<input type="checkbox"/> A6018 Mortgage Foreclosure <input type="checkbox"/> A6032 Quiet Title <input type="checkbox"/> A6060 Other Real Property (not eminent domain, landlord/tenant, foreclosure)	2., 6. 2., 6. 2., 6.

Judicial Review Unlawful Detainer

Unlawful Detainer-Commercial (31)	<input type="checkbox"/> A6021 Unlawful Detainer-Commercial (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer-Residential (32)	<input type="checkbox"/> A6020 Unlawful Detainer-Residential (not drugs or wrongful eviction)	2., 6.
Unlawful Detainer-Drugs (38)	<input type="checkbox"/> A6022 Unlawful Detainer-Drugs	2., 6.
Asset Forfeiture (05)	<input type="checkbox"/> A6108 Asset Forfeiture Case	2., 6.
Petition re Arbitration (11)	<input type="checkbox"/> A6115 Petition to Compel/Confirm/Vacate Arbitration	2., 5.

SHORT TITLE: Koo vs. Hong	CASE NUMBER
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Judicial Review (Cont'd.)

Provisionally Complex Litigation

Enforcement of Judgment

Miscellaneous Civil Complaints

Miscellaneous Civil Petitions

A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above
Writ of Mandate (02)	<input type="checkbox"/> A6151 Writ - Administrative Mandamus <input type="checkbox"/> A6152 Writ - Mandamus on Limited Court Case Matter <input type="checkbox"/> A6153 Writ - Other Limited Court Case Review	2., 8. 2. 2.
Other Judicial Review (39)	<input type="checkbox"/> A6150 Other Writ /Judicial Review	2., 8.
Antitrust/Trade Regulation (03)	<input type="checkbox"/> A6003 Antitrust/Trade Regulation	1., 2., 8.
Construction Defect (10)	<input type="checkbox"/> A6007 Construction defect	1., 2., 3.
Claims Involving Mass Tort (40)	<input type="checkbox"/> A6006 Claims Involving Mass Tort	1., 2., 8.
Securities Litigation (28)	<input type="checkbox"/> A6035 Securities Litigation Case	1., 2., 8.
Toxic Tort Environmental (30)	<input type="checkbox"/> A6036 Toxic Tort/Environmental	1., 2., 3., 8.
Insurance Coverage Claims from Complex Case (41)	<input type="checkbox"/> A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.
Enforcement of Judgment (20)	<input type="checkbox"/> A6141 Sister State Judgment <input type="checkbox"/> A6160 Abstract of Judgment <input type="checkbox"/> A6107 Confession of Judgment (non-domestic relations) <input type="checkbox"/> A6140 Administrative Agency Award (not unpaid taxes) <input type="checkbox"/> A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax <input type="checkbox"/> A6112 Other Enforcement of Judgment Case	2., 9. 2., 6. 2., 9. 2., 8. 2., 8. 2., 8., 9.
RICO (27)	<input type="checkbox"/> A6033 Racketeering (RICO) Case	1., 2., 8.
Other Complaints (Not Specified Above) (42)	<input type="checkbox"/> A6030 Declaratory Relief Only <input type="checkbox"/> A6040 Injunctive Relief Only (not domestic/harassment) <input type="checkbox"/> A6011 Other Commercial Complaint Case (non-tort/non-complex) <input type="checkbox"/> A6000 Other Civil Complaint (non-tort/non-complex)	1., 2., 8. 2., 8. 1., 2., 8. 1., 2., 8.
Partnership Corporation Governance(21)	<input type="checkbox"/> A6113 Partnership and Corporate Governance Case	2., 8.
Other Petitions (Not Specified Above) (43)	<input type="checkbox"/> A6121 Civil Harassment <input type="checkbox"/> A6123 Workplace Harassment <input type="checkbox"/> A6124 Elder/Dependent Adult Abuse Case <input type="checkbox"/> A6190 Election Contest <input type="checkbox"/> A6110 Petition for Change of Name <input type="checkbox"/> A6170 Petition for Relief from Late Claim Law <input type="checkbox"/> A6100 Other Civil Petition	2., 3., 9. 2., 3., 9. 2., 3., 9. 2. 2., 7. 2., 3., 4., 8. 2., 9.

SHORT TITLE: Koo vs. Hong	CASE NUMBER
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Item III. Statement of Location: Enter the address of the accident, party's residence or place of business, performance, or other circumstance indicated in Item II., Step 3 on Page 1, as the proper reason for filing in the court location you selected.

REASON: CHECK THE NUMBER UNDER COLUMN C WHICH APPLIES IN THIS CASE <input type="checkbox"/> 1. <input checked="" type="checkbox"/> 2. <input type="checkbox"/> 3. <input type="checkbox"/> 4. <input type="checkbox"/> 5. <input type="checkbox"/> 6. <input type="checkbox"/> 7. <input type="checkbox"/> 8. <input type="checkbox"/> 9. <input type="checkbox"/> 10.		ADDRESS: 3268 Rosemead Boulevard
CITY: El Monte	STATE: CA	ZIP CODE: 91731

Item IV. Declaration of Assignment: I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that the above-entitled matter is properly filed for assignment to the Stanley Mosk courthouse in the Central District of the Los Angeles Superior Court (Code Civ. Proc., § 392 et seq., and LASC Local Rule 2.0, subs. (b), (c) and (d)).

Dated: 05/21/2009


(SIGNATURE OF ATTORNEY/FILING PARTY)

PLEASE HAVE THE FOLLOWING ITEMS COMPLETED AND READY TO BE FILED IN ORDER TO PROPERLY COMMENCE YOUR NEW COURT CASE:

1. Original Complaint or Petition.
2. If filing a Complaint, a completed Summons form for issuance by the Clerk.
3. Civil Case Cover Sheet form CM-010.
4. Complete Addendum to Civil Case Cover Sheet form LACIV 109 (Rev. 01/07), LASC Approved 03-04.
5. Payment in full of the filing fee, unless fees have been waived.
6. Signed order appointing the Guardian ad Litem, JC form FL-935, if the plaintiff or petitioner is a minor under 18 years of age, or if required by Court.
7. Additional copies of documents to be conformed by the Clerk. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case.