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6 IN THE UNITED STATES DISTRICT COURT  
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8 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
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10 CONNELL & ASSOCIATES, DAVID  
11 WILLIAM CONNELL HUBLER, and  
12 OMAR GERARDO ORTIZ CASTANEDA,

No. C 17-03175 WHA

13 Plaintiffs,

14 v.

**ORDER STAYING ACTION**

15 SHANE CLARIDGE WHITE, JACK  
16 TEETERS, and YULISSA ZULAICA,

Defendants.  
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18 This civil RICO action centers around a property in Puerto Vallarta, Mexico purchased  
19 by Thomas White, an American businessman and philanthropist who lived in Mexico until his  
20 death in 2013. White purchased the property at issue, Casa Blanca, in 1998 with the assistance  
21 of his attorneys at Connell & Associates, including plaintiff David William Connell Huber  
22 (“Attorney Connell”) (Compl. ¶¶ 6, 19).

23 In 2003, White was detained in Thailand on charges of child prostitution and extradited  
24 to Mexico, where he was held in prison. Meanwhile, Connell & Associates continued to serve  
25 as attorneys for his business ventures in Puerto Vallarta. Among other business ventures,  
26 Connell & Associates set up Hotel Mismaloya (“HM”). In 2006, White transferred the interest  
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1 in Casa Blanca to HM, and in 2008 he transferred the shares of HM to defendant Shane  
2 Claridge White, his adopted son, and Deborah Kelley, Shane's mother. (*id.* ¶¶ 6–10, 13).<sup>1</sup>

3 In 2010, White sold all of HM's assets except Casa Blanca. In 2012, however, White  
4 allegedly expressed concern that Casa Blanca was exposed to creditors and was a potential tax  
5 liability, and asked Connell & Associates to help him develop a plan to shield Casa Blanca.  
6 They discussed different options, and eventually White decided to transfer the title of Casa  
7 Blanca to a Mexican bank trust, establish a limited liability company in the United States,  
8 CBPV LLC, and name CBPV LLC as the beneficiary of the Mexican bank trust (*id.* ¶¶ 11–15).

9 In October 2012, Casa Blanca was transferred out of HM to the Mexican Bank trust with  
10 CBPV LLC as its beneficiary. In order to effect this transfer, Shane and Deborah Kelley, who  
11 owned the shares of HM, allegedly signed transfer documents and returned them to Connell &  
12 Associates. The shares of CBPV LLC were put in Attorney Connell's name. In 2013, while  
13 still in prison, White died (*id.* ¶¶ 12–15, 20).

14 Subsequently a dispute arose over who has rightful ownership of Casa Blanca. Four  
15 separate legal actions have arisen from this dispute, two in Mexico and two in the United States.

16 *First*, in May 2016, Attorney Connell filed an action in Mexico to compel Kelley to  
17 appear and provide evidence to support his claim of ownership of Casa Blanca. When Kelley  
18 did not appear at the hearing on the action, Attorney Connell took possession of Casa Blanca  
19 (*id.* ¶¶ 27–29). In August 2016, however, Kelley filed an appeal in the Mexican action claiming  
20 that he had not been properly notified of the hearing on Casa Blanca and asking that the  
21 decision be nullified. That appeal is ongoing.

22 *Second*, in November 2016, Kelley and his attorney Yulissa Zulaica filed criminal  
23 charges against Attorney Connell in Mexico, stating that he had fraudulently transferred the title  
24 of Casa Blanca from HM to CBPV LLC without Kelley's knowledge. This criminal action is  
25 still ongoing (*id.* ¶¶ 30–33).

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28 <sup>1</sup> Shane has since changed his last name from White to Kelley, and is referred to hereinafter as  
"Kelley."

On August 17, an order remanded the related probate action to the Superior Court of the County of San Francisco. Since that action will resolve the ownership of Casa Blanca, an issue central to, and likely dispositive of this dispute, this action is **STAYED** pending resolution of the probate court action. Upon that resolution, the parties may file fresh motions to dismiss. The parties **SHALL SUBMIT** a joint report on **FEBRUARY 15, 2018** to inform the Court of the status of their litigations related to Casa Blanca.

Dated: August 17, 2017.

UNITED STATES DISTRICT JUDGE