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INVESTMENT PARTNERS, LLC

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA CLARA
UNLIMITED JURISDICTION

BELL INVESTMENT PARTNERS, LLC, a
California Limited Liability Company,

Plaintiff,

vs.

DD STONEBROOK DRIVE, LLC, a
California Limited Liability Company;
DUTCHINTS DEVELOPMENT LLC, a
California Limited Liability Company;
VAHE TASHJIAN, an individual, FIRST
REPUBLIC BANK, a California corporation
, and, DOES 1 - 20 inclusive,

Defendants.

No. 20CV375154

**COMPLAINT FOR CONSTRUCTIVE
TRUST; PRELIMINARY
INJUNCTION; AND TO COMPEL
ARBITRATION.**

INTRODUCTION

1. As the manager of a limited liability company, Defendant Vahe Tashjian sold an LLC asset for over \$10 million. Under the company operating agreement, Tashjian was obligated to distribute the seller proceeds of sale – over \$3 million – to the members, including plaintiff Bell Investment Partners, LLC. Tashjian did not distribute the money. Instead, he refused to provide documentation regarding the sale, information on where the

1 money is kept, or deposit the money into an account for the benefit of members of the
2 company. Of the nearly \$4 million, Tashjian has already absconded with nearly
3 \$1,300,000.

4 2. Plaintiff seeks to compel arbitration of the claims against Tashjian and
5 Dutchints, but without this Court's intervention, Tashjian – who faces liability in over ten
6 other multi-million-dollar actions pending against him in Santa Clara Superior Court –
7 may steal the money, leaving the company and its investors with no recourse. This
8 complaint seeks to establish a constructive trust with the funds from the sale and prohibit
9 distribution of those funds until arbitration is complete and judgment is entered.

10 **GENERAL ALLEGATIONS**

11 3. PLAINTIFF BELL INVESTMENT PARTNERS, LLC (“PLAINTIFF” OR
12 “BELL”) a California limited liability company, alleges as follows:

13 4. DEFENDANT DD STONEBROOK DRIVE, LLC (“STONEBROOK”) is a
14 California limited liability company, with its primary place of business in Santa Clara
15 County, California.

16 5. DEFENDANT DUTCHINTS DEVELOPMENT LLC (“DUTCHINTS”) is
17 a California limited liability company with its principal place of business in Santa Clara
18 County, California. DUTCHINTS is the managing member of STONEBROOK.

19 6. DEFENDANT VAHE TASHJIAN, (“TASHJIAN”) is an individual
20 residing in Santa Clara County, California. TASHJIAN is the managing member of
21 DUTCHINTS.

22 7. DEFENDANT FIRST REPUBLIC BANK, (“FRB”) is a California
23 corporation with its primary place of business in San Francisco, California.

24 8. The true names and capacities of DEFENDANTS sued as DOES 1 through
25 20, inclusive, are unknown to PLAINTIFF who therefore sues these DEFENDANTS by
26 such fictitious names. PLAINTIFF will amend this Complaint to allege their true names
27 and capacities when ascertained. PLAINTIFF is informed and believe, and based upon
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1 such information and belief alleges, each of the fictitiously named DEFENDANTS is
2 responsible in some manner for the occurrences, conduct and omissions alleged, and that
3 PLAINTIFFS' damages as alleged were proximately caused by such DEFENDANTS.

4 9. TASHJIAN, Faramarz "Mark" Yazdani, and Farzin Shakib formed
5 STONEBROOK, which was operated under an operating agreement dated March 19,
6 2019. Yazdani and Shakib are the sole members of PLAINTIFF BELL, which owns 60%
7 of DEFENDANT STONEBROOK.

8 10. TASHJIAN is the manager of DUTCHINTS, which is the manager of
9 STONEBROOK. By reason of this relationship TASHJIAN and DUTCHINTS owe
10 fiduciary duties to STONEBROOK and to its members including BELL.

11 11. Under the STONEBROOK operating agreement, the company would own,
12 develop and sell real property at 12355 Stonebrook Drive, Los Altos Hills, CA 94022 (the
13 "Property").

14 12. The operating agreement determines how the proceeds of sale of the
15 property will be divided. Under Section 4.1:

16 4.1. Priority of Distributions.

17 (a) Anything to the contrary in this Agreement notwithstanding, Available
18 Cash shall be distributed to the Members in the following priority:

19 i. To the Members with positive Capital Accounts other than Dutchints
20 Development

21 LLC pro rata until such Member(s) have been reimbursed in an amount
22 equal to their Capital Accounts plus an annual rate of return on their Capital
23 Accounts equal to thirty-five percent (35%), which return is hereby
24 guaranteed by Dutchints Development LLC; and

25 ii. The balance of the Available Cash shall be distributed to Dutchints
26 Development LLC.

1 (b) The parties intend that Available Cash shall be distributed as soon as
2 practicable following the Manager's determination that such cash is
3 available for Distributions. The parties acknowledge that no assurances can
4 be given with respect to when or whether said cash will be available for
5 Distributions to the Members; provided, however, that Distributions to each
6 Member shall occur in any event on or before the date which is twenty-four
7 (24) months after the date upon which such Member makes his or her initial
8 capital Contribution to the Company.

9 Under section 1.7 Available Cash is defined:

10 1.7. "Available Cash" means all net revenues from the Company's
11 operations, including net proceeds from all sales, refinancings, and other
12 dispositions of Company property that the Manager, in the Manager's sole
13 discretion, deems to be in excess of the amount reasonably necessary for the
14 operating requirements of the Company, including debt reduction and
15 Reserves.

16 Under section 4.1(b)

17 The parties intend that Available Cash shall be distributed as soon as
18 practicable following the Manager's determination that such cash is
19 available for Distributions.

20 13. Before the Property was fully developed, STONEBROOK sold the Property
21 on September 15, 2020.

22 14. Old Republic Title Co. ("ORT") performed the escrow services for the sale
23 of the Property through its office at 167 S. San Antonio Road, Suite 5, Los Altos. Officer
24 Janine Dietker was the escrow officer responsible for the transaction.

25 15. PLAINTIFF BELL through its members Yazdani and Shakib have asked
26 TASHJIAN to provide paperwork related to the sale of the Property. TASHJIAN has
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1 provided none, though TASHJIAN allowed Shakib to briefly view the Seller Closing
2 Statement prepared by ORT.

3 16. In response to Shakib's request, TASHJIAN sent copies of the Seller's
4 Settlement Statement for the sale of the Property through an online product called "Digify"
5 which allows the sender to set parameters for viewing the attachment, including deleting
6 the attachment promptly upon viewing. Under the Digify website description, a user may
7 set:

- 8 • Print & download permissions

9 With integrated digital rights management, your files are by default for
10 viewing only, no copy is stored in the recipient's device. You decide
11 whether to allow print or download.

- 12 • Expiry

13 • Set time-sensitive files to expire on a fixed date and time or to self-
14 destruct after it has been viewed by your recipient, Mission Impossible
15 style.

16 17. TASHJIAN set the Seller's Settlement Statement to expire immediately
17 upon viewing, rather than share a copy of the document with Shakib.

18 18. Yazdani and Shakib also asked where the proceeds of the sale of the
19 Property were deposited. Using the same settings on Digify, TASHJIAN sent a screenshot
20 of a bank account summary at FIRST REPUBLIC BANK, showing an account balance as
21 of December 2, 2020 at 10:15:31 AM PST of \$1,057,606.44 in an account labeled
22 "*****6371 - DD STONEBROOK DRIVE LLC."

23 19. TASHJIAN informed Shakib and Yazdani that the money in the FRB
24 account was from the sale of the Property, and that an additional one and a half million
25 dollars was being held in escrow at ORT at the request of the buyer, money to be used to
26 pay possible mechanic's lien claims against title to the Property, should they arise.
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1 20. Shakib, not aware that TASHJIAN had set the Digify settings to
2 automatically delete the documents upon reading “Mission Impossible style” was fortunate
3 to have taken screenshots of the documents immediately before they were permanently
4 deleted in accordance with the settings used buy TASHJIAN when he shared them.

5 21. The Sellers Settlement Statement TASHJIAN sent to Shakib and then
6 deleted shows the financial details of the sale of the Property. It states the Property sold for
7 \$10,750,000. After payments for amounts alleged to be due to various vendors, lenders,
8 and taxes for the Property, there was \$3,853,481.93 due to the Seller – DD
9 STONEBROOK DRIVE, LLC as of the settlement date for sale of the Property –
10 September 18, 2020.

11 22. Shakib and Yazdani asked TASHJIAN where the money from the sale was.
12 TASHJIAN’s answers were evasive, stating only that there was just over a million dollars
13 in the FRB account plus an additional \$1,500,000 held back in a separate account to pay
14 mechanic’s liens, a total of only \$2,557,606. TASHJIAN could not explain where the
15 remainder of the amount due to seller was: \$1,295,875.

16 23. Under the Operating Agreement, section 4.1, those members of
17 STONEBROOK with a positive capital account excepting DUTCHINTS were to be paid
18 first from the proceeds of the sale of the Property, up to the amount of their capital account
19 plus 35% per annum from the date of deposit of the funds with STONEBROOK. .
20 PLAINTIFF BELL’s capital account was \$3,000,000, representing 60% of
21 STONEBROOK. PLAINTIFF BELL was entitled to be paid its full capital account of
22 \$3,000,000 plus \$1,050,000 per year from the date of deposit of the funds. BELL is
23 entitled to be paid from the sale of the Property \$4,600,000 (capital account of \$3,000,000
24 plus \$1,600,000) before any money is distributed to DUTCHINTS.

25 24. PLAINTIFF BELL is entitled to receive the entire balance of the seller
26 proceeds from the sale of the Property: \$3,853,481.93. DUTCHINTS and TASHJIAN are
27 entitled to none of the proceeds.
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1 WHEREFORE, BELL prays for relief as set forth below.
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3 FIRST CAUSE OF ACTION
4 CONSTRUCTIVE TRUST

5 (Against All Defendants)

6 25. PLAINTIFF incorporates by reference all allegations set forth in paragraphs
7 1 through 24 above, as though set forth in full herein.

8 26. DEFENDANTS TASHJIAN, DUTCHINTS, and STONEBROOK have
9 used DEFENDANT FIRST REPUBLIC BANK as its agent for holding funds from the sale
10 of the Property.

11 27. On information and belief PLAINTIFF alleges the entirety of the seller's
12 sales proceeds from the sale of the Property was deposited into one or more accounts with
13 FIRST REPUBLIC BANK, and that DEFENDANTS TASHJIAN, DUTCHINTS, and
14 STONEBROOK have used DEFENDANT FIRST REPUBLIC BANK as a tool, and
15 unwitting accomplice, in the fraudulent conduct, and efforts by DEFENDANTS
16 TASHJIAN, DUTCHINTS, and STONEBROOK to steal the seller's sales of proceeds
17 from the sale of the Property.

18 28. As a proximate result of DEFENDANT TASHJIAN's fraudulent
19 misrepresentations and otherwise wrongful conduct as alleged herein, PLAINTIFF is likely
20 to lose all of the seller's sales proceeds from the sale of the Property, at least \$2 million of
21 which has already been taken by DEFENDANT TASHJIAN and DUTCHINTS in
22 violation of their fiduciary duties to PLAINTIFF.

23 29. By reason of the fraudulent and otherwise wrongful manner in which the
24 DEFENDANTS TASHJIAN and DUTCHINTS have taken money from the sale of the
25 Property and deposited it into accounts with FIRST REPUBLIC BANK in the name of
26 DEFENDANT STONEBROOK, and thus purportedly obtained their alleged right, claim
27 or interest in and to the sales proceeds, DEFENDANTS and each of them, have no legal or
28 equitable right, claim or interest therein, but, instead, DEFENDANTS and each of them are

1 involuntary trustees holding said property and profits therefrom in constructive trust for
2 PLAINTIFF with the duty to convey the same to PLAINTIFF forthwith.

3 30. DEFENDANT FIRST REPUBLIC BANK, as the unwitting tool used by
4 TASHJIAN and DUTCHINTS to perfect their fraud against BELL, is holding funds in the
5 name of STONEBROOK, but which by right belong to BELL. DEFENDANT FIRST
6 REPUBLIC BANK holds said funds, however delineated in its accounts, in trust for
7 PLAINTIFF BELL.

8 WHEREFORE, PLAINTIFF prays for relief as set forth below.

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10 SECOND CAUSE OF ACTION
PRELIMINARY AND PERMANENT INJUNCTION

11 (Against All Defendants)

12 31. PLAINTIFF incorporates by reference all allegations set forth in paragraphs
13 1 through 30 above, as though set forth in full herein.

14 32. On information and belief, PLAINTIFF alleges DEFENDANT TASHJIAN
15 is a named defendant in at least 10 active and current lawsuits filed in Santa Clara County
16 Superior Court, with a total accumulated claimed loss exceeding \$20,000,000.

17 33. Defendants DUTCHINTS and TASHJIAN are threatening to do further
18 harm by absconding with all sales proceeds from the sale of the Property, contrary to the
19 operating agreement.

20 34. PLAINTIFF has demanded that TASHJIAN and DUTCHINTS place the
21 proceeds of the sale of the Property into an escrow account, pending resolution of the
22 disputed claims between the parties regarding which party is entitled to the sale proceeds.
23 Defendants and each of them have refused.

24 35. TASHJIAN and DUTCHINTS, the manager of STONEBROOK with
25 fiduciary duties to STONEBROOK and the members of STONEBROOK, including
26 PLAINTIFF BELL, have refused to deliver the proceeds of sale of the Property to BELL,
27 as required under the operating agreement, and have actively prevented discovery of the
28 location of all of the sale proceeds. TASHJIAN has taken affirmative steps to obscure the

1 documentation reflecting the location of the proceeds of the sale of the Property.
2 TASHJIAN used an Internet program designed to delete the attachments sent to Shakib to
3 prevent Shakib from using those documents to recover from TASHJIAN and
4 DUTCHINTS the sales proceeds.

5 36. TASHJIAN and DUTCHINTS, contrary to their fiduciary duty to BELL,
6 have failed to explain where the sale proceeds from the sale of the Property are located,
7 and have provided no documentation showing their whereabouts except the screenshot of
8 the FRB account in the name of DD STONEBROOK DRIVE, LLC.

9 37. Taking at face value TASHJIAN's statement that \$1,500,000 is being held
10 in an account at FRB and that another \$1,057,606 is being held in a deposit account under
11 the STONEBROOK name at FRB, TASHJIAN does not explain where the remaining
12 \$1,295,875 is or why the money has not been delivered to BELL in accordance with the
13 operating agreement.

14 38. PLAINTIFF alleges on information and belief that TASHJIAN and
15 DUTCHINTS have already stolen at least \$1,295,875 from the sales proceeds of the
16 Property, though that money may be held in an account at DEFENDANT FIRST
17 REPUBLIC BANK.

18 39. DEFENDANT FIRST REPUBLIC BANK has no direct contractual
19 relationship with PLAINTIFF and may be directed by DEFENDANT DUTCHINTS or
20 TASHJIAN to distribute the funds held in trust for PLAINTIFF. PLAINTIFF has no means
21 to prevent the distribution of company funds to DUTCHINTS and TASHJIAN other than
22 an order of this Court that DEFENDANTS DUTCHINTS, TASHJIAN, and FRB shall
23 refrain from transferring, distributing, or otherwise diminishing any and all funds held by
24 FRB related to the sale of the Property, including without limitation all funds held by FRB
25 in any account identified by or associated with DD STONEBROOK DRIVE, LLC.

26 40. Unless and until enjoined and restrained by order of this Court, and
27 consistent with TASHJIAN's conduct in refusing to state the location of the already-
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1 missing \$1,295,875, and TASHJIAN's and DUTCHINTS' refusal to deposit the sales
2 proceeds from the sale of the Property in an escrow account, DEFENDANTS will cause
3 great and irreparable injury to PLAINTIFF BELL as all funds from the sale of the Property
4 will be quickly dissipated and distributed by TASHJIAN, the manager of STONEBROOK.

5 41. PLAINTIFF BELL has no adequate remedy at law for the injuries
6 threatened and currently suffered as an award of monetary damages would not provide an
7 adequate remedy against TASHJIAN and DUTCHINTS.

8 WHEREFORE Plaintiff prays for relief as set forth below.

9
10 THIRD CAUSE OF ACTION
11 COMPEL ARBITRATION
12 AGAINST DEFENDANTS TASHJIAN AND DUTCHINTS
13 And DOES 1 - 20

14 42. PLAINTIFF incorporates by reference all allegations set forth in paragraphs
15 1 through 41 above, as though set forth in full herein.

16 43. The operating agreement contains a binding arbitration agreement for
17 disputes arising from it, which states:

18 10.2. Arbitration. Any action to enforce or interpret this Agreement, or
19 to resolve disputes with respect to this Agreement as between the
20 Company and the Manager or a Member, or between or among the
21 Members, shall be settled by arbitration in accordance with the rules of
22 the American Arbitration Association. Any party may commence
23 arbitration by sending a written demand for arbitration to the other
24 parties. Such demand shall set forth the nature of the matter to be
25 resolved by arbitration. The Manager shall select the place of
26 arbitration. The substantive law of the State of California shall be
27 applied by the arbitrator to the resolution of the dispute. The parties
28 shall share equally all initial costs of arbitration. The prevailing party
shall be entitled to reimbursement of attorney fees, costs, and expenses
incurred in connection with the arbitration. All decisions of the
arbitrator shall be final, binding, and conclusive on all parties. Judgment
may be entered upon any such decision in accordance with applicable
law in any court having jurisdiction thereof. The arbitrator (if permitted
under applicable law) or such court may issue a writ of execution to
enforce the arbitrator's decision.

44. DEFENDANT FRB is not bound by the arbitration agreement, and on that
basis, PLAINTIFF sued them in this action solely seeking an order of this Court that the
funds deposited at FRB from the sale of the Property are held in trust for PLAINTIFF

1 BELL, and an order compelling FRB to refrain from further distributing assets from the
2 sale of the Property in contrast to its obligation to hold the funds in trust for PLAINTIFF.

3 45. PLAINTIFF seeks a stay on these proceedings, and an order compelling
4 BELL, DUTCHINTS, and TASJHIAN to arbitrate any disputed claims among them.

5 WHEREFORE, plaintiff prays judgment as follows:

6 ON THE FIRST CAUSE OF ACTION

- 7 1. For a determination by the Court that DEFENDANTS TASHJIAN,
8 DUTCHINTS, and FIRST REPUBLIC BANK hold the proceeds of the sale of
9 the Property as constructive trustees for the benefit of Plaintiff.

10 ON THE SECOND CAUSE OF ACTION

- 11 2. For a preliminary injunction, and a permanent injunction, enjoining all
12 DEFENDANTS, and each of them, and their agents, servants, and employees,
13 and all persons acting under, in concert with, or for them distribution of
14 proceeds from the sale of the Property, including without limitation any funds
15 held in any escrow account related to the sale of the Property and any funds
16 held in any account in the name of DD STONEBROOK DRIVE, LLC, or in
17 any way derived from funds associated with the sale of the Property.

18 ON THE THIRD CAUSE OF ACTION

- 19 3. For an order compelling BELL, DUTCHINTS, and TASHJIAN to arbitrate all
20 claims among them arising from or related to the operating agreement, the
21 management of DD STONEBROOK DRIVE, LLC and the sale of the Property.
22 4. For costs of suit;
23 5. For such other relief as this court deems proper and necessary.

24 Dated: December 29, 2020

GCA LAW PARTNERS LLP

26 By 
27 Kenneth R. Van Vleck
28 Attorneys for Plaintiff
BELL INVESTMENT PARTNERS, LLC