UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

VALERIE McMULLEN, individually and on behalf of others similarly situated,	:	
Plaintiff,	:	
v.	:	**Case No. 1:14-cv-01983-JEB**
	:	**Judge James E. Boasberg**
SYNCHRONY BANK, *et al*.	:	
Defendants.	:	

SECOND AMENDED CLASS COMPLAINT AND JURY DEMAND

Plaintiff Valerie McMullen, on behalf of herself and all others similarly situated, by her attorney, hereby alleges:

PRELIMINARY STATEMENT

1. This case involves the identity theft and fraudulent billing by Defendants Wayne Bullen ("Bullen") and Karim Steward ("Steward"). Specifically, without any authorization or approval by Plaintiff, Defendants Bullen and Steward took out lines of credit on behalf of Plaintiff with Defendants Synchrony Bank ("GE Capital") and JP Morgan Chase & Co. ("Chase") (collectively, the "Bank Defendants") and billed against those lines of credit in the amount of $8,500.00. The Bank Defendants issued the lines of credit in Plaintiff's name without having received any documentation that Plaintiff had authorized the lines of credit and/or the charges. Furthermore, the Bank Defendants processed payment against the lines of credit for the benefit of Defendants Bullen and Steward without any authorization from Plaintiff. When notified of the fraudulent activities undertaken by Defendants Bullen and Steward, the Bank Defendants took no corrective action; instead, they aggressively pursued collection of the invalid debt, thereby adversely impacting Plaintiff's credit. Upon request by

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Plaintiff for documentation related to the alleged indebtedness, the Bank Defendants failed to provide any documentation. As a result of the Defendants unlawful trade practices, conversion, fraud, conspiracy to commit fraud, and breach of contract, Plaintiff has suffered severe damages.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this claim pursuant to D.C. Code § 11-921(a)(6).

3. This Court has personal jurisdiction over the Defendants pursuant to D.C. Code § 13-423(a)(1)-(4).

4. The acts alleged in this Complaint occurred in the District of Columbia, and venue is therefore proper in this district.

PARTIES AND RELEVANT PERSONS

5. Plaintiff Valerie McMullen is an adult resident of the District of Columbia.

6. At all times relevant herein, Defendant GE Capital was and is a Delaware corporation with its principal place of business located at 777 Long Ridge Road Stamford, CT 06902-1250. GE Capital conducts substantial business activities within the District of Columbia. At all times relevant, Defendant GE Capital operated as part of a joint venture with Defendants One World Fitness, Washington Chiropractic, Bullen Wellness, Steward, and Bullen (collectively "One World Fitness Defendants"). Defendant GE Capital entered into the joint venture with the One World Fitness Defendants for the common purpose of providing health care financing to One World Fitness customers, and with the common goal of obtaining a profit from One World Fitness customers. Defendant GE Capital had an equal right to control the manner in which the joint venture operated, including without limitation, determining which One World Fitness customers were eligible to receive health care financing services to be used

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202-463-3030

in connection with the gym/fitness services provided at One World Fitness. Defendant GE Capital described the operation of the joint venture in providing financing to One World Fitness customers by stating that "on or about September 21, 2011, an application for a CareCredit credit card account was submitted to [GE Capital] on behalf of Plaintiff by Bullen Wellness, a provider authorized by Synchrony to accept the CareCredit credit card." Indeed, the application submitted by the One World Fitness Defendants, and not by Ms. McMullen as admitted by GE Capital, was completed by the One World Fitness Defendants within GE Capital's electronic "origination system." The same day that the One World Fitness Defendants fraudulently submitted the application on behalf of Ms. McMullen, "Synchrony approved the application and opened the Account on behalf of Plaintiff." Similarly, at all times relevant, the One World Fitness Defendants also acted as the actual and/or apparent agents of Defendant GE Capital.

7. At all times relevant herein, Defendant Chase was and is a Delaware corporation with its principal place of business located at 270 Park Avenue, New York, NY 10017. Defendant Chase conducts substantial business activities within the District of Columbia. At all times relevant, Defendant Chase operated as part of a joint venture with the One World Fitness Defendants. Defendant Chase entered into the joint venture with the One World Fitness Defendants for the common purpose of providing health care financing to One World Fitness customers, and with the common goal of obtaining a profit from One World Fitness customers. Defendant Chase had an equal right to control the manner in which the joint venture operated, including without limitation, determining which One World Fitness customers were eligible to receive health care financing services to be used in connection with the gym/fitness services provided at One World Fitness. Defendant Chase described the operation of the joint venture in providing financing to One World Fitness customers by stating:

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Washington, DC 20036

202-463-3030

a. It was a customary practice of ChaseHealthAdvance not to require health care providers [such as One World Fitness] to provide it with a copy of the identification that the customer used as part of her application.

b. It was a customary practice for health care providers [including One World Fitness] to submit applications electronically through ChaseHealthAdvance's online system.

c. As part of the application process, ChaseHealthAdvance required the health care provider [such as One World Fitness] to confirm the applicant's identity. The forms of acceptable identification an applicant may present to the health care provider for this purpose included a driver's license, passport, state identification card, military identification card, or green card.

d. The health care provider was expected to record the type of identification used, the identification number, and identification expiration date on the online application. The health care provider also was required to certify that the provider had verified the identity of the applicant by checking a radio button on the online application. The health care provider was not required to provide ChaseHealthAdvance with a copy of the identification used by the applicant.

e. In the ordinary course of business, ChaseHealthAdvance did not receive a copy of an applicant's driver's license [prior to issuing financing to One World Fitness customers].

Similarly to the application process for GE Capital, ChaseHealthAdvance would process health care financing applications submitted by the One World Fitness Defendants, on behalf of One World Fitness customers, without any evidence that the customer authorized the application or the payment. Similarly, at all times relevant, the One World Fitness Defendants also acted as the actual and/or apparent agents of Defendant Chase Health Advance. Indeed, the contract used by One World Fitness in connection with the joint venture with Chase Health Advance equally displayed the logos of Chase Health Advance and One World Fitness.

8. Defendant Wayne Bullen is an individual who, upon information and belief, resides in the state of Maryland. Defendant Bullen is the principal owner of Washington

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202-463-3030

Chiropractic, Bullen Wellness, and, upon information and belief, One World Fitness. At all times relevant herein, Defendant Bullen used his chiropractor business to obtain fraudulent lines of credit for One World Fitness customers for his personal gain. Wayne Bullen's principal place of business is located in the District of Columbia at 5008 Connecticut Ave NW, Washington, DC 20008. At all times relevant herein, Defendant Bullen conspired with Defendant Steward in using Defendant Bullen's chiropractor business to obtain fraudulent lines of credit for One World Fitness customers for his personal gain.

9. Defendant Karim Steward is an individual who, upon information and belief, resides in the state of Maryland. Defendant Steward is the principal owner of Bullen Wellness and One World Fitness. At all times relevant herein, Defendant Steward conspired with Defendant Bullen in using Defendant Bullen's chiropractor business to obtain fraudulent lines of credit for One World Fitness customers for his personal gain. Defendant Steward conducted substantial business activities in the District of Columbia.

10. Defendant One World Fitness is a business located in the District of Columbia. At all times relevant herein, Defendant One World Fitness was the alter ego of Defendants Bullen and Steward. Defendant One World Fitness was formerly a limited liability company organized under the laws of the District of Columbia, the corporate status of which was revoked.

11. Defendant Bullen Wellness is a business located in the District of Columbia. At all times relevant herein, Defendant Bullen Wellness was the alter ego of Defendants Bullen and Steward. Defendant Bullen Wellness was formerly a limited liability company organized under the laws of the District of Columbia, the corporate status of which was revoked.

12. Defendant Washington Chiropractic is a business located in the District of

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202-463-3030

Columbia. At all times relevant herein, Defendant Washington Chiropractic was the alter ego of Defendants Bullen and Steward. Defendant Washington Chiropractic was formerly a limited liability company organized under the laws of the District of Columbia, the corporate status of which was revoked.

13. Upon information and belief, Defendants John Does 1-10 are fictitious names of persons who are not presently known to Plaintiff who were employed by Defendants or acted as representatives or agents of Defendants.

14. Upon information and belief, Defendant Corporations A-Z are fictitious entities whose names are not presently known to Plaintiff that may be liable to Plaintiff or the alter egos of Defendants.

FACTS COMMON TO ALL COUNTS

Fraudulent Scheme by Defendants Bullen and Steward

15. On or about September 14, 2010, Plaintiff Valerie McMullen signed up for a gym membership with Defendant Steward at the One World Fitness gym. Ms. McMullen paid $5,040.00 to One World Fitness for fifty (50) personal training sessions. Ms. McMullen financed the 50 training sessions through Chase Health Advance. The letterhead of the agreement received by Ms. McMullen equally displayed the logo of One World Fitness and Chase Health Advance. At the time of entering into the contract, Defendant Steward represented that Ms. McMullen could receive a refund at any time. The contract also stated that a refund would be available upon request.

16. In December 2010, Ms. McMullen renewed her membership with One World Fitness, purchasing an additional one-hundred and fifty (150) training sessions in the amount of $8,050.00. Ms. McMullen paid for the renewal with a personal credit card. Again, Defendant

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Washington, DC 20036

202-463-3030

Steward stated to McMullen that she could cancel the membership at any time and get a refund for the unused training sessions.

17. On September 23, 2011, Ms. McMullen canceled her membership with One World Fitness and requested a refund in the amount of $2,210.00. On November 5, 2011, Carlos Fenwick, an employee of One World Fitness, who was at all times acting within the scope of his employment, confirmed that Ms. McMullen would receive a refund for her unused training sessions. Specifically, Mr. Fenwick stated, "I write to inform you that you will receive your refund from One World Fitness 90 days from September 23rd. I apologize for the delay in getting back to you about your inquiry." Ms. McMullen never received the refund despite repeated entreaties to Defendants.

18. Unbeknownst to Ms. McMullen, rather than cancelling Ms. McMullen's membership and providing Ms. McMullen with a refund, on or about September 21, 2011, Defendants Bullen and Steward instead obtained lines of credit with the Bank Defendants on behalf Ms. McMullen in the amount of $8,500.00 ("Unauthorized Credit Lines"). Ms. McMullen neither authorized Defendants Bullen and Steward to obtain the lines of credit with the Bank Defendants, nor did she have knowledge that Defendants Bullen and Steward had done so. Even more egregiously, on or about September 21, 2011, Defendants Bullen and Steward then charged Ms. McMullen, again without authorization, against the lines of credit in the amount of $8,500.00 for services never provided to Ms. McMullen ("Unauthorized Charges").

19. Since October 2011, Ms. McMullen has repeatedly demanded to Defendant Steward and One World Fitness employees that her refund be issued in the amount of $2,210.00 and that the Unauthorized Charges be reversed. Moreover, the Office of the Attorney General

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202-463-3030

for the District of Columbia attempted to contact One World Fitness and GE Capital on behalf of Ms. McMullen. Initially, Defendant Steward and One World employees represented that the charges would be reversed. Over time, however, the requests made by Ms. McMullen and the D.C. Office of Attorney General have been completely ignored.

The Bank Defendants' Participation in the Fraudulent Scheme to Obtain the Unauthorized Credit Lines and Unauthorized Charge

20. In or about October 2011, Ms. McMullen received correspondence from GE Capital. The correspondence contained a "CareCredit" credit card with a message stating, "Thank you for signing up at Bullen Wellness." The correspondence also contained a financial statement showing that a credit limit had been issued to Ms. McMullen in the amount of $7,500.00. The financial statement further indicated that the entire line of credit had been billed and paid to "Bullen Wellness Washington DC" in the amount of $7,500.00 on September 21, 2011. Ms. McMullen never applied for, or requested the line of credit with Bullen Wellness. Furthermore, Ms. McMullen never authorized a purchase from Bullen Wellness on September 21, 2011.

21. In or about October 2011, Ms. McMullen also received a financial statement from Chase Health Advance. Similarly, the statement indicated that "Bullen Wellness Washington DC" made a charge on September 21, 2011 in the amount of $1,000.00. Ms. McMullen did not make a purchase at "Bullen Wellness Washington DC" on September 21, 2011 or authorize "Bullen Wellness Washington DC" to charge against a line of credit with Chase Health Advance.

22. In or about October 2011, and shortly after receiving the financial statement from GE Capital reflecting the Unauthorized Line of Credit and Unauthorized Charges, Ms. McMullen called GE Capital to dispute the line of credit and the charges. GE Capital pressed

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Suite 350
Washington, DC 20036
202-463-3030

that the charge was authorized and payment due. Nonetheless, GE Capital stated that it would email Ms. McMullen a form to dispute the charge. GE Capital never emailed the form to Ms. McMullen. GE Capital also made no attempts to confirm the validity of the fraudulent charge.

23. In or about October 2011, and shortly after receiving the financial statement from Chase Health Advance reflecting the unauthorized charges, Ms. McMullen called Chase Health Advance to dispute the charges. Chase Health Advance pressed that the charge was authorized and payment due. Chase Health Advance did not process the dispute as requested by Ms. McMullen, or make any attempts to confirm the validity of the fraudulent charge.

24. In or about July 2012, Ms. McMullen called GE Capital to dispute the Unauthorized Line of Credit and Unauthorized Charges against line of credit. GE Capital did not process the dispute as requested by Ms. McMullen, or make any attempts to confirm the validity of the charge.

25. In or about March 2013, Ms. McMullen again called GE Capital to dispute the Unauthorized Line of Credit and Unauthorized Charges against the line of credit. During this phone call, Ms. McMullen also requested that GE Capital furnish a signed application requesting the line of credit, a promissory note, and a receipt or purchase authorization for the fraudulent charge by Defendants Bullen and Steward.

26. On or about January 14, 2014, Ms. McMullen called GE Capital to once again request a promissory note, application, contract, or any other documentary evidence in relation to the unauthorized line of credit and charge made by Bullen Wellness. GE Capital stated that it would mail the requested documents to Ms. McMullen within seven (7) business days. On or about January 21, 2014, Ms. McMullen received a letter from GE Capital stating:

> Thank you for your recent inquiry regarding you're your CARECREDIT/GECRB account…We appreciate your patience and assure you

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

> that we will make every effort to resolve your inquiry in a timely manner. When we have completed our review of your account, we will send you a written response with the actions take on your account.

Ms. McMullen did not receive any further response from GE Capital in response to her request for documentary proof of her alleged indebtedness to GE Capital.

27. GE Capital has further been notified on multiple occasions by the Office of the Attorney General for the District of Columbia of the fraudulent charges made by Defendants Bullen and Steward. GE Capital failed to take any corrective action, or at a minimum, investigate the fraudulent conduct by Defendants Bullen and Steward.

28. GE Capital has charged Ms. McMullen interest on the unauthorized charge in the amount of 26.99% APR, resulting in over $4,700.00 additional damage to Ms. McMullen, which continues to increase.

29. With the threat of a damaged credit score hanging over her head, Ms. McMullen proceeded to attempt to pay the debts, all the while continuing to dispute the charges.

30. Ms. McMullen paid off the full $1,000 fraudulently billed by Defendant Chase.

31. In or about April 2014, after Ms. McMullen had paid it more than $5,000 while protesting the Unauthorized Charges, GE Capital wrote off the false debt and reported the Unauthorized Charges to Experian, Transunion, and Equifax as a "Charge Off" thereby adversely impacting Ms. McMullen's credit. This inaccurate reporting to the credit agencies has further caused Ms. McMullen substantial damages.

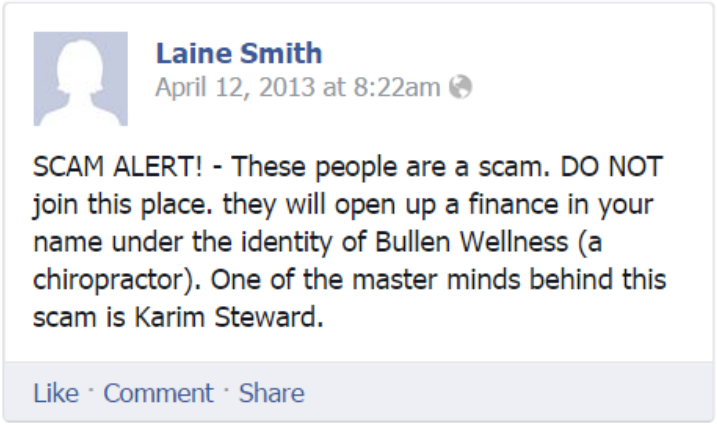
Defendant Bullen's and Defendant Steward's Pervasive Fraudulent Scheme to Defraud One World Fitness Customers

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

32. Defendants Bullen's and Steward's scheme to defraud Ms. McMullen by taking out the Unauthorized Credit Lines, and then charging against the lines of credit without authorization, was common among numerous One World Fitness customers.

33. On April 12, 2013, a One World Fitness customer, Laine Smith, posted the following message on One World Fitness's Facebook page:



34. On April 10, 2013, a One World Fitness customer posted on Yelp.com using the username NnK M. the following review of One World Fitness:

> DO NOT GO TO THIS PLACE. Karim Steward and the entire thing is scam to get you to sign a finance agreement in which they will open thousands of dollars in your name under a Bullen Wellness, and if you ask Karim and this place to close the account, they lie and say they will but they don't, and he never answers his phone, nor returns any phone calls. Then on top of this just over a month ago they were shut down for health code violations by the health department. SCAM, don't fall for it.

On April 12, 2013, the same Yelp user post the following review on the page for Washington Chiropratic:

> In connection with One World Fitness somehow and pulling scams on people by opening large sums of finances on people through this gym with Karim Steward at 1738 14th Street, NW, Washington, DC.

These reviews were available on September 10, 2014, at the following url: http://www.yelp.com/user_details_reviews_self?userid=mU8oLMkxhgcdejQcX0dBag.

35. On May 9, 2012, a One World Fitness customer posted on Yelp.com using the username Phillip R. the following review of One World Fitness:

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

> I signed up for the financing plan through Chase Health Advance and was told that whatever I didn't use would be refunded to me.
>
> I attended sessions once a week with a trainer who is no longer there for a little over 1 month. Its been six months since I stopped, and after repeated attempts to contact the owner -- OR ANYONE -- I'm still not receiving my refund, or any answers, and I'm DROWNING in payments to Chase Health Advance. There's nothing I can do, I have to keep paying Chase. The con artists at One World have my money and won't call me back. DO NOT SIGN UP FOR ONE WORLD! This is a total sham.
>
> DO NOT SIGN UP FOR THE FINANCING PLAN! IT IS A SCAM!

This review was available on September 10, 2014 at the following url: http://www.yelp.com/user_details?userid=9hxT7Uam_UnodGLkIbml1g.

36. On April 12, 2013, a One World Fitness customer posted on the website www.ripoffreport.com the following review of One World Fitness:

> I didn't pay anything. I joined a Gym called One World Fitness on February 26 (only giving them authorization with my signature to look up my credit) , had one consultation with this place and only three sessions. I told the manager (Karim Steward) that I would get a loan from MY bank to pay for it, however they took my signature and opened a $10,060 finance in my name under the identity of "Bullen Wellness", which I did research on and found out Bullen Wellness is a Chiropractor. I never saw a Chiropractor. Once I found this out, as stipulated on the bill and after talking to HC financing, they told me to have this debt removed, I would have to contact the merchant, which I did several times and did so in certified mail, and in text message. All of which I have proof of. Karim Steward (the man I actually met with who is NOT a chiropractor, and one of the scam artist behind this entire thing), claimed he would stop the finance and he never did. I explained this to HC finance, and yet they are still calling me, even on my job and the bill was only due on April the 1st of 2013. I am now having to go through an attorney to get this matter straight, but someone needs to investigate this place because I am finding out I am not the only one they have pulled this scam on. I want this matter handled.

The review was available on September 10, 2014, at the following url: http://www.ripoffreport.com/r/One-World-Fitness/Washington-District-of-Columbia-20009/One-World-Fitness-Bullen-Wellness-finance-scam-identity-theft-Washington-District-of-Col-1042704.

37. On April 18, 2013, a One World Fitness customer posted on the website

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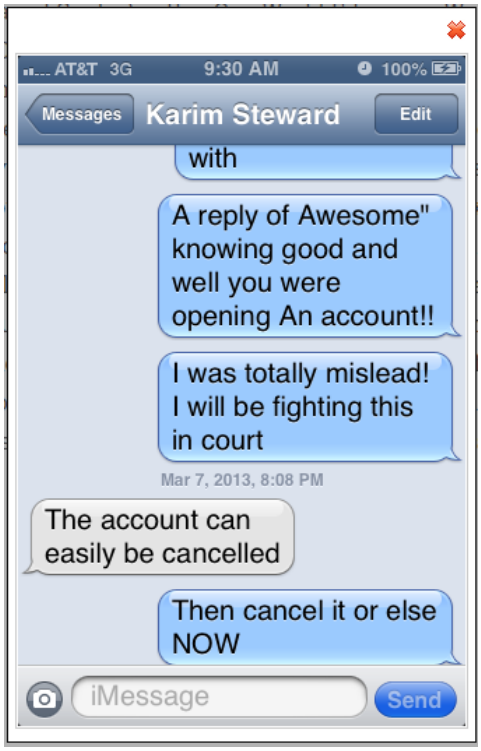
Washington, DC 20036
202-463-3030

www.ComplaintsBoard.com the following review of One World Fitness:

> I briefly attending fitness training (3 sessions with Daniel Santry) with a One World Fitness in Washington, DC. One World Fitness opened a finance of $10, 060 in my name without my knowledge with a Bullen Wellness (a chiropractor). I never saw a Bullen Wellness. I saw a man name Karim Steward (the one who opened this account), and did not obtain any of my medical information and if they did, they did so without my permission by using my signature to join the gym. Now I am being harassed on a daily basis by HC Processing, even calling me on my job and the account was just due on April 1, 2013. I am seeking legal consultation because of this matter, but I want HC processing to stop harassing me and for this account to be dismissed because I have no returned to this place (One World Fitness) so to have a fake medical account in my name for that ridiculous and fraudulent amount is really putting stress on me. Karim Steward is a con artist and he should have an investigation placed on him. I sent not only a certified letter to Mr. Steward to close this account but also have proof in text messages asking him to do so and he never closed the account and made $10, 060. Bullen Wellness, One World Fitness, Karim Steward and many more have pulled this cam on many people.



The review was available on September 10, 2014, at the following url: http://www.complaintsboard.com/complaints/one-world-fitness-fraudulant-identity-theft-c667337.html.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

38. Defendants Bullen and Steward used Bullen's chiropractor business to obtain financing through the Bank Defendants, because a gym/fitness studio is not eligible for medical financing provided by the Bank Defendants. Accordingly, Defendant Bullen and Steward used the fictitious shell entity "Bullen Wellness," that was purportedly a chiropractor office, in order to obtain the unauthorized financing for One World Fitness customers. This was a common scheme effectuated against numerous One World Fitness customers. Accordingly, the fraud perpetuated against Ms. McMullen is typical, and representative, of the fraud perpetuated against numerous One World Fitness customers.

CLASS ACTION ALLEGATIONS

39. Plaintiff seeks to bring this case as a class action on behalf of herself and all other One World Fitness customers who received financing from the Bank Defendants.

40. The class shall be defined as former One World Fitness customers in the District of Columbia who received health care financing from GE Capital or Chase Health Advance.

41. The proposed class is so numerous that joinder of all members is impractical. On information and belief, there are approximately one hundred One World Fitness customers who received financing from the Bank Defendants.

42. There are common questions of law and fact common to the class, because Defendants conspired with one another to defraud numerous One World Fitness customers. Similarly, in effectuating the fraud, Defendants violated the D.C. Consumer Protection Procedures Act.

43. Defendants' scheme to defraud One World Fitness customers was a common scheme effectuated against numerous One World Fitness customers. Accordingly, the fraud perpetuated against Ms. McMullen is typical, and representative, of the fraud perpetuated

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Washington, DC 20036
202-463-3030

against numerous One World Fitness customers.

44. Ms. McMullen can, and will, adequately represent the interests of the class because Plaintiff is similarly situated with, and has suffered similar injuries as, the members of the class she seeks to represent. Plaintiff has no interests that conflict with or antagonistic to the interests of the entire class. Plaintiff has retained Brendan Klaproth of Klaproth Law PLLC and Salvatore J. Zambri of Regan Zambri & Long PLLC, both of whom are competent to represent the Class and will vigorously prosecute this litigation.

45. A class action is superior to any other available method for the fair and efficient adjudication of the controversy because:

a. Common questions of law and fact predominate over any individual questions that may arise, because all claims involve the same fraudulent scheme perpetuated against One World Fitness customers and the same unlawful trade practices in violation of the D.C. Consumer Protection Procedures Act.

b. No member of the Class has a substantial interest in individually controlling the prosecution of a separate action.

c. Upon information and belief, there are no pending lawsuits concerning this controversy.

d. It is desirable to concentrate the litigation of these claims in this forum since the acts complained of took place in the District of Columbia and this forum is convenient to the parties, the class members, and potential witnesses. The resolution of the claims of all class members in a single forum, and in a single proceeding, would be fair and efficient means of resolving the issues raised in this litigation.

e. The prosecution of separate actions by or against individual members of the class would create a risk of inconsistent or varying adjudications with respect to individual members of the class that would establish incompatible standards of conduct for the party opposing the class, and adjudications with respect to individual members of the class that would, as a practical matter, be dispositive of the interests of the other members not party to the adjudications or substantially impair or impede their ability to protect their interests.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

f. This class is specifically identifiable to facilitate provision of adequate notice and there will be no significant problems managing this case as a class action.

g. Resolution of class members' claims in this single class action is superior to resolution of this controversy through the filing of a host of individual actions as a matter of efficiency, consistency and in that it removes economic and other barriers to class members pursuing their claims. Absent this class action, class members will not likely obtain redress of their injuries and Defendants would retain the proceeds of their violations of the laws of the District of Columbia.

46. Plaintiff also seeks to bring this class action litigation in her individual capacity and on behalf of the general public under D.C. Code § 28-3905(k) to seek relief from the use of the unlawful trade practices of Defendants and to restore to One World Fitness Customers the money which may have been acquired by the means of Defendants' unlawful trade practices.

COUNT I
Unlawful Trade Practices under the D.C. Consumer Protection Procedures Act
(Defendants GE Capital and Chase Health Advance)

47. Plaintiff incorporates by reference paragraphs 1 through 46 above as if fully set forth herein.

48. Under the Consumer Procedures Protections Act (CPPA), it is an unlawful trade practice to "fail to supply to a consumer a copy of a sales or service contract, lease, promissory note, trust agreement, or other evidence of indebtedness which the consumer may execute." D.C. Code § 28-3904(q). The Bank Defendants violated D.C. Code § 28-3904(q) by failing to provide Ms. McMullen with the following documents she requested that would validate the Unauthorized Credit Lines and Unauthorized Charges:

a. Defendant Chase Health Advance failed to supply Ms. McMullen with a copy of a sales or service contract in relation to the charge by Bullen Wellness in the amount of $1,000.00 on September 21, 2011.

b. Defendant Chase Health Advance failed to supply Ms. McMullen with a purchase acknowledgement or sales authorization in relation to the charge by Bullen Wellness in the amount of $1,000.00 on

Regan Zambri Long
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Suite 350
Washington, DC 20036
202-463-3030

September 21, 2011.

c. Defendant Chase Health Advance failed to supply Ms. McMullen with a purchase verification receipt in relation to the charge by Bullen Wellness in the amount of $1,000.00 on September 21, 2011.

d. Defendant GE Capital failed to supply Ms. McMullen with a copy of the application for the Unauthorized Line of Credit obtained by Bullen Wellness on or about September 21, 2011.

e. Defendant GE Capital failed to supply a copy of a promissory for the Unauthorized Line of Credit obtained by Bullen Wellness on or about September 21, 2011.

f. Defendant GE Capital failed to supply Ms. McMullen with a copy of a sales or service contract in relation to the charge by Bullen Wellness in the amount of $7,500.00 on September 21, 2011.

g. Defendant GE Capital failed to supply Ms. McMullen with a purchase acknowledgement or sales authorization in relation to the charge by Bullen Wellness in the amount of $7,500.00 on September 21, 2011.

49. The Bank Defendants further violated § 28-3904(e) of the CPPA by misrepresenting that it would provide Ms. McMullen with copies of the documents she requested. This material fact misled Ms. McMullen that the fraudulent claims were being investigated by the Bank Defendants.

50. Moreover, the Bank Defendants violated D.C. Code § 28-3904(e) by misrepresenting the material fact that Ms. McMullen was required to pay the Bank Defendants for the Unauthorized Charges despite the fact that the charges were fraudulent and the Bank Defendants could not substantiate the charges.

51. Defendant Chase violated D.C. Code § 28-3904(e) by falsely representing in its billing statement that Ms. McMullen authorized a charge for "Bullen Wellness Washington DC" on September 21, 2011, in the amount of $1,000.00.

52. Defendant GE Capital violated D.C. Code § 28-3904(e) by falsely representing

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

that Ms. McMullen authorized a charge for "Bullen Wellness Washington DC" on September 21, 2011, in the amount of $7,500.00.

53. In October 2011, each of the Bank Defendants again violated D.C. Code § 28-3904(e) by falsely representing that the corresponding charges were authorized and payment due.

54. The Bank Defendants violated D.C. Code § 28-3904(f) by failing to failing to inform Ms. McMullen that they were in possession of no evidence whatsoever that would reasonably lead them to believe that she had authorized the Unauthorized Charges that they were attempting to collect.

55. In addition, the Bank Defendants violated D.C. Code § 28-3904(p) by falsely stating to Ms. McMullen that the Unauthorized Charges by Bullen Wellness had been validly made by Bullen Wellness, despite the fact that the Bank Defendants did not have any documentation to support the charges. Based on these false statements, the Bank Defendants received remuneration for the Unauthorized Charges.

56. The Bank Defendants further violated D.C. Code § 28-3904(p) by representing that they had provided servicing in the form of an authorized line of credit for the benefit of Ms. McMullen, and they received remuneration for doing so, when in fact they had not provided any such authorized credit line that benefited her.

57. The Bank Defendants violated D.C. Code § 28-3904(e-1) by misrepresenting to Ms. McMullen that the fraudulent transactions made by Defendants Bullen and Steward conferred a right on the Bank Defendants, and a corresponding obligation on Ms. McMullen, that Ms. McMullen was required to pay the Bank Defendants regardless if the transactions were fraudulent.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

58. Furthermore, the Bank Defendants violated D.C. Code § 28-3904(b) by representing that the services provided by One World Fitness had the sponsorship, approval, status, affiliation, certification, or connection with the health care financing option provided by the Bank Defendants when they did not in fact. In fact, One World Fitness was not an eligible provider of health care financing through the Bank Defendants. For example, GE Capital's website admits, "Your CareCredit account can only be used for doctor supervised medical procedures and treatments. **Personal trainers, gym memberships** and spa treatments **don't qualify at this time**." (emphasis added).

59. Defendant Chase further violated D.C. Code § 28-3904(b) by representing that it was affiliated with One World Fitness, and that One World Fitness's services had a connection with the health care options provided by Defendant Chase, when One World Fitness was not in fact an eligible provider of health care financing through Defendant Chase.

60. The Bank Defendants violated D.C. Code § 28-3904(u) by representing that Plaintiff received goods and/or services from Bullen Wellness on September 21, 2011, and thus charging Plaintiff for those goods and services, when Plaintiff had never received any goods or services from Bullen Wellness.

61. The Bank Defendants further violated D.C. Code § 28-3904(u) by representing that they had provided the relevant credit line in accordance with a previous representation from Ms. McMullen (the representation that she wished to become a customer).

62. Defendant GE Capital further violated subsection 3904(u) when it represented in response to Ms. McMullen's request for a "promissory note, application, contract, or other documentary evidence in relation to the unauthorized line of credit and charge" that GE Capital "would mail the requested documents to Ms. McMullen within seven (7) business days," and

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

then failed to mail the requested documents.

63. WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, prays for relief in the form of a judgment against Defendants awarding (1) compensatory damages; (2) treble damages; (3) costs and attorney's fees; (4) punitive damages and (5) any other relief the Court deems proper.

COUNT II
Unlawful Trade Practices under the D.C. Consumer Protection Procedures Act
(Defendants Bullen and Steward)

64. Plaintiff incorporates by reference paragraphs 1 through 63 above as if fully set forth herein.

65. Defendants Bullen and Steward violated D.C. Code § 28-3904(e) by misrepresenting that they would cancel her gym membership and provide her a refund at any time. This misrepresentation of a material fact induced Ms. McMullen to purchase a gym membership from them.

66. They further violated D.C. Code § 28-3904(e) by representing that they were in fact cancelling her membership and providing her with the refund to which she was entitled.

67. Defendants Bullen and Steward violated § 28-3904(f) of the CPPA by failing to state the material fact Defendants Bullen and Steward were obtaining the Unauthorized Credit Lines on Ms. McMullen's behalf with the Bank Defendants with the intent to mislead Ms. McMullen.

68. Defendants Bullen and Steward further violated § 28-3904(f) of the CPPA by failing to state the material fact that Defendants Bullen and Steward were processing the Unauthorized Charges against the Unauthorized Credit Lines to Ms. McMullen's detriment.

69. Defendants Bullen and Steward violated § 28-3904(r) of the CPPA by making the unconscionable sales transaction of obtaining the Unauthorized Credit Lines on Ms.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

McMullen's behalf, without her knowledge, and then processing the Unauthorized Charges against those Unauthorized Credit Lines.

70. Furthermore, Defendants Steward and Bullen violated D.C. Code § 28-3904(b) by representing that the services provided by One World Fitness had the sponsorship, approval, status, affiliation, certification, or connection with the health care financing option provided by the Bank Defendants when they did not in fact. In fact, One World Fitness was not an eligible provider of health care financing through the Bank Defendants.

71. WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, prays for relief in the form of a judgment against Defendants awarding (1) compensatory damages; (2) treble damages; (3) costs and attorney's fees; (4) punitive damages and (5) any other relief the Court deems proper.

COUNT III
Common Law Fraud and Conspiracy to Commit Fraud
(All Defendants)

72. Plaintiff incorporates by reference paragraphs 1 through 71 above as if fully set forth herein.

73. Defendants Bullen and Steward willfully omitted the material facts that they were obtaining the Unauthorized Credit Lines on behalf of Ms. McMullen, and then willfully omitted that they were making the Unauthorized Charges against the Unauthorized Credit Lines. Defendants Bullen and Steward had knowledge of their willful omission, because they never obtained Ms. McMullen's authorization to obtain the Unauthorized Credit Lines or to process the Unauthorized Charges, and intentionally tried to conceal these material facts. Ms. McMullen relied upon theses willful omissions, believing that Defendant Steward was cancelling her membership rather than charging for an additional year of services. As a result of Ms. McMullen's reliance upon Defendant Bullen's and Steward's willful omission, Ms.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

McMullen suffered substantial damage.

74. The Bank Defendants participated in the fraudulent scheme by providing financing for One World Fitness customers based upon fraudulent credit applications. The Bank Defendants further participated in the scheme by processing fraudulent payments to Bullen Wellness on behalf of One World Fitness Customers for services that Bullen Wellness never supplied.

75. Defendant Chase falsely represented that Ms. McMullen was legally obligated to pay it a total of $1,000. Even when Ms. McMullen called Defendant Chase and stated that the $1,000 was a fraudulent charge, rather than investigate it, Defendant Chase—in reckless disregard for the truth and with the intent that Ms. McMullen believe herself obliged to do so—insisted that Ms. McMullen pay it anyway. In response to this intense pressure, Ms. McMullen justifiably relied on Defendant Chase's false representation that she was obligated to make payment, ultimately paying the full $1,000 demanded by Defendant Chase.

76. Defendant GE Capital falsely represented that Ms. McMullen was legally obligated to pay it a total of $7,500 (and, eventually, interest). Even when Ms. McMullen called Defendant GE Capital and stated that the $7,500 was a fraudulent charge, rather than investigate it, Defendant GE Capital—in reckless disregard for the truth and with the intent that Ms. McMullen believe herself obliged to do so—insisted that Ms. McMullen pay it anyway. In response to this intense pressure, Ms. McMullen justifiably relied on Defendant GE Capital's false representation that she was obligated to make payment, ultimately paying more than $5,000 to Defendant GE Capital before Defendant GE Capital made good on its threat by writing off the debt and damaging her credit score.

77. In addition, Defendant Bullen and Defendant Steward maliciously conspired

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

together with Defendants bank to engage in a conspiracy with the unlawful objective to commit fraud as outlined in this complaint.

78. Defendant Bullen, Defendant Steward, and the Bank Defendants understood and implicitly agreed to the general objectives of their scheme to inflict the wrongs and injuries on the Plaintiff as described herein the Complaint

79. Defendant Bullen committed the following overt acts in furtherance of the conspiracy to commit fraud:

a. Used his chiropractor business to obtain health care financing for One World Fitness customers;

b. Processed applications for One World Fitness customers to obtain health care financing from the Bank Defendants;

c. Accepted payments from the Bank Defendants made on behalf of One World Fitness customers; and

d. Provided free chiropractic screenings to One World Fitness customers.

80. Defendant Steward committed the following overt acts in furtherance of the conspiracy to commit fraud:

a. Offered One World Customers the option of paying for services through health care financing obtained from the Bank Defendants;

b. Collected personal information from One World Fitness Customers for the purpose of completing fraudulent applications for health care financing with the Bank Defendants on behalf of One World Fitness Customers; and,

c. Processed applications for One World Fitness customers to obtain health care financing from the Bank Defendants.

81. The Bank Defendants committed the following overt acts in furtherance of the conspiracy to commit fraud:

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

a. Provided payments to Bullen Wellness for services for services never provided by Bullen Wellness;

b. Processed fraudulent financing applications for health care financing;

c. Provided health care financing to One World Fitness customers who never requested health care financing;

d. Provided health care financing to One World Fitness customers who did not authorize the health care financing;

e. Charged One World Fitness customers for services that were never provided by One World Fitness;

f. Processed unauthorized charges made by One World Fitness;

g. Refused to reverse unauthorized charges made by One World Fitness; and,

h. Failed to provide One World Fitness customers of documentation relating to the disputed charges.

82. One World Fitness and Bullen Wellness were shell limited liability companies that Defendants utilized as instrumentalities to further their fraudulent scheme to defraud One World Fitness Customers.

83. As a result of Defendants' fraud and conspiracy to commit fraud, Plaintiff was caused to suffer severe damages.

84. WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, prays for relief in the form of a judgment awarding compensatory damages and any other relief the Court deems proper.

COUNT IV
Conversion
(Defendants Bullen and Steward)

85. Plaintiff incorporates by reference paragraphs 1 through 84 above as if fully set forth herein.

86. Defendants Bullen and Steward wrongfully took possession of Ms. McMullen's

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

personal information and financial information in order to fraudulently obtain a line of credit with the Bank Defendants in Ms. McMullen's name.

87. After fraudulently obtaining the Unauthorized Credit Lines, Defendants Bullen and Steward wrongfully took possession of $8,500 of Plaintiff's money by making the Unauthorized Charges against the fraudulently obtained Unauthorized Credit Lines with the Bank Defendants.

88. At all times relevant, Plaintiff had a right to control the Unauthorized Credit Lines issued in her name (even though the lines were obtained by the Bank Defendants' fraud) and the corresponding credit extended to Plaintiff through the Unauthorized Credit Lines.

89. Defendants Bullen and Steward intentionally and substantially interfered with Plaintiff's property interests, and deprived Plaintiff of her property interest, by fraudulently using Plaintiff's personal information to obtain the Unauthorized Credit Lines.

90. Plaintiff did not consent or authorize Defendants Bullen or Steward to make the Unauthorized Charges made by Defendants.

91. Defendants Bullen and Steward have refused to return the $8,500 to Plaintiff despite Plaintiff's repeated demand for a return of the money.

92. Plaintiff's credit has also been severely damaged as a result of Defendant's conduct.

93. WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, prays for relief in the form of a judgment awarding compensatory damages and any other relief the Court deems proper.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

COUNT V
Breach of Contract and
Breach of Good Faith and Fair Dealing
(Defendants Bullen, Steward, and One World Fitness)

94. Plaintiff incorporates by reference paragraphs 1 through 93 above as if fully set forth herein.

95. In December 2010, Ms. McMullen entered into a contract with One World Fitness when she renewed her membership at One World Fitness. Specifically, Ms. McMullen purchased an additional one-hundred and fifty (150) training sessions at $8,050.00. As part of the contract, Defendant Steward stated that Ms. McMullen could cancel the membership at any time and get a refund for the unused training sessions.

96. On or about September 23, 2011, Ms. McMullen cancelled her membership and requested a refund in the amount $2,210.00.

97. Despite several assurances that Ms. McMullen would receive the refund pursuant to her agreement with One World Fitness, Defendants One World Fitness breached the agreement by failing to refund the money owed to Ms. McMullen.

98. As a direct result of the breach of contract and implied duty of good faith and fair dealing, Plaintiff was caused to suffer severe damages.

99. As set forth in Paragraphs 31-37, *supra*, the refusal by Defendants Bullen, Steward, and One World Fitness to comply with their refund policy was common and typical among numerous other One World Fitness Customers.

100. WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, prays for relief in the form of a judgment awarding compensatory damages and any other relief the Court deems proper.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

COUNT VI
Alter Ego
(Defendants Bullen, Steward, One World Fitness, Washington Chiropractic, and Bullen Wellness)

101. Plaintiff incorporates by reference paragraphs 1 through 100 above as if fully set forth herein.

102. Plaintiff entered into an agreement with One World Fitness—a limited liability company whose corporate status had been revoked, and which was severely undercapitalized.

103. At all times relevant hereto, Defendants Bullen and Steward were the owners of One World Fitness. One World Fitness was one of several shell limited liability companies that Defendants utilized as instrumentalities to further their fraudulent scheme to defraud One World Fitness Customers. The other shell limited liability companies operated by Defendants Bullen and Steward were Bullen Wellness and Washington Chiropractic.

104. Upon information and belief, Bullen Wellness was a shell entity used as a proxy for no purpose other than to fraudulently obtain medical care financing. Bullen Wellness was only able to obtain financing for medical care, because its owner, Defendant Wayne Bullen, was a chiropractor. Bullen Wellness did not provide chiropractor services, however, but instead was used solely to fraudulently obtain medical care financing for the customers of One World Fitness. Defendants Bullen and Steward were able to obtain the Unauthorized Credit Lines on behalf of Ms. McMullen by acting through Bullen Wellness. Defendants Bullen and Steward, acting through Bullen Wellness, also fraudulently charged Ms. McMullen $8,500.00 without her authorization and for services that Bullen Wellness never provided to Ms. McMullen.

105. Upon information and belief, Washington Chiropractic was an entity also employed by Defendants Bullen and Steward to fraudulently obtain health care financing for One World Fitness customers. Specifically, the One World Fitness contract for Chase Health

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036
202-463-3030

Advance identifies Dr. Wayne Bullen of Washington Chiropractic as an affiliate of One World Fitness, although One World Fitness did not provide any chiropractor services.

106. Upon information and belief, Defendants Bullen, Steward, One World Fitness, Washington Chiropractic, and Bullen Wellness commingled the funds and assets of One World Fitness with the funds and assets of each of the foregoing entities.

107. The corporate status for Bullen Wellness, One World Fitness, and Washington Chiropractic have all been revoked by the District of Columbia

108. During the entire relevant period, Defendants Bullen and Steward: (1) commingled the funds and assets of One World Fitness with the personal funds and assets of Defendants Bullen and Steward and the funds and assets of Bullen Wellness and Washington Chiropractic; (2) undercapitalized One World Fitness; and (3) otherwise failed to adhere to the requisite boundaries of maintaining separate business entities under District of Columbia Law.

109. Accordingly, Plaintiff, on behalf of herself and all others similarly situated, seeks to have this Court pierce the corporate veil of One World Fitness, Bullen Wellness, and Washington Chiropractic to find that the foregoing entities are the alter ego of each other and of both Defendant Bullen and Defendant Steward, and hold all Defendants jointly and severally liable.

COUNT VII
Punitive Damages
(All Defendants)

110. Plaintiff incorporates by reference paragraphs 1 through 109 above as if fully set forth herein.

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

111. Defendants Bullen's and Stewards' individual and collective conduct in knowingly and intentionally obtaining the Unauthorized Credit Lines and then billing against those Unauthorized of Credit, without authorization for work that was never performed was

egregious, grossly fraudulent, and purposeful conduct meant to benefit Defendants at the expense of Plaintiff. This conduct demonstrates a willful disregard for Plaintiff's rights and demonstrates an intent to injure. In addition, Defendants Bullen's and Steward's continuing failure to admit to their mistakes, and their unwillingness to rectify the harm they caused to Plaintiff, warrants punitive damages under the CPPA.

112. Similarly, the Bank Defendants' individual and collective conduct in aggressively pursuing the fraudulent debts allegedly owed by Ms. McMullen, despite having been notified by Ms. McMullen and the Office of the Attorney General that the debts were fraudulent is egregious, wanton and purposeful conduct meant to benefit the Bank Defendants at the expense of Plaintiff. In addition, the Bank Defendants' continued pursuit of the alleged debt after the the Bank Defendants were unable to provide documentation to validate the debt warrants punitive damages under the CPPA.

113. WHEREFORE, Plaintiff, on behalf of herself and all others similarly situated, prays for relief in the form of a judgment awarding punitive damages, attorney's fees, costs and any other relief the Court deems proper.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief in the form of a judgment against Defendants awarding punitive damages and any other relief the Court deems proper and just. Plaintiff, on behalf of herself and all others similarly situated, prays for judgment against Defendants as follows:

(a) Awarding actual compensatory damages for Defendants' unlawful trade practices, fraud, conspiracy to commit fraud, and breach of contract;

(b) Trebling compensatory damages pursuant to the D.C. Consumer Protection Procedures Act;

Regan Zambri Long
1919 M Street, NW
Suite 350
Washington, DC 20036

202-463-3030

(c) Awarding costs and attorney's fees pursuant to the D.C. Consumer Protection Procedures Act;

(d) Awarding punitive damages for Defendants' fraud, outrageous, wanton, malicious and reckless conduct with no regard for the damage it would cause to Plaintiff; and,

(e) Awarding additional relief as may be necessary to restore to One World Fitness customers money or property, real or personal, which may have been acquired by means of the unlawful trade practices pursuant to the D.C. Consumer Protection Procedures Act.

Respectfully submitted,

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