

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

**KRASIMIR DACHEV, an individual,  
PEACE FOR YOU PEACE FOR ME, a  
non-profit foundation organized under  
the laws of Bulgaria, and SVILOSA AD,  
a Joint Stock Company organized under  
the laws of Bulgaria,**

**Plaintiffs,**

**v.**

**RICH AMERICA, INC., an corporation  
organized under the laws of Illinois,  
BRANDON ALLEN, an individual;  
LEONARD GOODRUM, an individual,  
and DOES 1-25, inclusive,**

**Defendants.**

**CASE NO.**

**JURY DEMAND ENDORSED HEREON**

**COMPLAINT**

Plaintiffs KRASIMIR DACHEV, PEACE FOR YOU PEACE FOR ME and SVILOSA AD (collectively “Plaintiffs”) allege against defendants RICH AMERICA, INC. (“RA”), BRANDON ALLEN (“Allen”), LEONARD GOODRUM (“Goodrum”) and DOES 1-25 (RA, Allen, Goodrum and DOES 1-25 are collectively referred to as “Defendants”), as follows:

**NATURE OF THE ACTION**

1. This action involves purported concert organizers who defrauded international investors of over \$350,000 by falsely claiming they could and would use that money to secure celebrity musicians for high-profile concerts in Bulgaria. As it turned out, the organizers lied about who they were and what they did, failed to secure the celebrities they promised and pocketed the investors’ money, causing the collapse of the concerts and over \$3 million of damages.

2. Plaintiffs were partners and/or investors in a planned charity concert event (“Charity Event”) that was scheduled to take place on October 1, 2016 in Sofia, Bulgaria. The goal of the Charity Event was to provide financial aid and attention to homeless and displaced children in or from conflict zones and centered around a planned, internationally-televised concert of renowned musician celebrities. Although Plaintiffs retained another individual to secure these celebrities, by July 2016 this individual failed to produce any results, causing Plaintiffs concern that the necessary celebrities might not be secured in time to perform at the event.

3. Around August 2016, Defendant Allen became aware of these problems and wrote to Plaintiffs representing that Defendant RA, “in coordination with RCA Records (“RCA”) & Sony Music Group (“Sony”),” would contact various music celebrities to “secure performance contracts” for the Charity Event, then less than two months away. Defendants then sent to Plaintiffs various written agreements in which celebrities allegedly required substantial performance fees to secure their performance prior to the negotiation of any final contract with them; they also sent video recordings of supposed celebrities promoting the Charity Event. In reliance on Defendants’ representations and claimed affiliation with RCA and Sony, Plaintiffs retained RA; by September 7, 2016, Plaintiffs paid \$367,800 to Defendants thereunder.

4. By late September 2016, Defendants failed to secure a single major music celebrity. With the Charity Event less than two weeks away, Plaintiffs had no choice but to cancel the concert. Still believing that RA was a legitimate business somehow affiliated with RCA and/or Sony, Plaintiffs asked Defendants to apply the funds they already paid to a new concert, also to be held in Sofia which would take place around June 2017 (the “2017 Concert”). In response, Defendants represented that, with this additional time, they would easily secure the

promised celebrities they previously had not. From late September 2016 through around April 2017, Defendants claimed they were negotiating with celebrities for this purpose.

5. Starting in December 2016, Plaintiffs asked Defendants for a complete accounting of the monies Plaintiffs paid to them, including how much had actually been paid to artists and how much would be applied to the 2017 Concert. In response, Defendants made vague and evasive statements that the money Plaintiffs paid to them in 2016 would either be applied to the 2017 Concert in some fashion and/or was tied up in deposit with various artists that committed to the Charity Event. By around February 2017, after 6 additional months of purported booking efforts, Defendants again failed to secure a single major music celebrity.

6. Since that time, Plaintiffs have discovered that (a) Defendants were not authorized to act or speak on behalf of Sony and/or RCA; (b) the so-called celebrities appearing in the video recordings promoting the Charity Event were celebrity “look-alikes”; (c) Defendants had no authority to act or speak on behalf of the artists identified in their “artist agreements”; and (d) the true, authorized representatives of these celebrity musicians have confirmed that, contrary to RA’s representations, none of them received any deposit money from RA or ever heard of RA or its principals.

7. Around July 13, 2017, Plaintiffs sent a demand letter seeking the return of the funds they sent to Defendants. Defendants refused.

8. In short, Defendants lied about who they were, what they were doing and who they represented, all in a scheme to defraud international investors trying to finance a global charity event for displaced children.

9. In addition to the approximate \$350,000 of money that Defendants have refused to return, Plaintiffs also incurred substantial liabilities relating to the Charity Event in reliance on

Defendants. Such liabilities include approximately \$2,500,000 expended as deposits and/or payments for artists, hosts, hotels, airfare, stage and lighting vendors and other service providers, and approximately \$1,000,000 of unpaid contractual obligations associated with those expenditures.

10. Defendants' acts and omissions as alleged herein give rise to the tort, contract and statutory claims pleaded below, provide grounds for injunctive relief and punitive damages, and have proximately caused compensatory damages to Plaintiffs in a precise amount to be determined at trial but in no event less than \$3.8 million.

### **THE PARTIES**

11. Plaintiff, Peace for You, Peace for Me Foundation ("Foundation"), is a private non-profit foundation registered under Bulgarian law and was formed to organize and hold the Charity Event. The Foundation's principal place of business is Sofia, Bulgaria.

12. Plaintiff, Krasimir Dachev ("Dachev"), is a resident of Sofia, Bulgaria and was a sponsor of the Foundation.

13. Plaintiff, Svilosa AD ("Svilosa"), is a publicly-traded Joint Stock Company organized under the laws of Bulgaria and listed on the Bulgarian Stock Exchange and was the primary investor in the Foundation and the Charity Event. Svilosa's principal place of business is Sofia, Bulgaria.

14. Defendant RA is a corporation organized under the laws of Illinois with its principal place of business in Chicago, Illinois.

15. On information and belief, Defendant Allen is a resident of Cook County, Illinois and an officer and/or representative of RA. On information and belief, Allen exercised domination and control over RA which resulted in the injuries alleged herein, with such a unity

of interest and control between Allen and RA that they cannot be construed as separate entities or parties under the law.

16. On information and belief, Defendant Goodrum is a resident of Cook County, Illinois and an officer and/or representative of RA. On information and belief, Goodrum exercised domination and control over RA which resulted in the injuries alleged herein, with such a unity of interest and control between Goodrum and RA that they cannot be construed as separate entities or parties under the law.

17. Plaintiffs are ignorant of the true names and capacities of defendants Does 1 through 25 and, therefore, sue Does 1 through 25 by such fictitious names. Plaintiffs will amend this Complaint to allege the true names and capacities of Does 1 through 25, and each of them, upon discovering that information, and are informed and believe that Does 1 through 25, and each of them, are responsible for and proximately caused the occurrences and damages alleged herein.

18. Plaintiffs are informed and believe that each of the Defendants is the agent, joint venturer and/or employee of each of the other Defendants, and in doing the things herein alleged was acting within the course and scope of said agency, employment and/or joint venture with the advance knowledge, acquiescence or subsequent ratification of each and every other Defendant.

19. Plaintiffs are informed and believe and thereon allege that each of the Defendants knowingly and willingly conspired and agreed among themselves to undertake the unlawful actions and omissions alleged herein in furtherance of the common design alleged below.

#### **JURISDICTION AND VENUE**

20. The amount in controversy in this action exceeds \$75,000.00, exclusive of attorneys' fees, interest and costs.

21. This Court has subject matter jurisdiction over this action by reason of diversity of citizenship pursuant to 28 U.S.C. § 1332(a)(2).

22. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because RA is a corporation organized under the laws of the State of Illinois with its principal place of business in Chicago, Illinois and Allen and Goodrum are residents of Cook County, Illinois.

### **GENERAL ALLEGATIONS**

23. Around early 2016, Dachev and Svilosa decided to help organize and invest in a charity concert event undertaken by the non-profit Foundation to help homeless and displaced children in world conflict zones; the event was to take the form of an all-day charity concert, patterned after 1985's Live Aid or 2010's Hope for Haiti Now, that would be organized and internationally televised on October 1, 2016.

24. Around late May 2016, Plaintiffs retained Robin DiMaggio, an alleged music promoter, to procure commitments from celebrity musicians for the Charity Event. By July 2016, however, Mr. DiMaggio failed to secure any celebrities for the event, which caused Plaintiffs concern about his ability to secure renowned celebrities in time for the event. Accordingly, Plaintiffs began to explore back-up options and were introduced to Defendants.

25. As a result of this introduction, Allen sent Plaintiffs a letter in which he represented that RA, "in coordination with RCA Records and Sony Music Group," would contact various music celebrities to perform at the Charity Event. A true and correct copy of this letter is attached hereto as Exhibit A and incorporated herein.

26. As a result of Defendants' representations, and in particular their claim that they were acting in "coordination" with Sony and RCA, in August 2016, Defendants sent various Artist Engagement Agreements ("Artist Agreements") to Plaintiffs purporting to book various

celebrities, including, but not limited to, Britney Spears and Snoop Dogg; in these Artist Agreements, Allen represented that he was the “agent” of the artist subject to the agreement. Although the Artist Agreements required that large advance fees be paid to Defendants immediately to “secure the date” (\$142,800 for Britney Spears and \$150,000 for Snoop Dogg), they also expressly stated that their terms were not binding on the artist until a “long-form” agreement was later “negotiated.” Attached hereto as Exhibits B and C and incorporated herein are true and correct copies of these Artist Agreements for Britney Spears and Snoop Dogg, respectively.

27. Around this time, Defendants transmitted to Plaintiffs video recordings of celebrities purporting to commit to the Charity Event. In one such video, an individual purporting to be Snoop Dogg says to “get ready” for the October 1 Peace for You Peace for Me concert in Sofia.

28. In reliance on Defendants’ representations and demands, in August and September 2016, Plaintiffs sent to Defendants \$367,800 to “secure” these celebrities for the Charity Event.

29. After receiving Plaintiffs’ money, Defendants failed to secure any major celebrity for the Charity Event, claiming, among other things, that Snoop Dogg somehow “backed out” of the Charity Event and that the deposit money Plaintiffs paid to “secure” Britney Spears had instead been paid to “Natalie LaRose,” an artist who Plaintiffs did not authorize (or want). Due to Defendants’ failure to secure the promised celebrities, Plaintiffs had no choice but to cancel the Charity Event.

30. Still believing Defendants were a legitimate business somehow affiliated with Sony and RCA, Plaintiffs asked that Defendants apply the money that they thought had been

given to artists in another Sofia concert that would be held around June 2017 (as noted, “2017 Concert”). Defendants claimed they could and would do this, and from late September 2016 through around April 2017 represented that they were negotiating with celebrities for their participation in the 2017 Concert. During that time, in response to Plaintiffs’ requests for information, Defendants sent emails that included the following statements:

- a. “We are happy to announce verbal confirmations from JLo, Jessica Simpson, Rihanna, Beyoncé, Diana Ross, Ludacris, Smiley, Mohombi, Iggy Azalea and David Guetta.”
- b. “The contract [with Natalie LaRose] is signed and cannot be canceled” [at no time did Plaintiffs sign any agreement relating to LaRose].
- c. “We are still in the process of retrieving the Snoop Dogg deposit which will take some time but we are still debating keeping him for the show.”

31. From at least December 2016, Plaintiffs repeatedly asked Defendants for an accounting of the monies they received for the supposed purpose of booking celebrities. For months, Defendants ignored these requests and refused to respond. By February 2017, after 6 additional months of alleged booking efforts, Defendants failed to secure any major celebrity for the 2017 Concert.

32. Plaintiffs subsequently discovered that:

- a. Defendants were not authorized to represent or act on behalf of Sony or RCA in this matter;
- b. Defendants were not authorized to represent or act on behalf of any of the major celebrities promised by Defendants, including Britney Spears and Snoop Dogg;



- c. The major celebrities promised by Defendants, including Britney Spears and Snoop Dogg and their representatives, had never received any deposit from Defendants, had never entered into any agreement with Defendants and had never heard of Defendants; and
- d. The video recording sent to Plaintiffs of Snoop Dogg supposedly announcing his performance at the Charity Event was a fraudulent production featuring a celebrity look-alike claiming to be Snoop Dogg.

33. In July 2017, Plaintiffs issued a letter to Defendants demanding a full return of their money. Defendants did not respond to that demand. As of this date, no monies have been returned.

34. On information and belief, Defendants (a) had no intention or ability to secure the celebrities they promised; (b) did not engage in claimed negotiations or communications with said celebrities, instead fabricating stories to make Plaintiffs think they were on the verge of securing musician celebrities; and (c) intentionally took Plaintiffs' monies knowing that they would not be used for celebrity payments but for their own personal gain and benefit.

35. As a result of Defendants' acts and omissions as alleged herein, and in reliance on their false and deceptive representations, Plaintiffs (a) lost approximately \$350,000 of payments tendered to them; (b) made deposits and/or payments for artists, hosts, hotels, airfare, stage and lighting vendors and other service provider contracts for the Charity Event totaling another \$2,500,000; and (c) carry another \$1,000,000 of payment obligations under these contracts. The total damage caused by Defendants exceeds \$3,800,000.

**COUNT I**  
**Fraud and Deceit**  
**(Against all Defendants)**

36. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

37. The representations made by Defendants as alleged herein, including but not limited to those relating to (a) their claimed affiliation with Sony and RCA; (b) their alleged need for and use of Plaintiffs' monies for "artist deposits"; (c) their alleged negotiations with and representations concerning artist participation in the Charity Event and 2017 Concert; (d) their claimed need for significant "deposits" prior to the approval of any final contract with any artist; and (e) their alleged ability and intention to timely secure the celebrities required for the Charity Event and 2017 Concert, were knowingly false when made and intended to induce Plaintiffs to induce act thereon.

38. Plaintiffs reasonably and justifiably relied on the misrepresentations and deceit of Defendants and had no reason to believe that Defendants were defrauding them.

39. As a direct and proximate result of Defendants' misrepresentations and deceit, Plaintiffs have sustained damages in an amount to be determined at trial, but in excess of \$3.8 million.

40. Defendants performed these acts with fraud and actual malice, and Defendants acted willfully, or with such gross negligence as to indicate a wanton disregard of the rights of others, therefore entitling Plaintiffs to punitive damages.

**COUNT II**  
**Breach of Contract**  
**(Against all Defendants)**

41. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

42. The Artist Agreements constitute binding contracts, except as to any portions thereof deemed to be unenforceable.

43. Plaintiffs have performed all conditions and covenants required of them under the Artist Agreements, except any which were excused by the actions of Defendants.

44. By undertaking the acts and omissions alleged herein, including but not limited to failing to return Plaintiffs' monies and failing to secure the promised celebrity contracts, Defendants breached the provisions of the Artist Agreements.

45. As a direct and proximate result of the breaches by Defendants, and each of them, Plaintiffs have been damaged in an amount to be determined at trial, but in excess of \$3.8 million.

**COUNT III**  
**Breach of Implied Contract**  
**(Against all Defendants)**

46. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

47. The Artist Agreements contained implied terms, including Defendants' promises to use the monies paid by Plaintiffs for the stated purposes and to return said monies if the final agreements with artists could not be reached.

48. Plaintiffs have performed all conditions and covenants required of them under the Artist Agreements, except any which were excused by the actions of Defendants.

49. By undertaking the acts and omissions alleged herein, including but not limited to failing to return Plaintiffs' monies and failing to secure the promised celebrity contracts, Defendants breached the provisions of the Artist Agreements.

50. As a direct and proximate result of the breaches by Defendants, and each of them, Plaintiffs have been damaged in an amount to be determined at trial, but in excess of \$3.8 million.

**COUNT IV**  
**Conversion**  
**(Against all Defendants)**

51. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

52. Plaintiffs had a right to their monies once their right of refund was triggered.

53. Plaintiffs had an unconditional right to the immediate possession of their monies once their right of refund was triggered.

54. Plaintiffs demanded that Defendants immediately refund their monies. Defendants refused.

55. Defendants wrongfully and without authorization maintained control, dominion or ownership over Plaintiffs' monies without Plaintiffs' consent.

56. As a direct and proximate result of Defendants' conversion of Plaintiffs' property, Plaintiffs have suffered actual damages in an amount to be proven at trial.

57. Defendants performed these acts with fraud and actual malice, and Defendants acted willfully, or with such gross negligence as to indicate a wanton disregard of the rights of others, therefore entitling Plaintiffs to punitive damages.

**COUNT V**  
**Action on Account**  
**(Against all Defendants)**

58. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

59. Within the last 12 months, Defendants have become indebted to Plaintiffs in the amount of \$367,800 for money had and received.

60. No payment has been made by Defendants thereon, and there is now a sum due of approximately \$367,800, with interest thereon at the statutory rate of 5% under 815 ILCS 205/1 from the date refund was demanded and had accrued.

**COUNT VI**  
**Negligent Misrepresentation**  
**(Against all Defendants)**

61. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

62. When Defendants made the false statements of material fact to Plaintiffs as alleged herein, they had no reasonable ground for believing them to be true and either intended to induce Plaintiffs to act in reliance thereon or expected Plaintiffs to act in reliance thereon.

63. Plaintiffs took action in reliance on the truth of the false statements of material fact made by Defendants. As a direct and proximate result of Defendants' misrepresentations and deceit, Plaintiffs have sustained damages in an amount to be determined at trial, but in excess of \$3.8 million.

**COUNT VII**

**Deceptive Practice Under the Illinois Consumer Fraud Act, 815 ILCS 505/2  
(Against all Defendants)**

64. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

65. Plaintiffs were consumers of Defendants' business product, i.e. the services Defendants promised to perform in securing renowned musical acts to perform at either the Charity Event and/or the 2017 Concert.

66. Defendants engaged in a deceptive act or practice by promising to secure renowned musical acts to perform at either the Charity Event and/or the 2017 Concert, but, on information and belief, never actually attempting to secure or never actually intending to secure such renowned musical acts to perform at either the Charity Event and/or the 2017 Concert.

67. Defendants intended Plaintiffs to rely on the deception.

68. Defendants' deception occurred in the course of trade or commerce.

69. Defendants' consumer fraud was a direct and proximate cause of Defendants' injury.

70. Plaintiffs suffered actual damages to be determined at trial in an amount in excess of \$3.8 million.

71. Plaintiffs are entitled to recoup attorneys' fees from Defendants as a result of Defendants' consumer fraud.

**COUNT VIII**  
**Unfair Practice Under the Illinois Consumer Fraud Act, 815 ILCS 505/2**  
**(Against all Defendants)**

72. Plaintiffs incorporate by reference the above paragraphs as though fully set forth herein.

73. The Illinois Consumer Fraud Act codifies longstanding Illinois policy against abusive practices that offend public policy.

74. The Illinois Consumer Fraud Act “is a regulatory and remedial statute intended to protect consumers . . . against fraud, unfair methods of competition, and other unfair and deceptive business practices.”

75. In interpreting unfair conduct under the Consumer Fraud Act, Illinois courts look to three considerations of whether conduct is unfair under the Consumer Fraud Act:

(1) if it offends public policy as established by statutes, the common law or otherwise, or in other words, whether it is at least within the penumbra of some established concept of unfairness; (2) whether it is immoral, unethical, oppressive, or unscrupulous; (3) whether it causes substantial injury to consumers.

76. Defendants’ practices, as alleged herein, violate public policy.

77. Plaintiffs are informed and believe that Defendants have deceived and continue to deceive concert investors through the same pattern of deception as alleged herein.

78. Defendants’ actions constitute unfair and deceptive business practices, in violation of 815 ILCS 505/2.

79. As a direct and proximate result of Defendants’ wrongful acts and omissions, Plaintiffs have suffered compensatory and punitive damages, as well as reasonable attorneys’ fees and costs, in an amount to be determined at trial.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs respectfully request that this Court order as follows:

- a. that Plaintiffs are entitled to judgment against Defendants;
- b. that Plaintiffs are entitled to compensatory damages in an amount to be determined at trial in excess of \$3.8 million;
- c. that Plaintiffs are entitled to punitive damages;
- d. that Defendants be awarded their attorneys' fees incurred herein;
- e. that Defendants be awarded costs of suit incurred herein; and
- f. that this Court award Plaintiffs such other and further relief as the Court deems just and appropriate.

**JURY DEMAND**

Plaintiffs demand a trial by jury on all issues so triable.

Respectfully Submitted,

KRASIMIR DACHEV, PEACE FOR YOU PEACE FOR  
ME & SVILOSA AD

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