

Case 1:14-cv-20806-XXXX Document 1 Entered on FLSD Docket 03/04/2014 Page 1 of 9

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

**MELANIE E. DAMIAN, as
Receiver for the Receivership
Estate of WE THE PEOPLE,
INC. OF THE UNITED STATES,**

Case No.: 2:13-cv-14050-MARTINEZ-LYNCH

Ancillary Proceeding Case No.: _____

Plaintiff,

v.

EDWARD F. CROUSE,

Defendant.

COMPLAINT

Plaintiff, Melanie E. Damian, in her capacity as the Court-appointed Receiver (the "Receiver" or the "Plaintiff") of the Receivership Estate of We The People Inc. of The United States, (the "Receivership Estate"), files this Complaint alleging claims for unjust enrichment and restitution/money had and received against Edward F. Crouse (the "Defendant") and alleges as follows:

THE PARTIES

1. The Receiver was appointed by the United States District Court for the Southern District of Florida (the "District Court") pursuant to the Court's Order Appointing Receiver, dated February 13, 2013 (the "Receivership Order"), in the action styled *Securities and Exchange Commission v. We The People, Inc. of The United States*, Case No. 13-14050-CIV-MARTINEZ (the "Receivership Action"), pending in the District Court.

2. The Receiver was appointed as Receiver of We the People, Inc. of the United States (“WTP”), which is a Massachusetts corporation registered under Section 501(c)(3) of the Internal Revenue Code with its principal place of business in Tallahassee, Florida.

3. In the Receivership Action, venue lies in the District Court because certain acts and practices committed by WTP and its principals that are the subject of the Receivership Action occurred, and certain investors in WTP reside, in the Southern District of Florida. Further, WTP consented to venue in this Court. [Receivership Action, ECF #1 at ¶6].

4. Defendant is and was a resident of Parker, Colorado at all material times.

5. The Defendant acted as a “Marketing Advisor” for WTP and in this role received commissions from WTP in exchange for obtaining investors in investment products offered by WTP.

6. The commissions that the Defendant received are the funds underlying this action that WTP obtained fraudulently from investors and transferred to Defendant in violation of applicable law. As such, WTP conferred a benefit on the Defendant for which the Defendant was unjustly enriched.

JURISDICTION AND VENUE

7. This Court has subject matter jurisdiction over the Receivership Action pursuant to Sections 20(b) and 22(a) of the Securities Act and Sections 21(d) and (e), and 27 of the Exchange Act. This action which seeks to recover assets of the Receivership Estate is related to the claims in the Receivership Action, over which this Court has original jurisdiction pursuant to Title 28, United States Code, Section 1331, in that this action forms “part of the same case or controversy under Article III of the United States Constitution.” 28 U.S.C. § 1337(a). Therefore, this Court has subject matter jurisdiction over this action pursuant to the principles of ancillary or

supplemental jurisdiction under Title 28, United States Code, Section 1367 and pursuant to Title 28, United States Code, Section 754.

8. This Court has personal jurisdiction over the Defendant pursuant to Title 28, United States Code, Sections 754 and 1692. The Receiver was appointed in this District; the instant Complaint is brought to accomplish the objectives of the Receivership Order; and the property sought by the Receiver is located in multiple districts. The Receiver has filed a copy of this Complaint and the Receivership Order in the United States District Court for the District of Colorado pursuant to 28 U.S.C. §754.

9. Venue is also proper in the Southern District of Florida pursuant to Title 28, United States Code, Sections 754 and 1692, because this action is brought to accomplish the objectives of the Receivership Order and is thus ancillary to the Court's exclusive jurisdiction over the Receivership Estate.

PROCEDURAL BACKGROUND

10. On February 4, 2013, the Securities and Exchange Commission ("SEC") filed a complaint (the "SEC Complaint") against WTP seeking an injunction and damages arising from WTP's Charitable Gift Annuity Investment Offerings which were in violation of the anti-fraud provisions and registration provisions of federal securities laws. [Receivership Action, ECF #1].

11. Specifically, the SEC Complaint set forth claims against WTP for violations of the Securities Act of 1933 and the Securities Exchange Act of 1934 (including Rule 10b-5 promulgated thereunder) based on the Receivership Defendant's "false and misleading statements made in connection with the offer, sale, and purchase of securities," *i.e.*, the issuance of the Charitable Gift Annuity agreements. *Id.* at ¶3. That same day, the SEC filed unopposed

Motions for Judgment [Receivership Action, ECF # 3], and to Appoint a Receiver [Receivership Action, ECF # 4].

12. On February 8, 2013, the Court entered the Receivership Order, which required the Receiver to “assume and control the operations of the Receivership Defendant.” [Receivership Action, ECF #6 at ¶4]. The Receiver has standing to bring this claim pursuant to the Receivership Order, which obligates the Receiver “to sue for and collect, recover, receive and take into possession from third parties all Receivership Property and records relevant thereto[.]” [Id. at ¶6.B.].

13. The Receivership Order further provides that the Receiver is authorized, “to institute such actions and legal proceedings, for the benefit and on behalf of the Receivership Estate ... [including] the disgorgement of profits, asset turnover, avoidance of fraudulent transfers, rescission and restitution, collection of debts, and such other relief ... as may be necessary to enforce the Receivership Order.” *Id.* at ¶42.

14. The Defendant received commissions from WTP for selling Charitable Gift Annuities to which the Defendant was not entitled causing the Defendant to be unjustly enriched.

GENERAL ALLEGATIONS COMMON TO ALL COUNTS

15. As a result of the SEC investigation into the operations of WTP, the SEC alleged in its Complaint filed in the Receivership Action that WTP “defrauded investors by making false and misleading statements in connection with the offer, sale, and purchase of securities” violating the anti-fraud provisions of federal securities laws and offered and sold securities in violation of the registration provisions of the federal securities laws. [Receivership Action, ECF #1 at ¶¶1-2].

16. The SEC Complaint further alleged that WTP “raised over \$75 million in assets from approximately 400 investors in over 30 states, almost all of whom are elderly” by enticing them to transfer stocks, annuities, real estate, or cash to WTP in exchange for an investment product that WTP called a “tax-deductible gift annuity” or “charitable gift annuity” (“CGA”). *Id.*

17. WTP’s marketing and promotional materials for the CGA offering contained misrepresentations and omissions of material fact including false statements regarding the value of the CGA that investors received in exchange for the assets transferred to WTP and omissions regarding the sizable commissions WTP paid to third-party promoters based on the sales of its products. *Id.* at ¶2.

18. During the period WTP was issuing and exchanging securities, it claimed to operate as a non-profit organization. However, rather than operate as a charity, WTP operated for the primary purpose of issuing CGAs. WTP used the proceeds of the CGA offering to pay substantial sums to the principles of WTP, third-party promoters and consultants and misrepresented the amounts it donated to public charities. *Id.* at ¶14.

19. In furtherance of the fraud, WTP utilized third-party Marketing Advisors who signed agreements with WTP to sell CGAs to Investors.

20. WTP provided the Marketing Advisors with marketing materials containing false and misleading statements regarding the CGA offerings, including flyers, letters, illustrations, and even videos, to use in soliciting the investments.

21. WTP paid the Marketing Advisors significant commissions ranging from 7-10% of the cash value of the assets received by WTP in exchange for selling the CGAs, less the cost to WTP of liquidating the assets. The amounts of the commissions paid to the Marketing Advisors ranged from approximately \$550.00 to \$409,000.000.

22. The Marketing Advisors, who held themselves out to investors as knowledgeable financial professionals, knew or should have known that they were not entitled to receive any commissions for selling the CGAs because it is not in conformity with industry standards and, moreover, it is a violation of federal law for WTP to pay commissions based on the value of donations to a charitable organization in exchange for the issuance of charitable gift annuities.

23. The Model Standards of Practice for the Charitable Gift Planner which were adopted by the National Committee on Planned Giving and the American Council on Gift Annuities provide that “commissions paid as a condition for delivery of a gift are inappropriate.”

24. Moreover, the Philanthropy Protection Act of 1995 prohibits the payment of commissions or remuneration to anyone based on the value of donations given to a public charity in exchange for the issuance of charitable gift annuities. Philanthropy Act § 4(b) codifies at 15 U.S.C. §78c(e)(2)).

25. The Defendant in the instant action was a Marketing Advisor for WTP who received commissions from WTP for selling CGAs on WTP’s behalf, based on the value of the donations to a charitable organization, in exchange for the issuance of charitable gift annuities.

26. Because the Defendant was prohibited by law from receiving commissions for selling CGAs on behalf of WTP based on the value of the CGAs, the marketing agreement entered into by the Defendant with WTP (the “Marketing Advisor Agreement”) which entitled the Defendant to receive a commission of 7% of the “Net Contribution” to WTP was void.¹

27. All conditions precedent to filing this Complaint have occurred, been satisfied and/or performed by the Plaintiff, or have been waived and/or otherwise been excused.

¹The Net Contribution was defined as “the value of assets as received by WTP in a form that can be immediately converted to cash by WTP, less costs incurred by WTP in liquidating the Assets.” See Marketing Advisor Agreement attached hereto as **Exhibit A**.

28. This action is brought within the pertinent statutory limitations period.
29. The Plaintiff has retained the undersigned law firm to represent her in this action and is obligated to pay them reasonable attorneys' fees and costs for their services.

THE TRANSFERS

30. WTP made transfers directly to the Defendant constituting payment of commissions (the "Transfers").
31. The Transfers originated from one or more of the WTP bank accounts.
32. The Transfers from WTP to the Defendant total \$26,603.72 and are reflected in **Exhibits "B" and "C"** attached hereto and incorporated, by reference, herein.²

COUNT I-UNJUST ENRICHMENT AGAINST DEFENDANT

33. Plaintiff repeats, re-alleges and incorporates by reference the allegations set forth in paragraphs 1-32 of this Complaint as if fully set forth herein.
34. WTP conferred a benefit on the Defendant when WTP transferred funds constituting property of WTP in the amount of \$26,603.72 directly to the Defendant as payment for commissions.

35. The Defendant had knowledge of the benefit he received from WTP and voluntarily accepted and retained the benefit conferred.

36. In addition, the Defendant knew or should have known that he was not entitled to receive commissions for selling a charitable gift annuity based on the value of the donations to a charitable organization in exchange for the issuance of charitable gift annuities.

37. It is inherently unfair and inequitable that the funds of other investors defrauded by WTP's and its officers and directors' fraudulent scheme and to which the Defendant is not

² Exhibit B is a summary of the Transfers. Exhibit C includes copies of canceled checks and direct deposit receipts evidencing the Transfers.

legally entitled, are retained and used to personally benefit the Defendant, rather than being returned to the Receivership Estate for the benefit of all of the defrauded investors.

38. As a direct and proximate result of the Defendant's retention of the \$26,603.72 that WTP unlawfully transferred to the Defendant, the Receivership Estate has been diminished, and, under the circumstances, equity dictates that the Defendant return the funds that were received from WTP, and any assets acquired with those funds, to the Receiver for the benefit of all of the defrauded investors.

WHEREFORE, the Plaintiff respectfully requests the Court enter a Judgment:

- a. Declaring the Defendant unjustly enriched by virtue of receipt of the Transfers from WTP;
- b. Requiring the payment of the Transfers to the Plaintiff; and, if necessary, imposing a constructive trust and/or equitable lien on the funds or other assets traceable to such transfers;
- c. Awarding the Plaintiff damages, costs, and interest; and
- d. Granting such other and further relief as may be just and proper.

COUNT II– RESTITUTION/MONEY HAD AND RECEIVED AGAINST DEFENDANT

39. Plaintiff repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs 1 through 32 of this Complaint as if fully set forth herein.

40. WTP conferred a benefit on the Defendant when it transferred funds constituting property of WTP in the amount of \$26,603.72 directly to the Defendant as payment for commissions.

41. The Defendant received the benefit of the funds he received from WTP and voluntarily accepted and retained the benefit conferred to which the Defendant was not entitled.

42. Equity and good conscience dictates that the Defendant should return and repay the funds received and any assets he may have acquired with those funds, to the Receiver for the benefit of all of the defrauded investors.

WHEREFORE, the Plaintiff respectfully requests the Court enter a Judgment:

- a. Ordering the Defendant to make restitution to the Receivership Estate;
- b. Requiring the payment of the Transfers to the Plaintiff; and, if necessary, imposing a constructive trust and/or equitable lien on the funds or other assets traceable to such transfers;
- c. Awarding the Plaintiff damages, costs, and interest; and
- d. Granting such other and further relief as may be just and proper.

Respectfully submitted this 4th day of March, 2014.

By: /s/ Kenneth Dante Murena
KENNETH DANTE MURENA, P.A.
Florida Bar No. 147486
Email: kmurena@dvllp.com
SARA PARIS, ESQ.
Florida Bar No. 0055024
Email: sparis@dvllp.com
DAMIAN & VALORI LLP
Counsel for the Receiver
1000 Brickell Avenue, Suite 1020
Miami, Florida 33131
Telephone: 305-371-3960
Facsimile: 305-371-3965

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.) **NOTICE: Attorneys MUST Indicate All Re-filed Cases Below.**

I. (a) PLAINTIFFS

MELANIE E. DAMIAN, as Receiver for the Receivership Estate of
WE THE PEOPLE OF THE UNITED STATES

(b) County of Residence of First Listed Plaintiff MIAMI-DADE
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

DAMIAN & VALORI LLP, 1000 BRICKELL AVENUE, STE. 1020
MIAMI, FLORIDA 33131 - TEL. (305) 371-3960

(d) Check County Where Action Arose: MIAMI-DADE MONROE BROWARD PALM BEACH MARTIN ST. LUCIE INDIAN RIVER OKEECHOBEE HIGHLANDS

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff 3 Federal Question (U.S. Government Not a Party)

2 U.S. Government Defendant 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance	PERSONAL INJURY	PERSONAL INJURY	PROPERTY RIGHTS	<input type="checkbox"/> 375 False Claims Act
<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 365 Personal Injury - Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 400 State Reapportionment
<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<input type="checkbox"/> 410 Antitrust
<input type="checkbox"/> 140 Negotiable Instrument	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	LABOR	<input type="checkbox"/> 430 Banks and Banking
<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 330 Federal Employers' Liability	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 710 Fair Labor Standards Act	<input type="checkbox"/> 450 Commerce
<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 340 Marine	<input type="checkbox"/> 371 Truth in Lending	<input type="checkbox"/> 861 HIA (1395ff)	<input type="checkbox"/> 460 Deportation
<input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans)	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 862 Black Lung (923)	<input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations
<input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 863 DIWC/DIWW (405(g))	<input type="checkbox"/> 480 Consumer Credit
<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 355 Motor Vehicle Product Liability	<input type="checkbox"/> 390 Other Personal Injury	<input type="checkbox"/> 864 SSID Title XVI	<input type="checkbox"/> 490 Cable/Sat TV
<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 395 Product Liability	<input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 850 Securities/Commodities/ Exchange
<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 362 Personal Injury - Med. Malpractice	<input type="checkbox"/> 400 Other	SOCIAL SECURITY	<input type="checkbox"/> 890 Other Statutory Actions
<input type="checkbox"/> 196 Franchise			<input type="checkbox"/> 790 Other Labor Litigation	<input type="checkbox"/> 891 Agricultural Acts
			<input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 893 Environmental Matters
				<input type="checkbox"/> 895 Freedom of Information Act
				<input type="checkbox"/> 896 Arbitration
				<input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision
				<input type="checkbox"/> 950 Constitutionality of State Statutes
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	FEDERAL TAX SUITS	
<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 440 Other Civil Rights	Habeas Corpus:	<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)	
<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 441 Voting	<input type="checkbox"/> 463 Alien Detainee	<input type="checkbox"/> 871 IRS - Third Party 26 USC 7609	
<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 510 Motions to Vacate Sentence		
<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 443 Housing/Accommodations	Other:		
<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 445 Amer. w/Disabilities - Employment	<input type="checkbox"/> 530 General		
<input type="checkbox"/> 290 All Other Real Property	<input type="checkbox"/> 446 Amer. w/Disabilities - Other	<input type="checkbox"/> 535 Death Penalty		
	<input type="checkbox"/> 448 Education	<input type="checkbox"/> 540 Mandamus & Other		
		<input type="checkbox"/> 550 Civil Rights		
		<input type="checkbox"/> 555 Prison Condition		
		<input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement		

V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding 2 Removed from State Court 3 Re-filed (See VI below) 4 Reinstated or Reopened 5 Transferred from another district (specify) 6 Multidistrict Litigation 7 Appeal to District Judge from Magistrate Judgment 8 Remanded from Appellate Court

VI. RELATED/RE-FILED CASE(S) (See instructions):

JUDGE JOSE E. MARTINEZ

a) Re-filed Case YES NO

b) Related Cases YES NO

DOCKET NUMBER 2:13-cv-14050

Cite the U.S. Civil Statute under which you are filing and Write a Brief Statement of Cause (Do not cite jurisdictional statutes unless diversity):

VII. CAUSE OF ACTION

Unjust Enrichment LENGTH OF TRIAL via 1 days estimated (for both sides to try entire case)

VIII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: Yes No

ABOVE INFORMATION IS TRUE & CORRECT TO THE BEST OF MY KNOWLEDGE

DATE

SIGNATURE OF ATTORNEY OF RECORD

/s/Kenneth Dante Murena

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

IFP

JUDGE

MAG JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

I. (a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.

Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

III. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.

IV. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.

V. Origin. Place an "X" in one of the seven boxes.

Original Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.

Refiled (3) Attach copy of Order for Dismissal of Previous case. Also complete VI.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.

Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

Remanded from Appellate Court. (8) Check this box if remanded from Appellate Court.

VI. Related/Refiled Cases. This section of the JS 44 is used to reference related pending cases or re-filed cases. Insert the docket numbers and the corresponding judges name for such cases.

VII. Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.**

Example: U.S. Civil Statute: 47 USC 553

Brief Description: Unauthorized reception of cable service

VIII. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

Date and Attorney Signature. Date and sign the civil cover sheet.

UNITED STATES DISTRICT COURT
for the

Southern District of Florida

MELANIE E. DAMIAN, as Receiver for the Receivership Estate of WE THE PEOPLE, INC. OF THE UNITED STATES,)
)
)
<i>Plaintiff(s)</i>)
v.)
Edward F. Crouse,)
)
)
<i>Defendant(s)</i>)

Civil Action No. 2:13-cv-14050-MARTINEZ-LYNCH
Ancillary Proceeding Case No. _____

SUMMONS IN A CIVIL ACTION

To: (*Defendant's name and address*) Edward F. Crouse
9301 Amison Circle, Suite A1-105
Parker, CO 80134

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

KENNETH DANTE MURENA AND SARA PARIS
DAMIAN & VALORI LLP
1000 BRICKELL AVENUE, SUITE 1020
MIAMI, FLORIDA 33131

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

Signature of Clerk or Deputy Clerk

Civil Action No. 2:13-cv-14050-MARTINEZ-LYNCH

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* _____
was received by me on *(date)* _____ .

I personally served the summons on the individual at *(place)* _____
on *(date)* _____ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* _____
, a person of suitable age and discretion who resides there,
on *(date)* _____ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* _____ , who is
designated by law to accept service of process on behalf of *(name of organization)* _____
on *(date)* _____ ; or

I returned the summons unexecuted because _____ ; or

Other *(specify)*: _____

My fees are \$ _____ for travel and \$ _____ for services, for a total of \$ **0.00** .

I declare under penalty of perjury that this information is true.

Date: _____ *Server's signature*

Printed name and title

Server's address

Additional information regarding attempted service, etc:

We The People, Inc. of the United States
Tax-Deductible Planned Giving Compliance Agreement
Marketing Advisor

This Agreement is made and entered into this 10 day of June, 2010, by and between We The People, Inc. of the United States (referred herein as "WTP"), with its principal place of business located at 2636 Mitcham Drive, Tallahassee, Florida 32308 and Edward F. Rouse (referred herein as "Advisor") with its principal place of business located at 9301 American Center, #105, Park City, CO 80134.

Whereas, WTP appoints Advisor, and Advisor hereby accepts such appointment, to assist WTP in development through charitable transactions involving WTP's Tax-Deductible Gift Annuities (referred herein as "Annuities"), and for mutual promises and covenants set forth in this Agreement, Advisor and WTP agree to be bound by the following:

COMPLIANCE: Advisor is an independent agent/broker, and is not acting as an agent, subagent or broker of WTP. This Agreement or the relationship between the parties and their officers and employees is not intended and shall not be construed, to create a partnership, joint venture or employment relationship between WTP and Advisor. The furnishing of promotional materials including, but not limited to, brochures, applications, power point presentations, advertising or any other material by WTP to Advisor does not create or imply an agent relationship or binding authority between WTP and Advisor.

Advisor shall comply with applicable federal and state statutes and regulations relating to the subject matter hereof, use WTP forms published or available from WTP, and confirm that an Annuity transaction is permitted in a state before completing a transaction with a resident thereof.

AUTHORITY: Advisor shall not have authority to approve, or to bind, obligate or commit WTP in any manner. Advisor shall not create, alter or vary any materials including, but not limited to, contracts, brochures, applications, power point presentations, advertising or any other material without prior written approval of WTP.

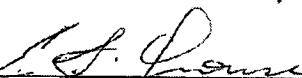
COMPENSATION: In consideration of all the services to be performed by Advisor on behalf of WTP under the terms of this Agreement, WTP shall pay to Advisor a Compensation of 7% based on the "Net Contribution." The Net Contribution is the value of the Assets as received by WTP in a form that can be immediately converted to cash by WTP, less costs incurred by WTP in liquidating the Assets. WTP may charge back Compensation to you in the event of rescission or cancellation.

TERMINATION OF AGREEMENT: This Agreement may be terminated at any time by either party giving written notice to the other by certified mail, with notice being deemed to have been received if mailed to the affected party at the address shown in this agreement.

GOVERNING LAWS: This Agreement shall be governed by, construed, and enforced in accordance with the laws in the State of Florida.

ENTIRE AGREEMENT: This Agreement constitutes the entire Agreement between WTP and Advisor and supersedes and replaces any previous agreements between WTP and Advisor. No oral promises or representations shall be binding, nor shall this agreement be modified, except by agreement in writing and executed by WTP.

IN WITNESS WHEREOF, the parties have affixed their signatures below on the date indicated


Signature of Advisor


Bill Reeves, Esquire, VP & Regulatory Counsel

Edward F. Rouse
Compensation payable to

188-34-4274
Social Security or EIN Number

SUMMARY OF TRANSFERS TO EDWARD F. CROUSE

<u>Transferor</u>	<u>Transferee</u>	<u>Check/Transfer Date</u>	<u>Last Four Digits of Bank Account</u>	<u>Check/Transfer Number</u>	<u>Amount</u>
We the People, Inc.	Edward F. Crouse	7/23/2010	Wachovia Bank #0124	1611	\$2,535.68
We the People, Inc.	Edward F. Crouse	8/9/2010	Wachovia Bank #0124	----	\$10,173.31
We the People, Inc.	Edward F. Crouse	9/15/2010	Wachovia Bank #0124	----	\$10,816.00
We the People, Inc.	Edward F. Crouse	9/21/2010	Wachovia Bank #0124	----	\$3,078.73
					\$26,603.72
	Grand Total				\$26,603.72

We The People, Inc. of the United States
1535 Killearn Center Blvd., Suite A-6
Tallahassee, Florida 32309
850-907-0600

Wachovia
Wachovia Bank, N.A.
wachovia.com
83-2/830

1611

07/23/10

PAY TO THE Edward F. Crouse

\$ **2,535.68

Details on Back.

Two Thousand Five Hundred Thirty-Five and 68/100*****

DOLLARS

Security Features Included

Edward F. Crouse
9301 Amison Circle
Parker, CO 80134

MEMO

AUTHORIZED SIGNATURE

1611 00 16 11 06 30000 21 20000 405 20124

Edward F. Crouse

07/23/10

McFerren 20101330

2,535.68

1611

Wachovia Checking 20124

2,535.68

1611

Edward F. Crouse

07/23/10

McFerren 20101330

2,535.68

Wachovia Checking 20124

2,535.68

08/09/2010

Edward F. Crouse

**0.00

NON-NEGOTIABLE

****This is not a check. *****Advice of deposit only****

Edward F. Crouse

9301 Amison Circle A1-105
Parker CO 80134-7675

20101348 Newell

PAYER

We The People, Inc. of the United States
2636 Mitcham Drive
Tallahassee FL 32308

Pay Date:

08/09/2010

PAYEE

Edward F. Crouse
9301 Amison Circle A1-105
Parker CO 80134-7675

TOTAL PAY:	\$10,173.31
Acct#....9699:	\$10,173.31

MEMO:

20101348 Newell

PAY	Current
Contractor Payments	10173.31

SUMMARY	Current
Total Pay	\$10,173.31

Total Pay **\$10,173.31**

09/15/2010

Edward F. Crouse

**0.00

****This is not a check. ****Advice of deposit only****

NON-NEGOTIABLE

Edward F. Crouse
9301 Amison Circle A1-105
Parker CO 80134-7675

Hardy

PAYER

We The People, Inc. of the United States
2636 Mitcham Drive
Tallahassee FL 32308

Pay Date: 09/15/2010

PAYEE

Edward F. Crouse
9301 Amison Circle A1-105
Parker CO 80134-7675

TOTAL PAY: \$10,816.00
Acct#....9699: \$10,816.00

MEMO:

Hardy

PAY	Current
Contractor Payments	10816.00

SUMMARY	Current
Total Pay	\$10,816.00

Total Pay \$10,816.00

09/21/2010

Edward F. Crouse

**0.00

NON-NEGOTIABLE

****This is not a check. ****Advice of deposit only****

Edward F. Crouse

9301 Amison Circle A1-105
Parker CO 80134-7675

20101384

PAYER

We The People, Inc. of the United States
2636 Mitcham Drive
Tallahassee FL 32308

Pay Date:

09/21/2010

PAYEE

Edward F. Crouse
9301 Amison Circle A1-105
Parker CO 80134-7675

TOTAL PAY: \$3,078.73
Acct#....9699: \$3,078.73

MEMO:

20101384

PAY	Current
Contractor Payments	3078.73

SUMMARY	Current
Total Pay	\$3,078.73

Total Pay \$3,078.73