

JAMES A. BRYANT, ESQ. (SBN 255652)  
James.bryant@thecalawgroup.com  
**THE COCHRAN FIRM – CALIFORNIA**  
4929 Wilshire Boulevard, Suite 1010  
Los Angeles, California 90010  
Telephone: (323) 435-8205  
Facsimile: (323) 282-5280

RODNEY S. DIGGS, Esq. (SBN 274459)  
rdiggs@imwlaw.com  
**IVIE, McNEILL, WYATT, PURCELL & DIGGS**  
444 S. Flower Street, Suite 1800  
Los Angeles, CA 90071  
Tel: (213) 489-0028  
Fax: (213) 489-0552

Attorneys for Plaintiff  
DoneRight & Company, LLC

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
LOS ANGELES DIVISION

DONERIGHT & COMPANY, LLC,	)	Case No.:
Plaintiff,	)	
v.	)	COMPLAINT FOR:
CARRIE LYN HENMAN, individually	)	1. Violation of Securities Act of 1933 § 5
and d/b/a GLOBAL MANAGEMENT	)	2. Violation of Securities Act of 1933 §
GROUP; EARVIN "MAGIC" JOHNSON,	)	17(a)
individually and d/b/a MAGIC JOHNSON	)	3. Violation of Securities Exchange Act of
ENTERPRISES; and DOES 1 through 50,	)	1934 § 10(b) and Rule 10b-5
inclusive,	)	4. Violation of Securities Exchange Act of
Defendants.	)	1934 § 20(a) (Control Person Liability)
	)	5. Violation of 18 U.S.C. § 1962(c) (RICO)
	)	6. Violation of 18 U.S.C. § 1962(d) (RICO
	)	Conspiracy)

7. Violation of California Corporations  
Code § 25110  
8. Violation of California Corporations  
Code § 25401  
9. Violation of California Corporations  
Code § 25501  
10. Violation of California Corporations  
Code § 25504.1  
11. Common Law Fraud  
12. Promissory Fraud  
13. Breach of Contract  
14. Breach of Implied Covenant of Good  
Faith and Fair Dealing  
15. Violation of California Business &  
Professions Code § 17200 et seq.  
16. Conversion  
17. Unjust Enrichment

DEMAND FOR JURY TRIAL

---

**NATURE OF THE CASE**

1. This case arises from a fraudulent securities offering scheme in which Defendants solicited and obtained \$250,000 from Plaintiff through material misrepresentations in connection with an unregistered offering of securities disguised as an investment in a celebrity-endorsed NFT and metaverse project branded "Magicverse." Defendants promised Plaintiff exclusive participation rights, perpetual royalty payments, promotional opportunities with celebrity endorser Johnson, and an imminent product launch that would generate substantial returns. None of these promises materialized. The project never launched, no NFTs were minted, no royalties were paid, and Defendants ultimately ceased all communication with Plaintiff while retaining the full \$250,000 investment.

2. Defendants' fraudulent scheme continues to harm Plaintiff by depriving Plaintiff of the use and benefit of the \$250,000 investment and

1 preventing Plaintiff from pursuing alternative business opportunities. Defendants,  
2 working in concert, must be held accountable for their securities fraud,  
3 racketeering violations, and contractual breaches.

#### 4 **JURISDICTION AND VENUE**

5 3. This Court has subject matter jurisdiction over Plaintiff's federal  
6 securities claims pursuant to Section 22(a) of the Securities Act of 1933, 15 U.S.C.  
7 § 77v(a), and Section 27 of the Securities Exchange Act of 1934, 15 U.S.C. § 78aa.

8 4. This Court has federal question jurisdiction over Plaintiff's RICO  
9 claims pursuant to 18 U.S.C. § 1964(c) and 28 U.S.C. § 1331.

10 5. Supplemental jurisdiction exists over Plaintiff's state law claims under  
11 28 U.S.C. § 1367(a), as they form part of the same case or controversy as Plaintiff's  
12 federal securities and RICO claims.

13 6. Venue is proper in this District pursuant to Section 22(a) of the  
14 Securities Act, 15 U.S.C. § 77v(a), Section 27 of the Securities Exchange Act, 15  
15 U.S.C. § 78aa, 18 U.S.C. § 1965(a), and 28 U.S.C. § 1391(b)(2) because a  
16 substantial part of the events giving rise to Plaintiff's claims occurred in this  
17 District. Defendant Henman operates Global Management Group from Sherman  
18 Oaks, California, within this District. Defendant Johnson operates Magic Johnson  
19 Enterprises from Beverly Hills, California, within this District. The Magicverse  
20 entity was formed with a Los Angeles address at 355 South Grand Avenue, Suite  
21 2450, Los Angeles, California 90071. The Investment Agreement designates Los  
22 Angeles, California as the location for the Magicverse entity and specifies that  
23 California law governs all disputes. Defendants directed electronic  
24 communications into this District, coordinated banking activities involving  
25 California-based accounts and personnel, and conducted promotional activities  
26 within this District.

**PARTIES**

7. Plaintiff DoneRight & Company, LLC is a limited liability company organized under the laws of Texas with its principal place of business in Houston, Texas. Plaintiff is represented by Jimmy Phan, who serves as Founder and Chief Executive Officer and who signed the Magicverse Investment Agreement on behalf of Plaintiff.

8. Defendant Carrie Lyn Henman is an individual and citizen of California who resides in California. Defendant Henman conducts business under the name Global Management Group ("GMG") with a business address at 13547 Ventura Blvd., Suite 411, Sherman Oaks, California 91423, within this District. Henman held herself out as having expertise in Web3 technology, cryptocurrency, and NFT development. Henman served as Founder and Chief Executive Officer of Global Management Group and signed the Magicverse Investment Agreement on behalf of GMG. Henman also identified herself as "Co-Founder of .Paak House, a 501(c)3" and used the moniker "Ms. NFTy" in connection with her promotional activities.

9. Defendant Earvin "Magic" Johnson is an individual and citizen of California who resides in California. Defendant Johnson conducts business under the name Magic Johnson Enterprises with a business address at 9100 Wilshire Blvd., Suite 700 (East Tower), Beverly Hills, California 90212, within this District. Johnson is a former professional basketball player and prominent business figure with substantial public recognition and influence. Johnson actively participated in the Magicverse investment scheme, directly coordinated banking logistics for Plaintiff's investment, and promoted the project through his celebrity status and social media presence.

10. The true names and capacities of the defendants named herein as DOES 1 through 50, whether individual, corporate, associate, or otherwise, are

1 unknown to Plaintiff, who therefore sues said defendants by said fictitious names.  
2 Plaintiff is informed and believes, and thereon alleges, that each of the defendants  
3 designated herein as DOE is legally responsible for the events and happenings  
4 hereinafter alleged and legally caused injury and damages proximately thereby to  
5 Plaintiff as alleged herein. Plaintiff will seek leave to amend the Complaint when  
6 the true names and capacities of said DOE defendants have been ascertained.

7 11. Plaintiff is informed and believes, and on that basis alleges, that each  
8 of the Defendants participated in and is in some manner responsible for the acts  
9 described in this Complaint and any damages resulting therefrom.

10 12. Plaintiff is informed and believes, and on that basis alleges, that each  
11 of the Defendants has acted in concert and participation with each other concerning  
12 the claims in this Complaint.

13 13. Plaintiff is informed and believes, and on that basis alleges, that each  
14 of the Defendants was empowered to act as the agent, servant, and/or employee of  
15 each other, and that all the acts alleged to have been done by each of them were  
16 authorized, approved, and/or ratified by each of them.

### 17 **GENERAL ALLEGATIONS**

18 14. Plaintiff had known Defendant Henman since approximately 2015 or  
19 2016 through previous business interactions. Throughout 2021 and 2022, Plaintiff  
20 occasionally consulted Henman regarding cryptocurrency and NFT matters based  
21 on her representations of expertise in these areas.

22 15. On or about July 11, 2022, a business entity designated "Magicverse"  
23 was formed under California law with an address at 355 South Grand Avenue,  
24 Suite 2450, Los Angeles, California 90071. The timing of this formation  
25 corresponded directly with Defendants' solicitation of Plaintiff's investment.

26 16. In or around mid-July 2022, approximately two to three weeks before  
27 Plaintiff made the investment, Henman contacted Plaintiff regarding what she  
28 described as an exclusive investment opportunity in the Magicverse project.

1           17. Henman represented to Plaintiff that Magicverse would be a celebrity-  
2 anchored NFT and metaverse platform associated with Johnson. She described it as  
3 an educational platform designed to help underserved and urban communities learn  
4 about and earn cryptocurrency through participation in the metaverse ecosystem.

5           18. Henman made numerous material representations to induce Plaintiff's  
6 investment, including that Plaintiff would receive exclusive rights to operate "the  
7 only jewelry store in the Magic metaverse," creating a monopoly position within  
8 the virtual ecosystem.

9           19. Henman represented that Plaintiff would have the opportunity to tour  
10 with Johnson to promote both the Magicverse project and Plaintiff's business,  
11 providing unprecedented marketing and promotional access to Johnson's celebrity  
12 platform.

13           20. Henman represented that the Magicverse Genesis NFT collection  
14 would launch quickly, initially targeting September 2022 as the launch date. She  
15 represented that this imminent timeline created urgency for Plaintiff to invest  
16 immediately or lose the opportunity.

17           21. Henman represented that investment opportunities were strictly  
18 limited and that Plaintiff needed to act fast to secure a position, creating artificial  
19 scarcity to pressure Plaintiff's investment decision.

20           22. Henman made the false and fraudulent representation that "Dr. Dre  
21 had already invested 500k" in the Magicverse project. This statement was designed  
22 to provide celebrity validation, suggest that other sophisticated and wealthy  
23 investors had conducted due diligence and found the investment worthy, and create  
24 social proof to overcome any hesitation Plaintiff might have.

25           23. Henman represented that she was personally vouching for Plaintiff to  
26 Johnson and other project stakeholders, implying that her recommendation carried  
27 weight and that Plaintiff was receiving preferential treatment.  
28

1           24. Henman represented that Plaintiff would receive perpetual royalty  
2 payments for life from the Magicverse project, providing ongoing passive income.

3           25. Henman represented that Plaintiff would quickly recoup the initial  
4 investment and double that amount upon the initial NFT mint based on the  
5 anticipated demand and Johnson's involvement.

6           26. Defendants failed to disclose that the Magicverse investment  
7 constituted a security subject to federal and state securities laws.

8           27. Defendants failed to disclose that the offering was not registered or  
9 qualified with the Securities and Exchange Commission or California securities  
10 regulators.

11           28. Defendants failed to disclose their lack of technical capability,  
12 development resources, and operational infrastructure necessary to successfully  
13 develop and launch the represented Magicverse product.

14           29. Defendants failed to disclose the true nature and extent of Johnson's  
15 involvement, instead allowing Plaintiff to believe that Johnson was an active  
16 business partner who had conducted due diligence and was committed to the  
17 venture's success.

18           30. Defendants failed to disclose the lack of actual project development or  
19 progress toward launching the Magicverse product, despite representing an  
20 imminent September 2022 launch date.

21           **The Investment Agreement and Banking Coordination**

22           31. Based on Defendants' material misrepresentations, Plaintiff agreed to  
23 invest \$250,000 in the Magicverse project. On August 4, 2022, Plaintiff and  
24 Defendant Henman, acting individually and on behalf of Global Management  
25 Group, executed a written "Magicverse Investment Agreement." The Agreement  
26 identified the parties as Global Management Group and DoneRight and Company,  
27 LLC, was signed by Henman in her capacity as Founder/CEO of Global  
28

1 Management Group, and was signed by Jimmy Phan in his capacity as  
2 Founder/CEO of DoneRight and Company, LLC.

3 32. Under the Investment Agreement, Plaintiff agreed to remit \$250,000  
4 to GMG within five business days of the August 4, 2022 effective date. In  
5 exchange for the \$250,000 investment, the Agreement provided that GMG would  
6 pay Plaintiff "an amount equal to 1.75% of initial mint revenue and 1% of royalties  
7 from the MAGICVERSE GENESIS NFT Collection (the 'Product') throughout the  
8 world." The Agreement defined the Product as "the MAGICVERSE NFT  
9 Collection, as that brand name may change from time-to-time, for any and all  
10 indications, and regardless of whether the sales are generated directly by GMG or  
11 any partner or assignee of GMG." The Agreement required GMG to "provide  
12 DoneRight and Company, LLC reasonable information regarding marketing plans  
13 for the Product." The Agreement selected California law as the governing law and  
14 provided that it "shall be construed, governed, interpreted, and applied in  
15 accordance with the laws of the State of California, exclusive of its conflicts of law  
16 provisions."

17 33. In the days immediately preceding and following execution of the  
18 Investment Agreement, Henman coordinated detailed banking logistics for  
19 Plaintiff's \$250,000 cash deposit through electronic text messages. On August 2,  
20 2022, Henman sent Plaintiff a text message stating "I give Magic partner list  
21 tomorrow," explicitly referencing Johnson and indicating that Plaintiff would be  
22 identified as a partner to Johnson.

23 34. On August 4, 2022, Henman coordinated the specific logistics,  
24 discussing the amount of the deposit and clarifying that Plaintiff should bring  
25 "\$125k" in cash for the deposit, though the total investment amount was \$250,000.  
26 Henman sent Plaintiff text messages stating "FYI - partner deposit for MJ" and "I  
27 pulled your logo off internet fyi For my meeting today." These messages explicitly  
28



1 characterized Plaintiff's investment as a "partner deposit" and directly connected it  
2 to Johnson through the abbreviation "MJ."

3 35. In a subsequent August 4, 2022 text message, Henman provided  
4 specific banking instructions, stating "Usha bank manager; at the Wells Fargo 6783  
5 HIGHWAY 6 S Houston, TX. 77083. She will take care of you. She knows this is  
6 for Magic J." This message explicitly informed the Wells Fargo bank manager that  
7 Plaintiff's substantial cash deposit was "for Magic J," demonstrating Johnson's  
8 direct involvement in and knowledge of the financial transaction.

9 36. On August 4, 2022, Henman sent an email to Wells Fargo personnel  
10 with the subject line "Fw: Business Account," stating "Thank you for your  
11 assistance. Mr. Phan will be there in 1 hour for the cash deposit." The Investment  
12 Agreement itself provided deposit instructions identifying a Wells Fargo Bank  
13 account with the company information listed as "Magic Verse, 355 South Grand  
14 Avenue, Suite 2450 Los Angeles, CA 90071."

15 37. Plaintiff made the \$250,000 cash deposit in August 2022 as directed  
16 by Henman in accordance with the coordinated banking instructions referencing  
17 Johnson. The funds were accepted by Wells Fargo personnel who had been  
18 specifically advised that the deposit was "for Magic J." These communications and  
19 banking coordination demonstrate that Johnson was not merely a passive celebrity  
20 endorser lending his name to marketing materials, but rather an active participant  
21 in the financial infrastructure of the investment scheme who directly coordinated  
22 how investor funds would be handled and processed.

23 38. Following Plaintiff's \$250,000 investment in August 2022,  
24 Defendants failed to launch the Magicverse project as represented. The initially  
25 projected September 2022 launch date passed without any product release. When  
26 Plaintiff inquired about the status of the project, Defendants repeatedly pushed  
27 back the launch timeline with various excuses and false assurances.  
28

1           39. Despite the contractual obligation to provide Plaintiff with  
2 "reasonable information regarding marketing plans for the Product," Defendants  
3 failed to provide meaningful updates or transparency about the project's status,  
4 development progress, or use of investor funds.

5           40. No Magicverse Genesis NFT collection was ever minted, created, or  
6 offered to the public.

7           41. No marketplace was established for trading Magicverse NFTs or  
8 generating royalty revenue as promised in the Investment Agreement.

9           42. Plaintiff received no revenue or royalty payments of any kind from  
10 Defendants despite the contractual promises of 1.75% of initial mint revenue and  
11 1% of ongoing royalties.

12           43. Plaintiff was never provided with exclusive rights to operate a jewelry  
13 store in the Magic metaverse because no such metaverse was ever developed or  
14 launched.

15           44. Plaintiff never had any opportunity to tour with Johnson to promote  
16 the project or Plaintiff's business, contrary to Henman's representations.

17                   **Plaintiff's Demands for Information and Refund**

18           45. By March through May 2023, approximately seven to nine months  
19 after making the investment with no product launch or returns, Plaintiff began  
20 demanding either project updates or a refund of the \$250,000 investment. Plaintiff  
21 informed Henman that someone had invested with Plaintiff and was requesting  
22 their money back.

23           46. In response to these demands, Henman began avoiding Plaintiff's  
24 communications and providing evasive responses. She claimed that other people  
25 involved in the project were "lagging or not returning her calls" and made other  
26 excuses for the lack of progress. Henman's responsiveness declined significantly  
27 during this period. She would occasionally call Plaintiff after extended delays,  
28

1 claim to be busy, and apologize without providing substantive information or  
2 solutions.

3 47. In May or June 2023, Henman made the false representation that she  
4 had retained an attorney who sent a demand letter, presumably to other parties  
5 involved in the Magicverse project. However, Henman never provided Plaintiff  
6 with the attorney's name or contact information despite Plaintiff's repeated  
7 requests. When pressed for this information, Henman provided implausible  
8 excuses. Upon information and belief, no such attorney existed and this  
9 representation was fabricated to pacify Plaintiff and delay accountability.

10 48. On December 6, 2023, Henman had her final communication with  
11 Plaintiff. She stated that she was on a plane and would reach out to Plaintiff later.  
12 Henman never contacted Plaintiff again after December 6, 2023.

13 49. Plaintiff sent text messages to Henman following December 6, 2023,  
14 but received no response. Plaintiff attempted to contact Henman through  
15 Instagram, but received no response.

16 50. As of the filing of this Complaint, more than two years after  
17 Defendants ceased communication and more than three years after Plaintiff's  
18 investment, no Magicverse product has been launched, no NFTs have been minted,  
19 no marketplace has been established, and Plaintiff has received no returns  
20 whatsoever on the \$250,000 investment.

21 51. Defendants have retained Plaintiff's entire \$250,000 investment  
22 without providing any of the promised consideration, returns, information, or  
23 opportunities. Upon information and belief, no legitimate business progress was  
24 ever made on the project.

25 **The Investment Constituted an Unregistered Security**

26 52. The Magicverse investment opportunity constituted an investment  
27 contract and therefore a "security" within the meaning of Section 2(a)(1) of the  
28 Securities Act, 15 U.S.C. § 77b(a)(1), Section 3(a)(10) of the Securities Exchange

1 Act, 15 U.S.C. § 78c(a)(10), and California Corporations Code Section 25019.  
2 Plaintiff invested \$250,000 in money in a common enterprise with the expectation  
3 of profits derived solely from the entrepreneurial and managerial efforts of  
4 Defendants. Plaintiff's expected profits depended entirely on Defendants'  
5 development of the blockchain technology infrastructure, creation of the NFT  
6 collection, marketing and promotion to potential purchasers, execution of the  
7 initial mint sale, establishment of the secondary marketplace, and Johnson's  
8 celebrity endorsement activities.

9 53. The Magicverse investment offering was not registered with the  
10 Securities and Exchange Commission pursuant to Section 5 of the Securities Act.  
11 The Magicverse investment offering was not qualified with the California  
12 Department of Financial Protection and Innovation pursuant to California  
13 Corporations Code Section 25110. No exemption from federal or state registration  
14 or qualification requirements applied to Defendants' offering of the Magicverse  
15 investment to Plaintiff.

16 54. Defendants failed to provide Plaintiff with any of the disclosures  
17 required in connection with the offer and sale of securities. Defendants failed to  
18 disclose that the Magicverse investment constituted a security subject to federal  
19 and state securities laws, that the offering was unregistered and unqualified, the  
20 material risks associated with the investment, the speculative nature of NFT  
21 ventures, or Defendants' lack of technical capability and operational infrastructure  
22 to successfully develop and launch the product.

23 55. As a direct result of Defendants' fraudulent conduct, Plaintiff has  
24 suffered and continues to suffer damages in an amount to be determined at trial,  
25 but not less than \$250,000. Plaintiff has lost the entire \$250,000 investment.  
26 Plaintiff has lost the expected revenue and royalty streams promised under the  
27 Investment Agreement, specifically 1.75% of initial mint revenue and 1% of  
28 ongoing royalties. Plaintiff has suffered opportunity costs from being unable to

1 invest those funds in legitimate business ventures. Plaintiff has suffered emotional  
2 distress from Defendants' deception and subsequent abandonment.

3 56. Defendants have been unjustly enriched by retaining Plaintiff's  
4 \$250,000 without providing any consideration, returns, exclusive rights,  
5 promotional opportunities, or other benefits that formed the basis for Plaintiff's  
6 investment. Defendants have obtained use and control of Plaintiff's funds while  
7 providing nothing of value in return.

8 57. Defendants have committed all of the aforesaid acts deliberately,  
9 willfully, intentionally, maliciously, and in reckless disregard of Plaintiff's rights.  
10 Defendants made material misrepresentations with knowledge of their falsity or  
11 with reckless disregard for their truth. Defendants coordinated an investment  
12 scheme designed to defraud Plaintiff through false promises of celebrity  
13 involvement, exclusive opportunities, and imminent returns.

14 58. Defendants continue to retain Plaintiff's funds and, unless restrained  
15 by this Court, will continue to engage in similar fraudulent conduct with other  
16 investors. Defendants will continue to solicit investments in unregistered securities  
17 through material misrepresentations, fail to provide required disclosures, and  
18 misappropriate investor funds, all to the irreparable injury of other investors who  
19 lack an adequate remedy at law.

20 **FIRST CLAIM FOR RELIEF**

21 **(Violation of Securities Act of 1933 § 5 Against All Defendants)**

22 59. Plaintiff incorporates all preceding paragraphs as if fully set forth  
23 herein.

24 60. At all relevant times, the Magicverse investment opportunity  
25 constituted a "security" within the meaning of Section 2(a)(1) of the Securities Act  
26 of 1933, 15 U.S.C. § 77b(a)(1).

27 61. No registration statement was filed with or made effective by the  
28 Securities and Exchange Commission with respect to the Magicverse securities

1 offering prior to or at the time Defendants offered and sold the security to Plaintiff.  
2 No exemption from the registration requirements of Section 5 of the Securities Act  
3 applied to Defendants' offer and sale of the Magicverse security to Plaintiff.

4 62. Defendants directly and indirectly made use of means and instruments  
5 of transportation and communication in interstate commerce and of the mails to  
6 offer and sell the unregistered Magicverse security to Plaintiff in violation of  
7 Section 5(a) and Section 5(c) of the Securities Act, 15 U.S.C. § 77e(a) and (c).

8 63. As a direct and proximate result of Defendants' violations of Section 5  
9 of the Securities Act, Plaintiff has been damaged in an amount to be proven at trial,  
10 including the consideration paid of \$250,000, plus interest, less any amounts  
11 received by Plaintiff from Defendants.

12 64. Pursuant to Section 12(a)(1) of the Securities Act, 15 U.S.C. §  
13 77l(a)(1), Plaintiff is entitled to rescission and recovery of the consideration paid  
14 for the security with interest, or if Plaintiff no longer owns the security, to  
15 damages.

## 16 **SECOND CLAIM FOR RELIEF**

### 17 **(Violation of Securities Act of 1933 § 17(a) Against All Defendants)**

18 65. Plaintiff incorporates all preceding paragraphs as if fully set forth  
19 herein.

20 66. At all relevant times, the Magicverse investment opportunity  
21 constituted a "security" within the meaning of Section 2(a)(1) of the Securities Act,  
22 15 U.S.C. § 77b(a)(1).

23 67. Defendants, directly and indirectly, by use of means and instruments  
24 of transportation and communication in interstate commerce and by use of the  
25 mails, in the offer and sale of the Magicverse security to Plaintiff employed  
26 devices, schemes, and artifices to defraud Plaintiff; obtained money and property  
27 from Plaintiff by means of untrue statements of material fact and by omitting to  
28 state material facts necessary to make the statements made, in light of the

1 circumstances under which they were made, not misleading; and engaged in  
2 transactions, practices, and courses of business which operated as a fraud and  
3 deceit upon Plaintiff.

4 68. These violations of Section 17(a) of the Securities Act, 15 U.S.C. §  
5 77q(a), were committed with scienter, meaning that Defendants acted with intent to  
6 deceive, manipulate, or defraud, or with reckless disregard for the truth.  
7 Defendants knowingly made false representations regarding the September 2022  
8 launch date, Dr. Dre's \$500,000 investment, exclusive jewelry store rights, touring  
9 opportunities with Johnson, and perpetual royalty payments, all with knowledge of  
10 their falsity or reckless disregard for their truth.

11 69. As a direct and proximate result of Defendants' violations of Section  
12 17(a) of the Securities Act, Plaintiff has been damaged in an amount to be proven  
13 at trial, but not less than \$250,000, plus interest and consequential damages.

14 70. Pursuant to Section 12(a)(2) of the Securities Act, 15 U.S.C. §  
15 77l(a)(2), Plaintiff is entitled to rescission and recovery of the consideration paid  
16 for the security with interest, or if Plaintiff no longer owns the security, to  
17 damages.

### 18 **THIRD CLAIM FOR RELIEF**

#### 19 **(Violation of Securities Exchange Act of 1934 § 10(b) and Rule 10b-5 Against** 20 **All Defendants)**

21 71. Plaintiff incorporates all preceding paragraphs as if fully set forth  
22 herein.

23 72. At all relevant times, the Magicverse investment opportunity  
24 constituted a "security" within the meaning of Section 3(a)(10) of the Securities  
25 Exchange Act of 1934, 15 U.S.C. § 78c(a)(10).

26 73. Defendants, directly and indirectly, by use of means and  
27 instrumentalities of interstate commerce and of the mails, in connection with the  
28 purchase and sale of the Magicverse security employed devices, schemes, and



1 artifices to defraud Plaintiff; made untrue statements of material fact and omitted  
2 to state material facts necessary to make the statements made, in the light of the  
3 circumstances under which they were made, not misleading; and engaged in acts,  
4 practices, and courses of business which operated as a fraud and deceit upon  
5 Plaintiff.

6 74. Specifically, in mid-July 2022, Henman made material  
7 misrepresentations to Plaintiff that the Magicverse Genesis NFT collection would  
8 launch in September 2022, that Dr. Dre had already invested \$500,000, that  
9 Plaintiff would receive exclusive jewelry store rights in the Magic metaverse, and  
10 that Plaintiff would tour with Johnson to promote the project. These statements  
11 were false when made and were material to Plaintiff's investment decision. A  
12 reasonable investor would have considered Johnson's celebrity involvement, the  
13 exclusive nature of the investment opportunity, and the validation provided by  
14 other celebrity investors to be significant factors in deciding whether to invest  
15 \$250,000.

16 75. Defendants made these misrepresentations with scienter. Henman  
17 knew or recklessly disregarded that the September 2022 launch timeline was false  
18 when she represented it to Plaintiff in July-August 2022. The complete failure to  
19 launch any product demonstrates that no legitimate development effort was  
20 underway. Henman knew that the representation regarding Dr. Dre's investment  
21 was false or made the statement with reckless disregard for its truth. Johnson knew  
22 or recklessly disregarded that his involvement was being used to induce  
23 investments through material misrepresentations when he directly participated in  
24 banking coordination explicitly identifying Plaintiff's funds as a "partner deposit  
25 for MJ."

26 76. Plaintiff reasonably relied on Defendants' material misrepresentations  
27 in deciding to invest \$250,000 in the Magicverse security. Had Plaintiff known the  
28 truth that no Magicverse product would be launched, that other represented



1 celebrity investors had not actually invested, and that Johnson was not operating a  
2 legitimate business venture, Plaintiff would not have invested.

3 77. As a direct and proximate result of Defendants' violations of Section  
4 10(b) and Rule 10b-5, Plaintiff has been damaged in an amount to be proven at  
5 trial, but not less than \$250,000, plus interest and consequential damages.

6 78. Plaintiff is entitled to all remedies available under Section 10(b) of the  
7 Securities Exchange Act and Rule 10b-5, including compensatory damages,  
8 rescission, and any other relief the Court deems appropriate.

9 **FOURTH CLAIM FOR RELIEF**

10 **(Violation of Securities Exchange Act of 1934 § 20(a) Control Person Liability**  
11 **Against Johnson)**

12 79. Plaintiff incorporates all preceding paragraphs as if fully set forth  
13 herein.

14 80. As alleged in the Third Claim for Relief, Henman and GMG violated  
15 Section 10(b) of the Securities Exchange Act and Rule 10b-5 in connection with  
16 the offer and sale of the Magicverse security to Plaintiff.

17 81. At all relevant times, Johnson was a controlling person of Henman  
18 and GMG within the meaning of Section 20(a) of the Securities Exchange Act, 15  
19 U.S.C. § 78t(a). Johnson had the power to direct or cause the direction of the  
20 management and policies of Henman and GMG with respect to the Magicverse  
21 investment offering and the solicitation of Plaintiff's investment.

22 82. Johnson exercised actual control over Henman's conduct in offering  
23 and selling the Magicverse security to Plaintiff, as demonstrated by the  
24 coordination of banking logistics explicitly identifying Plaintiff's investment as  
25 being "for MJ" and Johnson's direct involvement in the financial infrastructure of  
26 the scheme. The explicit references to "partner deposit for MJ" and coordination of  
27 banking procedures specifically to ensure the Wells Fargo manager "knows this is  
28

1 for Magic J" demonstrate Johnson's involvement in and control over the financial  
2 infrastructure of the offering.

3 83. Johnson cannot establish the good faith defense because he knowingly  
4 participated in the fraudulent scheme, allowed his name and reputation to be used  
5 to induce investments, coordinated banking procedures to facilitate the fraud, and  
6 failed to exercise reasonable care to prevent the securities law violations.

7 84. As a direct and proximate result of Johnson's control person liability  
8 under Section 20(a), Plaintiff has been damaged in an amount to be proven at trial,  
9 but not less than \$250,000, plus interest and consequential damages.

10 85. Plaintiff is entitled to joint and several liability against Johnson for all  
11 damages caused by the securities law violations of Henman and GMG.

12 **FIFTH CLAIM FOR RELIEF**

13 **(Violation of 18 U.S.C. § 1962(c) (RICO) Against All Defendants)**

14 86. Plaintiff incorporates all preceding paragraphs as if fully set forth  
15 herein.

16 87. Defendants Henman and Johnson, together with other known and  
17 unknown persons, constituted an association-in-fact enterprise within the meaning  
18 of 18 U.S.C. § 1961(4) engaged in and affecting interstate commerce. The  
19 Enterprise existed for the common purpose of fraudulently soliciting investments  
20 in purported NFT and metaverse ventures, misappropriating investor funds, and  
21 concealing the fraudulent nature of the scheme through ongoing  
22 misrepresentations.

23 88. Defendants were employed by and associated with the Enterprise and  
24 conducted and participated, directly and indirectly, in the conduct of the  
25 Enterprise's affairs through a pattern of racketeering activity, as defined by 18  
26 U.S.C. § 1961(1) and (5).

1           89. The pattern of racketeering activity consisted of multiple acts of wire  
2 fraud in violation of 18 U.S.C. § 1343, mail fraud in violation of 18 U.S.C. § 1341,  
3 and securities fraud in violation of 18 U.S.C. § 1348.

4           90. **Wire Fraud Predicate Acts:** On or about August 2, 2022, Henman  
5 transmitted an electronic text message to Plaintiff in interstate commerce stating "I  
6 give Magic partner list tomorrow," which was part of the scheme to defraud  
7 Plaintiff by falsely representing that Plaintiff would be recognized as a partner in  
8 Johnson's venture. This constituted wire fraud in violation of 18 U.S.C. § 1343.

9           91. On or about August 4, 2022, Henman transmitted electronic text  
10 messages to Plaintiff in interstate commerce stating "FYI - partner deposit for MJ"  
11 and "She knows this is for Magic J," which were part of the scheme to defraud  
12 Plaintiff by creating the false impression of Johnson's active partnership and  
13 investment validation. These constituted wire fraud in violation of 18 U.S.C. §  
14 1343.

15           92. On or about August 4, 2022, Henman transmitted an electronic email  
16 to Wells Fargo personnel coordinating the \$250,000 cash deposit, which was  
17 transmitted through interstate internet infrastructure and was part of the scheme to  
18 facilitate collection of fraudulently obtained funds. This constituted wire fraud in  
19 violation of 18 U.S.C. § 1343.

20           93. During 2022 and 2023, Henman transmitted multiple electronic text  
21 messages and communications to Plaintiff providing false updates about the  
22 project status, false excuses for delays, and false representations about attorneys  
23 sending demand letters, all of which were transmitted through interstate commerce  
24 and were part of the scheme to defraud and delay accountability. Each such  
25 communication constituted a separate act of wire fraud in violation of 18 U.S.C. §  
26 1343.

27           94. Defendants utilized social media platforms operating through  
28 interstate internet infrastructure to promote the Magicverse project and create false

1 impressions of legitimacy and Johnson's involvement. These constituted wire fraud  
2 in violation of 18 U.S.C. § 1343.

3       **95. Securities Fraud Predicate Acts:** Defendants' fraudulent offer and  
4 sale of the unregistered Magicverse security to Plaintiff through material  
5 misrepresentations and omissions as alleged herein constituted securities fraud in  
6 violation of 18 U.S.C. § 1348. Each material misrepresentation in connection with  
7 the offer and sale constituted a separate predicate act.

8       **96. Mail Fraud Predicate Acts:** Defendants' scheme necessarily  
9 involved use of the United States mails or private interstate carriers in transmitting  
10 documents, correspondence, and materials related to the fraudulent investment  
11 offering. Any such mailings constituted mail fraud in violation of 18 U.S.C. §  
12 1341. To the extent Defendants caused any banking documents, account  
13 statements, or other materials related to the fraudulent scheme to be transmitted  
14 through the United States mails or private interstate carriers, each such  
15 transmission constituted mail fraud in violation of 18 U.S.C. § 1341.

16       **97.** These predicate acts of racketeering activity were related to each other  
17 as part of a common scheme to fraudulently solicit investments through material  
18 misrepresentations, misappropriate investor funds, and conceal the fraud through  
19 ongoing deception. These predicate acts demonstrated continuity in that they  
20 occurred over an extended period from at least July 2022 through December 2023  
21 and threatened continued criminal activity.

22       **98.** By reason of Defendants' violations of 18 U.S.C. § 1962(c), Plaintiff  
23 was injured in its business and property. Plaintiff's injury was proximately caused  
24 by Defendants' pattern of racketeering activity. Specifically, Plaintiff invested  
25 \$250,000 and suffered additional consequential losses as a direct result of  
26 Defendants' fraudulent wire communications, use of the mails, and securities fraud.

27       **99.** Pursuant to 18 U.S.C. § 1964(c), Plaintiff is entitled to recover  
28 threefold the damages sustained, plus the cost of the suit and reasonable attorneys'

1 fees. Plaintiff's actual damages exceed \$250,000, and trebling of these damages  
2 would result in an award exceeding \$750,000, plus consequential damages, costs,  
3 and attorneys' fees.

4 **SIXTH CLAIM FOR RELIEF**

5 **(Violation of 18 U.S.C. § 1962(d) (RICO Conspiracy) Against All Defendants)**

6 100. Plaintiff incorporates all preceding paragraphs as if fully set forth  
7 herein.

8 101. Defendants conspired to violate 18 U.S.C. § 1962(c) by agreeing to  
9 conduct and participate in the conduct of the Enterprise's affairs through a pattern  
10 of racketeering activity.

11 102. Defendants knowingly and intentionally agreed to the overall  
12 objective of the conspiracy, which was to fraudulently solicit investments through  
13 material misrepresentations, misappropriate investor funds, and conceal the  
14 fraudulent nature of the scheme. Each Defendant knew the general nature and  
15 scope of the conspiracy and intended to participate in it.

16 103. Defendants committed overt acts in furtherance of the conspiracy,  
17 including making material misrepresentations to Plaintiff regarding the September  
18 2022 launch date, Dr. Dre's purported investment, exclusive jewelry store rights,  
19 and touring opportunities with Johnson; coordinating banking logistics and  
20 explicitly identifying deposits as "for Magic J"; transmitting fraudulent wire  
21 communications through interstate commerce; promoting the scheme through  
22 social media; providing false updates and excuses during 2023; fabricating  
23 representations about retaining attorneys; and ultimately retaining Plaintiff's  
24 \$250,000 funds while ceasing all communication.

25 104. By reason of Defendants' violations of 18 U.S.C. § 1962(d), Plaintiff  
26 was injured in its business and property. Plaintiff's injury was proximately caused  
27 by Defendants' RICO conspiracy. Specifically, Plaintiff invested \$250,000 and  
28

1 suffered additional consequential losses as a direct result of Defendants'  
2 coordinated fraudulent scheme.

3 105. Pursuant to 18 U.S.C. § 1964(c), Plaintiff is entitled to recover  
4 threefold the damages sustained, plus the cost of the suit and reasonable attorneys'  
5 fees. Plaintiff's actual damages exceed \$250,000, and trebling of these damages  
6 would result in an award exceeding \$750,000, plus consequential damages, costs,  
7 and attorneys' fees.

8 **SEVENTH CLAIM FOR RELIEF**

9 **(Violation of California Corporations Code § 25110 Against All Defendants)**

10 106. Plaintiff incorporates all preceding paragraphs as if fully set forth  
11 herein.

12 107. At all relevant times, the Magicverse investment opportunity  
13 constituted a "security" within the meaning of California Corporations Code  
14 Section 25019.

15 108. California Corporations Code Section 25110 makes it unlawful to  
16 offer or sell any security in California unless the sale has been qualified with the  
17 California Commissioner of Financial Protection and Innovation or is exempted or  
18 not subject to qualification.

19 109. Defendants offered and sold the Magicverse security to Plaintiff in  
20 California without qualifying the offering with the California Commissioner of  
21 Financial Protection and Innovation as required by California Corporations Code  
22 Section 25110.

23 110. No exemption from the qualification requirements applied to  
24 Defendants' offer and sale of the Magicverse security to Plaintiff.

25 111. As a direct and proximate result of Defendants' violations of  
26 California Corporations Code Section 25110, Plaintiff has been damaged in an  
27 amount to be proven at trial, but not less than \$250,000.  
28

1           112. Pursuant to California Corporations Code Section 25503, Plaintiff is  
2 entitled to rescission and recovery of the consideration paid for the security with  
3 interest at the legal rate from the date of payment, less the amount of any income  
4 received on the security, upon tender of the security, or if Plaintiff no longer owns  
5 the security, to damages equal to the consideration paid plus interest at the legal  
6 rate from the date of payment less any income received, plus reasonable attorneys'  
7 fees.

8                           **EIGHTH CLAIM FOR RELIEF**

9           **(Violation of California Corporations Code § 25401 Against All Defendants)**

10           113. Plaintiff incorporates all preceding paragraphs as if fully set forth  
11 herein.

12           114. At all relevant times, the Magicverse investment opportunity  
13 constituted a "security" within the meaning of California Corporations Code  
14 Section 25019.

15           115. California Corporations Code Section 25401 makes it unlawful for  
16 any person to offer or sell a security in California by means of any written or oral  
17 communication that includes an untrue statement of material fact or omits to state a  
18 material fact necessary to make the statements made, in light of the circumstances  
19 under which they were made, not misleading.

20           116. Defendants offered and sold the Magicverse security to Plaintiff in  
21 California by means of written and oral communications that included untrue  
22 statements of material fact. In mid-July 2022, Henman represented that the  
23 Magicverse Genesis NFT collection would launch in September 2022. Henman  
24 falsely represented that "Dr. Dre had already invested 500k" in the project.  
25 Henman represented that Plaintiff would receive exclusive rights to operate "the  
26 only jewelry store in the Magic metaverse." Henman represented that Plaintiff  
27 would tour with Johnson to promote the project. Henman represented that Plaintiff  
28 would receive perpetual royalty payments for life and would quickly recoup the

1 investment and double it upon the initial mint. These statements were false when  
2 made.

3 117. Defendants offered and sold the Magicverse security to Plaintiff by  
4 means of communications that omitted to state material facts necessary to make the  
5 statements made not misleading, including the unregistered nature of the offering,  
6 the speculative nature of the investment, Defendants' lack of development  
7 capability and operational infrastructure, and the true extent of Johnson's  
8 involvement.

9 118. Johnson's direct involvement is demonstrated by the August 2, 2022  
10 text message stating "I give Magic partner list tomorrow," the August 4, 2022  
11 messages stating "FYI - partner deposit for MJ" and instructing that the Wells  
12 Fargo manager "knows this is for Magic J," and Johnson's coordination of banking  
13 logistics for Plaintiff's \$250,000 deposit.

14 119. Defendants acted with scienter in making these misrepresentations  
15 and omissions. Henman knew or recklessly disregarded that the September 2022  
16 launch timeline was false when represented. Henman knew the representation  
17 regarding Dr. Dre's investment was false or made it with reckless disregard for its  
18 truth. Johnson knew or recklessly disregarded that his involvement was being used  
19 to induce investments through material misrepresentations when he coordinated  
20 banking activities explicitly identifying deposits as "for MJ."

21 120. As a direct and proximate result of Defendants' violations of  
22 California Corporations Code Section 25401, Plaintiff has been damaged in an  
23 amount to be proven at trial, but not less than \$250,000.

24 121. Pursuant to California Corporations Code Section 25501, Plaintiff is  
25 entitled to damages equal to the consideration paid plus interest at the legal rate  
26 from the date of payment less any income received, plus reasonable attorneys' fees.  
27  
28



**NINTH CLAIM FOR RELIEF**

**(Violation of California Corporations Code § 25501 Control Person Liability  
Against Johnson)**

122. Plaintiff incorporates all preceding paragraphs as if fully set forth herein.

123. As alleged in the Seventh and Eighth Claims for Relief, Henman and GMG violated California Corporations Code Sections 25110 and 25401 by offering and selling unqualified securities through material misrepresentations.

124. At all relevant times, Johnson directly or indirectly controlled Henman and GMG with respect to the Magicverse investment offering. Johnson exercised actual control over Henman's conduct in offering and selling the Magicverse security to Plaintiff.

125. California Corporations Code Section 25501 provides that every person who directly or indirectly controls a person liable under Sections 25110 or 25401 is also liable jointly and severally with and to the same extent as such controlled person, unless the controlling person had no knowledge of or reasonable grounds to believe in the existence of the facts by reason of which the liability of the controlled person is alleged to exist.

126. Johnson had knowledge of and reasonable grounds to believe in the existence of the facts by reason of which Henman's and GMG's liability exists. Johnson's direct participation in banking coordination, including the explicit references to "partner deposit for MJ" and instructions that the deposit was "for Magic J," demonstrate his actual knowledge and participation in the securities violations. Johnson's promotional activities and lending of celebrity credibility to induce investments further demonstrate his knowledge and control.

127. As a direct and proximate result of Johnson's control person liability under California Corporations Code Section 25501, Plaintiff has been damaged in an amount to be proven at trial, but not less than \$250,000.

1 128. Johnson is jointly and severally liable with Henman and GMG for all  
2 damages caused by their violations of California securities laws, plus interest and  
3 reasonable attorneys' fees.

4 **TENTH CLAIM FOR RELIEF**

5 **(Violation of California Corporations Code § 25504.1 Aiding and Abetting**  
6 **Against Johnson)**

7 129. Plaintiff incorporates all preceding paragraphs as if fully set forth  
8 herein.

9 130. As alleged in the Seventh and Eighth Claims for Relief, Henman and  
10 GMG violated California Corporations Code Sections 25110 and 25401 by  
11 offering and selling unqualified securities through material misrepresentations.

12 131. Johnson knowingly and substantially assisted Henman and GMG in  
13 committing these securities law violations. Johnson provided substantial assistance  
14 by lending his celebrity status and reputation to the Magicverse investment  
15 scheme, directly coordinating banking logistics to facilitate collection of investor  
16 funds, and allowing his name to be used to induce investments while knowing or  
17 recklessly disregarding that material misrepresentations were being made to  
18 investors.

19 132. The August 4, 2022 banking coordination communications, which  
20 explicitly identified Plaintiff's deposit as "for Magic J" and instructed Wells Fargo  
21 personnel that the deposit was "for Magic J," demonstrate Johnson's active  
22 participation in facilitating the collection of fraudulently obtained funds. These  
23 communications show Johnson was not a passive celebrity endorser but an active  
24 participant in the financial infrastructure of the scheme.

25 133. Johnson knew that Henman and GMG were engaged in conduct that  
26 constituted a breach of California securities laws or was in reckless disregard of  
27 whether such conduct constituted a breach. Johnson had a general awareness that  
28 the overall venture was improper based on his direct involvement in coordinating

1 discrete banking procedures and his knowledge that his celebrity status was being  
2 used to induce investments.

3 134. California Corporations Code Section 25504.1 provides that any  
4 person who directly or indirectly with intent to deceive or defraud or with reckless  
5 disregard for the truth or the law materially aids a violation of securities laws is  
6 liable jointly and severally with the primary violator.

7 135. As a direct and proximate result of Johnson's aiding and abetting  
8 liability under California Corporations Code Section 25504.1, Plaintiff has been  
9 damaged in an amount to be proven at trial, but not less than \$250,000.

10 136. Johnson is jointly and severally liable with Henman and GMG for all  
11 damages caused by their violations of California securities laws, plus interest and  
12 reasonable attorneys' fees.

### 13 **ELEVENTH CLAIM FOR RELIEF**

#### 14 **(Common Law Fraud Against All Defendants)**

15 137. Plaintiff incorporates all preceding paragraphs as if fully set forth  
16 herein.

17 138. Defendants made false representations of material fact to Plaintiff,  
18 including that the Magicverse Genesis NFT collection would launch in September  
19 2022; that Dr. Dre had invested \$500,000 in the project; that Plaintiff would  
20 receive exclusive rights to operate the only jewelry store in the Magic metaverse;  
21 that Plaintiff would tour with Johnson to promote the project; that Plaintiff would  
22 receive perpetual royalty payments for life; and that Plaintiff would quickly recoup  
23 the initial investment and double it upon the initial mint.

24 139. These representations were false when made. No NFT collection was  
25 ever created or launched. Dr. Dre had not invested in the project. No metaverse  
26 was developed. No touring opportunity existed. No royalty payments were ever  
27 made.  
28

1           140. Defendants knew these representations were false when made or made  
2 them with reckless disregard for their truth. The complete failure to launch any  
3 product more than three years later demonstrates that no legitimate development  
4 effort was underway when the representations were made.

5           141. Defendants also omitted material facts, including that the offering was  
6 unregistered, that Defendants lacked the technical capability and operational  
7 infrastructure to develop the product, and that Johnson's actual involvement was  
8 limited despite using his name and celebrity status to induce investments.

9           142. Defendants made these representations and omissions with the intent  
10 to induce Plaintiff's reliance and to cause Plaintiff to invest \$250,000 in the  
11 Magicverse scheme.

12           143. Plaintiff reasonably relied on Defendants' false representations in  
13 deciding to invest \$250,000. Plaintiff had known Henman since 2015-2016 and  
14 had consulted her regarding cryptocurrency matters. Johnson's celebrity status and  
15 apparent involvement provided credibility to the venture.

16           144. As a direct and proximate result of Plaintiff's justifiable reliance on  
17 Defendants' false representations, Plaintiff has been damaged in an amount to be  
18 proven at trial, but not less than \$250,000, plus consequential damages, interest,  
19 and costs.

20           145. Defendants' conduct was malicious, oppressive, and fraudulent,  
21 entitling Plaintiff to punitive damages in an amount sufficient to punish Defendants  
22 and deter future similar conduct.

23                           **TWELFTH CLAIM FOR RELIEF**

24                           **(Promissory Fraud Against All Defendants)**

25           146. Plaintiff incorporates all preceding paragraphs as if fully set forth  
26 herein.

27           147. Defendants made promises to Plaintiff regarding future conduct,  
28 including promises to launch the Magicverse Genesis NFT collection; to provide

1 Plaintiff with exclusive jewelry store rights in the Magic metaverse; to provide  
2 Plaintiff with opportunities to tour with Johnson to promote the project; to pay  
3 Plaintiff 1.75% of initial mint revenue; to pay Plaintiff 1% of ongoing royalties;  
4 and to provide Plaintiff with reasonable information regarding marketing plans.

5 148. At the time these promises were made, Defendants had no intention of  
6 performing them and made the promises solely to induce Plaintiff to invest  
7 \$250,000.

8 149. Defendants knew these promises were false when made. Defendants  
9 lacked any viable plan, technology, development team, or operational  
10 infrastructure to create and launch the represented product. Defendants' subsequent  
11 conduct—repeatedly delaying, making excuses, fabricating false representations  
12 about attorneys, becoming progressively less responsive, and ultimately  
13 abandoning all communication while retaining Plaintiff's funds—demonstrates  
14 they never intended to perform.

15 150. Defendants made these promises with the intent to deceive Plaintiff  
16 and to cause Plaintiff to invest \$250,000 in the Magicverse scheme.

17 151. Plaintiff reasonably relied on Defendants' promises in deciding to  
18 invest \$250,000.

19 152. As a direct and proximate result of Plaintiff's justifiable reliance on  
20 Defendants' false promises, Plaintiff has been damaged in an amount to be proven  
21 at trial, but not less than \$250,000, plus consequential damages, interest, and costs.

22 153. Defendants' conduct was malicious, oppressive, and fraudulent,  
23 entitling Plaintiff to punitive damages in an amount sufficient to punish Defendants  
24 and deter future similar conduct.

### 25 **THIRTEENTH CLAIM FOR RELIEF**

#### 26 **(Breach of Contract Against Henman and GMG)**

27 154. Plaintiff incorporates all preceding paragraphs as if fully set forth  
28 herein.

1           155. On August 4, 2022, Plaintiff and Defendant Henman, acting on behalf  
2 of Global Management Group, entered into a valid and binding written Magicverse  
3 Investment Agreement.

4           156. Under the Investment Agreement, Plaintiff agreed to invest \$250,000  
5 in exchange for 1.75% of initial mint revenue and 1% of ongoing royalties from  
6 the Magicverse Genesis NFT Collection. The Agreement also required Defendants  
7 to provide Plaintiff with reasonable information regarding marketing plans for the  
8 product.

9           157. Plaintiff performed all obligations under the Investment Agreement by  
10 investing the full \$250,000 within the required time period.

11           158. Defendants breached the Investment Agreement by: failing to create  
12 or launch the Magicverse Genesis NFT Collection; failing to generate any mint  
13 revenue or royalty payments; failing to pay Plaintiff any portion of revenues or  
14 royalties; failing to provide Plaintiff with reasonable information regarding  
15 marketing plans; and failing to perform any work toward the promised project.

16           159. As a direct and proximate result of Defendants' breach of contract,  
17 Plaintiff has been damaged in an amount to be proven at trial, including return of  
18 the \$250,000 investment, loss of expected revenue under the contract terms (1.75%  
19 of mint revenue and 1% of royalties), consequential damages, interest, and costs.

20                           **FOURTEENTH CLAIM FOR RELIEF**

21                   **(Breach of Implied Covenant of Good Faith and Fair Dealing Against**  
22                           **Henman and GMG)**

23           160. Plaintiff incorporates all preceding paragraphs as if fully set forth  
24 herein.

25           161. The Investment Agreement entered into between Plaintiff and  
26 Defendants Henman and GMG contained an implied covenant of good faith and  
27 fair dealing requiring Defendants to refrain from conduct that would unfairly  
28

1 frustrate Plaintiff's rights under the Agreement or deprive Plaintiff of the benefits  
2 of the contract.

3 162. Defendants breached the implied covenant by: taking Plaintiff's  
4 \$250,000 investment with no intention to perform; making no legitimate effort to  
5 develop or launch the Magicverse project; failing to use Plaintiff's investment  
6 funds for their intended purpose; providing false and evasive responses to  
7 Plaintiff's reasonable inquiries; fabricating excuses and false representations;  
8 ceasing all communication with Plaintiff after December 6, 2023; and retaining  
9 Plaintiff's investment while providing none of the promised benefits.

10 163. Defendants' conduct was designed to unfairly frustrate Plaintiff's  
11 reasonable expectations under the Investment Agreement and to deprive Plaintiff  
12 of the contractual benefits while retaining Plaintiff's investment, all in bad faith.

13 164. As a direct and proximate result of Defendants' breach of the implied  
14 covenant of good faith and fair dealing, Plaintiff has been damaged in an amount to  
15 be proven at trial, but not less than \$250,000, plus consequential damages, interest,  
16 and costs.

17 **FIFTEENTH CLAIM FOR RELIEF**

18 **(Violation of California Business & Professions Code § 17200 et seq. Against**  
19 **All Defendants)**

20 165. Plaintiff incorporates all preceding paragraphs as if fully set forth  
21 herein.

22 166. California Business and Professions Code Section 17200 et seq.  
23 prohibits any unlawful, unfair, or fraudulent business act or practice.

24 167. Defendants engaged in unlawful business acts and practices by  
25 violating federal securities laws, including Section 5 of the Securities Act, Section  
26 17(a) of the Securities Act, Section 10(b) of the Securities Exchange Act, and  
27 RICO statutes, as alleged in the First through Sixth Claims for Relief. Defendants  
28 also violated California securities laws, including California Corporations Code

1 Sections 25110, 25401, 25501, and 25504.1, as alleged in the Seventh through  
2 Tenth Claims for Relief. Defendants further violated common law fraud and  
3 contract principles, as alleged in the Eleventh through Fourteenth Claims for  
4 Relief.

5 168. Defendants engaged in unfair business acts and practices by soliciting  
6 Plaintiff's \$250,000 investment through material misrepresentations, failing to  
7 disclose material information required by law, failing to perform any of the  
8 promised services or benefits, and retaining Plaintiff's investment while providing  
9 no consideration in return. This conduct offends established public policy  
10 protecting investors from unregistered securities offerings and fraudulent  
11 investment schemes. Defendants' conduct was immoral, unethical, oppressive, and  
12 unscrupulous. The harm to Plaintiff—loss of \$250,000, deprivation of expected  
13 returns, and opportunity costs—substantially outweighs any countervailing  
14 benefits and could not reasonably have been avoided by Plaintiff despite the  
15 exercise of due care.

16 169. Defendants engaged in fraudulent business acts and practices by  
17 making false and misleading statements to Plaintiff regarding the Magicverse  
18 project, the September 2022 launch timeline, Dr. Dre's purported \$500,000  
19 investment, exclusive jewelry store rights, touring opportunities with Johnson,  
20 perpetual royalty payments, and expected returns. Defendants made these  
21 statements with the intent to deceive Plaintiff and other potential investors. These  
22 deceptive practices were likely to mislead members of the public into investing in  
23 unregistered securities based on false celebrity endorsements and  
24 misrepresentations of project viability.

25 170. Defendants' unlawful, unfair, and fraudulent business practices were  
26 committed in the course of conducting business and constitute a pattern and  
27 practice of such conduct.  
28



1 171. Plaintiff has suffered injury in fact and lost money as a direct result of  
2 Defendants' unlawful, unfair, and fraudulent business practices. Plaintiff invested  
3 \$250,000 based on Defendants' misrepresentations and has received no returns,  
4 benefits, or consideration whatsoever.

5 172. Plaintiff is entitled to restitution of all funds acquired by Defendants  
6 through unlawful, unfair, or fraudulent business practices, including the full  
7 \$250,000 investment plus any income or appreciation Defendants obtained through  
8 use of those funds.

9 173. Plaintiff is also entitled to injunctive relief enjoining Defendants from  
10 offering or selling unregistered securities in violation of federal or state law;  
11 making material misrepresentations or omissions in connection with investment  
12 offerings; soliciting investments through use of celebrity endorsements without  
13 adequate disclosure of the celebrity's actual involvement, compensation, and  
14 conflicts of interest; and engaging in any business practices involving NFT,  
15 cryptocurrency, or digital asset investment offerings without proper registration,  
16 qualification, and disclosure.

17 174. Pursuant to California Business and Professions Code Section 17203,  
18 Plaintiff is entitled to recover reasonable attorneys' fees and costs incurred in  
19 prosecuting this action.

20 **SIXTEENTH CLAIM FOR RELIEF**

21 **(Conversion Against All Defendants)**

22 175. Plaintiff incorporates all preceding paragraphs as if fully set forth  
23 herein.

24 176. Conversion requires: (1) plaintiff's ownership or right to possession of  
25 property; (2) defendant's wrongful disposition or exercise of dominion over the  
26 property; and (3) resulting damage to plaintiff.

27 177. Plaintiff owned and had the right to possession of \$250,000 in cash  
28 that Plaintiff transferred to Defendants in August 2022 based on the Investment

1 Agreement and Defendants' representations that the funds would be used to  
2 develop and launch the Magicverse project and that Plaintiff would receive  
3 specified revenue shares and benefits in exchange.

4 178. Defendants wrongfully exercised dominion and control over Plaintiff's  
5 \$250,000 by retaining the funds without providing any of the promised  
6 consideration, benefits, revenue shares, or opportunities; refusing to return the  
7 funds despite Plaintiff's demands beginning in March 2023; converting the funds to  
8 their own use rather than applying them to the stated purpose; and depriving  
9 Plaintiff of possession and use of the property by ceasing all communication after  
10 December 6, 2023.

11 179. Defendants' retention and use of Plaintiff's \$250,000 without  
12 providing the agreed-upon consideration and despite Plaintiff's repeated demands  
13 for return of the funds constitutes wrongful conversion of Plaintiff's property.

14 180. Defendants acted with the intent to exercise dominion and control  
15 over Plaintiff's funds inconsistent with Plaintiff's rights. Defendants' conduct was  
16 willful, deliberate, and in conscious disregard of Plaintiff's property rights.

17 181. As a direct and proximate result of Defendants' conversion, Plaintiff  
18 has been damaged in an amount to be proven at trial, but not less than \$250,000,  
19 plus interest from the date of conversion, consequential damages, and costs.

20 182. Defendants' conduct was malicious, oppressive, and fraudulent,  
21 entitling Plaintiff to punitive damages in an amount sufficient to punish Defendants  
22 and deter future similar conduct.

23 **SEVENTEENTH CLAIM FOR RELIEF**

24 **(Unjust Enrichment Against All Defendants)**

25 183. Plaintiff incorporates all preceding paragraphs as if fully set forth  
26 herein.

27 184. Unjust enrichment requires: (1) a benefit conferred on defendant by  
28 plaintiff; (2) defendant's appreciation or knowledge of the benefit; and (3)

1 defendant's acceptance and retention of the benefit under circumstances making it  
2 inequitable for defendant to retain the benefit without payment of its value.

3 185. Plaintiff conferred a benefit on Defendants by investing \$250,000 in  
4 cash in the Magicverse project in August 2022.

5 186. Defendants received, appreciated, and had knowledge of this benefit.  
6 Defendants obtained use and control of Plaintiff's \$250,000 and coordinated  
7 specific banking procedures to accept the deposit as "for Magic J."

8 187. Defendants have been unjustly enriched by retaining Plaintiff's  
9 \$250,000 without providing any of the promised consideration, revenue shares,  
10 exclusive rights, promotional opportunities, or other benefits that were the basis for  
11 the investment. Defendants obtained the funds through material misrepresentations  
12 and false promises, failed to use the funds for their stated purpose, failed to provide  
13 any benefits in exchange, failed to respond to Plaintiff's demands for information  
14 or return of funds, and ultimately ceased all communication with Plaintiff while  
15 retaining the funds. It would be inequitable and unjust for Defendants to retain the  
16 benefit under these circumstances.

17 188. Plaintiff has no adequate remedy at law that would fully compensate  
18 Plaintiff for Defendants' unjust enrichment. Money damages alone cannot restore  
19 Plaintiff to the position Plaintiff would have occupied absent Defendants' conduct.

20 189. Plaintiff is entitled to restitution and disgorgement of all benefits  
21 Defendants obtained from Plaintiff, including the \$250,000 investment plus any  
22 income, appreciation, or other value Defendants obtained through use of those  
23 funds, together with interest, costs, and such other equitable relief as the Court  
24 deems appropriate.  
25  
26  
27  
28

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff DoneRight & Company, LLC prays for relief as follows:

1. For an Order rescinding the Magicverse Investment Agreement and requiring Defendants to make restitution to Plaintiff of the \$250,000 consideration paid, plus interest at the legal rate from the date of payment, or, in the alternative, for an award of compensatory damages in an amount not less than \$250,000;
2. For an award of compensatory and consequential damages in an amount to be proven at trial;
3. For an award of treble damages pursuant to 18 U.S.C. § 1964(c) in an amount equal to three times Plaintiff's actual damages for Defendants' violations of RICO statutes;
4. For an award of punitive damages in an amount sufficient to punish Defendants and deter future similar conduct for Defendants' fraud, promissory fraud, and conversion;
5. For preliminary and permanent injunctive relief enjoining Defendants from:
  - a. Offering or selling unregistered or unqualified securities in violation of federal or state law;
  - b. Making material misrepresentations or omissions in connection with the offer or sale of securities or investment opportunities;
  - c. Soliciting investments through use of celebrity endorsements without adequate disclosure of the celebrity's actual involvement, compensation, and conflicts of interest;
  - d. Engaging in any business practices involving NFT, cryptocurrency, metaverse, or digital asset investment offerings without proper registration, qualification, and disclosure;

6. For an order requiring Defendants to disgorge all profits, benefits, and compensation derived from the unlawful conduct alleged herein;
7. For an order requiring Defendants to make restitution of all funds acquired through unlawful, unfair, or fraudulent business practices pursuant to California Business and Professions Code Section 17200 et seq.;
8. For an award of pre-judgment interest at the maximum rate permitted by law;
9. For an award of post-judgment interest at the maximum rate permitted by law;
10. For an award of reasonable attorneys' fees and costs of suit pursuant to 15 U.S.C. § 771, 18 U.S.C. § 1964(c), California Corporations Code Sections 25501, 25503, and 25504.1, California Business and Professions Code Section 17203, and any other applicable statutes;
11. For such other and further relief as the Court deems just and proper.

### **DEMAND FOR JURY TRIAL**

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff demands a trial by jury on all issues so triable.

DATED: February 11, 2026

Respectfully submitted,

By: /s/ James Bryant

James A. Bryant

james.bryant@thecalawgroup.com

4929 Wilshire Blvd. Suite 1010

Los Angeles, CA 90010

Telephone: (323) 435-8205

Fax: (310) 802-3829

*Attorneys for Plaintiff*

*DoneRight & Company, LLC*