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SAN DIEGO COUNTY, CA

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8
9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 IN AND FOR THE COUNTY OF SAN DIEGO

37-2018-00002850-CU-BC-NC

11 BRAD MCLAUGHLIN, an individual; and
BUDTRADER.COM, a sole proprietorship,

Case No.

12 Plaintiffs,

COMPLAINT FOR DAMAGES

13 vs.

JURY TRIAL DEMANDED

14 SOL LUNA EXPEDITIONS, LLC, a
15 California Corporation; SAN DIEGO
MARINE SERVICES, a California
16 Corporation; LAKE RICKOLT, an
individual, and DOES 1 through 20,
17 inclusive,

- 1) BREACH OF CONTRACT
- 2) FALSE ADVERTISING (Bus. & Prof. Code § 17500)
- 3) FALSE ADVERTISING (15 USC § 1125)
- 4) FRAUD

18 Defendants.

19
20 Plaintiffs BudTrader.com and Brad McLaughlin complain and allege as follows:

21 **PARTIES AND JURISDICTION**

22 1. Plaintiff Brad McLaughlin is an individual over the age of 18 residing in the
23 County of Los Angeles, CA. He is the Chief Executive Officer (“CEO”) of Plaintiff
24 BudTrader.com. In order to promote his business, Mr. McLaughlin contracted with Defendants
25 Sol Luna and SDMS in order to rent out a vessel named the Liquidity.

26 2. Defendant Sol Luna Expeditions, LLC (hereinafter “Sol Luna”) is a limited
27 liability corporation that does substantial business in California. Sol Luna’s primary business is
28 to rent its vessels to consumers wishing to run any sort of events aboard their many ships. Sol

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1 Luna owns and operates a number of vessels designed for that purpose. Sol Luna owns and
2 operates a luxury vessel named Liquidity. Together with SDMS and Lake Rickolt, Sol Luna
3 contracted with Plaintiff McLaughlin to allow him to rent the Liquidity for a three (3) day period.

4 3. Defendant San Diego Marine Services (hereinafter "SDMS") is a corporation that
5 does business in San Diego, California. SDMS is the subsidiary of Sol Luna Expeditions, LLC,
6 and focuses its business to the San Diego, California area. SDMS operates various vessels and
7 rents them out to individuals and companies wishing to run any sort of events. SDMS owns and
8 operates the luxury vessel named Liquidity. Together with Sol Luna and Lake Rickolt, SDMS
9 contracted with Plaintiff McLaughlin to allow him to rent the Liquidity for a three (3) day period.

10 4. Defendant Lake Rickolt (hereinafter "Mr. Rickolt") is an individual over the age
11 of 18, residing in the State of California. Mr. Rickolt owns and operates Sol Luna Expeditions,
12 LLC and San Diego Marine Services. Mr. Rickolt (together with Sol Luna and SDMS) jointly
13 owns and operates the luxury vessel named Liquidity. Together with Sol Luna and SDMS, Mr.
14 Rickolt contracted with Plaintiff McLaughlin to allow him to rent the Liquidity for a three (3) day
15 period.

16 5. Altogether, Plaintiffs McLaughlin and BudTrader.com and Defendants Sol Luna,
17 SDMS, and Mr. Rickolt were the parties of the rental contract attached hereto as Exhibit A.

18 6. The true names and capacities of defendants named herein Does 1 through 20,
19 inclusive, whether individual, corporate, associate or otherwise, are unknown to Plaintiff, who
20 therefore sues such defendants by fictitious names pursuant to California Code of Civil Procedure
21 § 474. Plaintiff will amend this Complaint to show such true names and capacities of Does 1
22 through 20, inclusive, when they have been determined.

23 7. Venue is proper under Code of Civil Procedure §§ 395(a) and 395.5 because the
24 contractual obligations were to be performed in San Diego, California.

25 **FACTS COMMON TO ALL CAUSES OF ACTION**

26 8. Mr. McLaughlin, in his capacity as CEO of BudTrader, contacted Mr. Lake
27 Rickolt, the owner of Sol Luna and SDMS, in order to charter the vessel, named the Liquidity,
28 for three (3) days, starting on July 20, 2017 to July 22, 2017. The three (3) day period coincided

1 with the popular and high-profile Comic-Con event, which takes place once every year in San
2 Diego, California and was expected to draw the attendance of thousands of attendees over the
3 span of those three (3) days.

4 9. Mr. McLaughlin was drawn to Defendant's services particularly because of the
5 representations made by Defendants. In SDMS's website, for example, SDMS notes:

6 Enjoy all the benefits of owning a luxury yacht for a few hours,
7 days or week by chartering your own private yacht experience.
8 Whether you're looking to sail or motor, we have a private yacht to
9 suit your needs, from 30ft sailboats to 130ft luxury motor yachts.
10 We personally manage each charter to ensure you get your dream
11 experience on the water.

12 10. Mr. McLaughlin informed Mr. Rickolt of his promotional plans and informed him
13 that he intended to use the Liquidity to host a yacht party for certain Comic-Con invitees for the
14 duration of three (3) days, starting on July 20, 2017 and ending on July 22, 2017.

15 11. Defendants agreed to let Mr. McLaughlin rent the Liquidity for that three (3) day
16 period for a total of \$42,250. In doing so, Defendants represented to Mr. McLaughlin that they
17 would allow him access to the yacht for three (3) days, and no less. Defendants representations
18 made Mr. McLaughlin believe that if he paid the amount in full, Defendants would not be able to
19 thereafter limit the amount of days which he could use the yacht.

20 12. The parties memorialized this rental agreement in a written contract, referred to as
21 a "Charter Agreement." This Charter Agreement is included as Exhibit A.

22 13. The Charter Agreement listed Mr. McLaughlin's name, phone number, and
23 BudTrader email. It also listed the pricing and payment and indicated that Mr. McLaughlin
24 would provide for his own bar and catering separately.

25 14. The Charter Agreement noted that the full balance of the rental was due seven (7)
26 days prior to the charter date, and that the booking of the Liquidity would not be finalized until
27 final payment was made.

28 ///

1 15. The Charter Agreement contained only one (1) provision regarding Defendants'
2 ability to revoke or amend the terms of the contract. The "Bad Weather / Rain Check" policy
3 noted that "[i]n the unlikely event that we must cancel or postpone your scheduled excursion *due*
4 *to hazardous weather conditions*, we will make every effort to reschedule your reservation for a
5 date and time that is most convenient to you" (emphasis added). The clause continued by
6 providing that "[i]n the event that the client cannot reschedule, than [sic] the charter fees and
7 deposit shall be returned in full to client."

8 16. Mr. McLaughlin agreed to the terms of the Charter Agreement and signed it on
9 July 17, 2017. He also paid the full \$42,250 for the yacht rental, as per the Charter Agreement.
10 Mr. McLaughlin, in tendering payment to Defendants, fully performed his end of the Charter
11 Agreement.

12 17. Defendants thereafter delivered the Liquidity to the intended docking location, 5th
13 Avenue Landing.

14 18. After securing the Liquidity, Mr. McLaughlin began to advertise the yacht party
15 event extensively. Because of Comic-Con, Mr. McLaughlin expected the attendance of
16 numerous important guests to the yacht party, including Hip-Hop celebrities, former NFL and
17 NBA athletes, and various other A-listers. In anticipation of this, Mr. McLaughlin sought out
18 numerous corporate sponsorships and secured food and alcohol vendors, DJ's, as well as other
19 vendors, in order to ensure that the three (3) day yacht party was a success.

20 19. Moreover, Mr. McLaughlin paid 5th Avenue Landing docking fees so that the
21 Liquidity could be docked throughout the period contemplated in the Charter Agreement. Mr.
22 McLaughlin also employed a few individuals to help him with the event.

23 20. At all times, Defendants were aware of the nature of this yacht party. Defendants
24 should have reasonably expected Plaintiffs would have expended money to secure the docking of
25 the yacht and to secure all vendors for this party for the three (3) day period. Defendants should
26 have known this since the Charter Agreement noted that Mr. McLaughlin was responsible for
27 these additional costs. Most importantly, Defendants knew that Plaintiffs wanted to use the yacht
28 party as an opportunity to promote its business and network amongst other businesses and

1 potential investors. The proximity with the Comic-Con event would have brought greater
2 exposure to the BudTrader brand amongst Comic-Con attendees.

3 21. The BudTrader event commenced on July 20, 2017 and continued through July
4 21, 2017. Investors, potential investors and corporate sponsors attended the event without any
5 complaints or issues by anyone, including the marina staff or the local authorities. Plaintiffs were
6 expecting its most eventful day on Saturday, July 22, 2017 (the final day it could use the
7 Liquidity as per the Charter Agreement). However, when Mr. McLaughlin went to 5th Avenue
8 Landing on the morning of July 22 to prepare the vessel for the final day of the event, he found
9 the Liquidity missing and some of BudTrader's property sitting on the dock. Defendants had
10 taken back the Liquidity without any notice and in breach of the Charter Agreement.

11 22. While some property that was on board the Liquidity the day prior was on the
12 dock, some other property was missing. Defendants improperly took and retained that property
13 with them when they took the Liquidity (in breach of the Charter Agreement) or left that property
14 on the dock unattended and unsupervised, causing it to remain vulnerable to theft.

15 23. At no point did Defendants have any contractual capacity to take away the
16 Liquidity during the period contemplated in the Charter Agreement. In fact, Defendants publicly
17 advertised that its services lasted for a full Contract term in the hopes that consumers were
18 induced to retain Defendants' services.

19 24. At no point did Defendants communicate to Plaintiffs that it could take the
20 Liquidity prior to the culmination of the period contemplated by the Charter Agreement.

21 25. At no point did Defendants communicate that they would, in fact, be taking the
22 Liquidity on Saturday, July 22, 2017.

23 26. At no point did Plaintiffs agree to the removal of the Liquidity on Saturday, July
24 22, 2017.

25 27. At no point did Plaintiff breach contract to warrant removal of the Liquidity on
26 said date.

27 28. The only provision in the Charter Agreement that would have allowed Defendants
28 reschedule the event was the Bad Weather / Rain Check provision. However, the weather was

1 not, by any means, hazardous on July 22, 2017. Defendants, thus, could not have taken the
2 Liquidity on July 22, 2017.

3 29. Defendants did not earn the charter fees for the third day of yacht use (i.e. July 22,
4 2017).

5 30. Despite representing to Plaintiffs that it would reimburse any unearned charter
6 fees, Defendants have yet to reimburse Plaintiffs any unearned charter fees. Defendants have
7 unjustly enriched themselves notwithstanding its breach of the Charter Agreement.

8 31. When Defendants took away the Liquidity from Plaintiffs, in clear breach of the
9 Charter Agreement, Defendants caused Mr. McLaughlin to not use the Liquidity on July 22,
10 2017, despite the fact that he paid Defendants to use the Liquidity on July 22, 2017. Defendants
11 have refused to reimburse the charter fees that Mr. McLaughlin paid for use of the Liquidity on
12 July 22, 2017.

13 32. Plaintiffs have sustained substantial damages as a result of Defendants conduct.
14 Because they could no longer run the event on July 22, 2017, Plaintiffs had to cancel the services
15 of vendors, caterers, promotional models, security staff, photographers, and videographers who
16 were scheduled to perform their services for Plaintiffs on July 22, 2017. However, because
17 Plaintiffs cancelled on the same day that these services were to be performed, he was unable to
18 receive any refunds for the money he paid for these services, effectively losing money as a
19 consequence of Defendants' conduct.

20 33. As a consequence of Defendants' conduct, Plaintiffs were also required to refund
21 the sponsors who had paid him to advertise their brands during the July 22, 2017 event. Since he
22 could not guarantee his sponsors advertising potential, Plaintiffs were forced to refund
23 sponsorship fees.

24 34. Plaintiffs' damages stemming from Defendants' conduct are even greater,
25 considering that Plaintiffs expected significant publicity from their Saturday event. Plaintiffs
26 expected to foster important business relationships with the attending parties, and they were not
27 able to do so because of Defendants' conduct. In effect, Plaintiffs' lost opportunities stemming
28 from Defendants' conduct entitles it to recover expectation damages.

1 **FIRST CAUSE OF ACTION**

2 **(BREACH OF CONTRACT)**

3 Plaintiff hereby incorporates by reference Paragraphs 1 through 31 of this Complaint as if
4 fully set forth herein and for a cause of action alleges as follows:

5 35. Plaintiffs entered into a written contract (the "Charter Agreement") with
6 Defendants, a copy of which is attached hereto as Exhibit A, and incorporated by this reference.
7 The Charter Agreement was executed by Plaintiffs and Defendants. Pursuant to the Contract,
8 Plaintiffs agreed to pay Defendants \$42,250. In consideration for that amount, Defendants
9 agreed that it would rent the Liquidity for a period of three (3) days, starting on July 20, 2017 and
10 ending on July 22, 2017.

11 36. Plaintiffs paid the \$42,250 in full. Plaintiffs have performed all conditions,
12 covenants, and promises required of them in accordance with the terms and conditions of the
13 Charter Agreement.

14 37. Defendants, in breach of the Charter Agreement, removed the Liquidity from the
15 5th Avenue Landing dock, effectively causing Plaintiffs to not have access to the Liquidity on
16 July 22, 2017.

17 38. Under the terms of the Contract, Defendants had an obligation to rent out the
18 Liquidity to Plaintiffs on July 22, 2017. By removing the Liquidity from 5th Avenue Landing
19 without the consent of Plaintiffs, Defendants breached the terms of the Charter Agreement.

20 39. As a proximate result of Defendants' breach of contract, Plaintiffs have suffered
21 and continue to suffer substantial losses in compensation which they would have received had
22 Defendants not breached said Charter Agreement.

23 40. Plaintiffs' damages were reasonably foreseeable as arising out of Defendants'
24 breach of contract.

25 **SECOND CAUSE OF ACTION**

26 **(FALSE ADVERTISING – Bus. & Prof. Code § 17500)**

27 Plaintiff hereby incorporates by reference Paragraphs 1 through 39 of this Complaint as if
28 fully set forth herein and for a cause of action alleges as follows:

1 misrepresented the nature, characteristics, and qualities of its services. Specifically, Defendants
2 misrepresented to Plaintiffs that if they paid \$42,250, they would be able to rent the luxury
3 vessel, the Liquidity, for three (3) full days, and no less than three (3) days.

4 49. Such representations were false, as evidenced by the fact that Defendants took it
5 upon themselves to prohibit Plaintiffs (who had paid the \$42,250) from being able to rent the
6 Liquidity for three (3) full days. Instead, Defendants restricted Plaintiffs to two (2) days of use.

7 50. Defendants' misrepresentations go further, as they not only restricted Plaintiffs'
8 use of the vessel to two (2) days of use, but they did so without refunding Plaintiffs for the third
9 day of which Plaintiff was prohibited from using the yacht. In doing so, Defendants failed to
10 inform Plaintiffs not only that it would restrict its services at will, but also that it would pocket
11 the full money for the service irrespective even if the services failed to meet the performance
12 required as per the Charter Agreement.

13 51. Defendants' actions complained of herein are in violation of 15 U.S.C. §
14 1125(a)(1)(B), are intentional, and willful, and entitle Plaintiffs to recover three time's damages
15 in an amount to be determined at trial pursuant to 15.U.S.C § 1117(a).

16 52. Defendants' intentional and willful violations are egregious violations and should
17 entitle Plaintiffs to recover its attorney fees pursuant to 15 U.S.C. § 1117(a).

18 FOURTH CAUSE OF ACTION

19 (FRAUD)

20 Plaintiff hereby incorporates by reference Paragraphs 1 through 45 of this Complaint as if
21 fully set forth herein and for a cause of action alleges as follows:

22 53. By the above-described acts incorporated herein, Defendant through its Chief
23 Executive Officer, Mr. Lake Rickolt, falsely and fraudulently and with intent to deceive and
24 defraud Plaintiffs, led Plaintiffs to believe that Defendants would provide the rental services of
25 the Liquidity for three (3) full days for the price of \$42,250. In doing so, Defendants led
26 Plaintiffs to believe that they would not restrict the period by which Plaintiff had access to the
27 Liquidity and that they would not keep the charter fees should Defendants have chosen to restrict
28 said period.

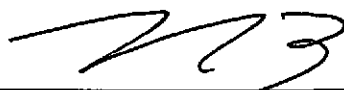
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- 4. For interest, including prejudgment interest, at the legal rate;
- 5. For punitive damages allowed be law;
- 6. For an award to Plaintiff of costs of suit incurred herein and reasonable attorneys' fees; and
- 7. For an award to Plaintiff of such other and further relief as the Court deems just and proper.

Dated: January 3, 2018

BLAIR & RAMIREZ, LLP

By:



Oscar Ramirez, Esq.
Matthew P. Blair, Esq.
Attorneys for Plaintiffs Brad McLaughlin and BudTrader.com

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JURY TRIAL DEMAND

Plaintiff hereby demands a jury trial with respect to all issues triable by jury.

Dated: January 5, 2018

BLAIR & RAMIREZ, LLP

By:



Oscar Ramirez, Esq.
Matthew P. Blair, Esq.
Attorneys for Plaintiffs Brad McLaughlin and BudTrader.com

EXHIBIT "A"

San Diego Marine Services
(Sol Luna Expeditions LLC)
3987 Del Mar Avenue, San Diego, CA 92107
Phone: 858 - 336 - 9383

CHARTER AGREEMENT

Client: Brad McLaughlin
Address:
Phone: (760) 696 5B11
Email: brad@budtrader.com

Yacht: Liquidity
Date: Thursday July 20th - Saturday July 22nd
Time: 12pm-12am (12 hours per day)
Vessel Delivery Time: 11.45am
Boarding Location: 5th Avenue Landing
Number of Guests: 40 max during party hours (TBC)

CHARTER PRICING & PAYMENT

Yacht \$30,000
Repositioning Fee \$3,250
Bar Client bringing own
Catering Client bringing own

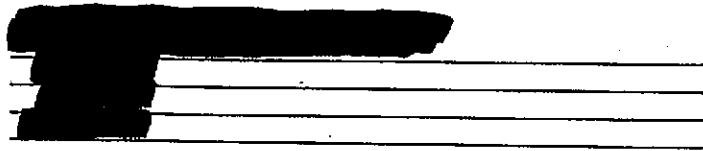
Cleaning and corkage fee

6% Port Tax \$1,800
4% Marina Tax \$1,200
20% Crew Gratuity (on hourly rate) \$6,000

TOTAL \$42,250
(3.5% fee if paid by credit card)

Payment

Credit Card Number:
Expiration:
CVV:
Billing Zip Code:



Payment Terms:

A 50% deposit is due upon signing of this agreement to guarantee your reservation. Reservations are not booked until funds are received. Full balance is due 7 days prior to the charter date.

Cancellation Policy:

With 30 days or more notice, a 90% refund of the deposit will be returned to the client. If cancelled within 30 days of the charter date, we will attempt to resell the date to another client, and if successful will refund 90% of your charter fee. In the event of a cancellation less than 7 days of the charter date, the client will owe the entire charter total.

Bad Weather / Rain Check:

In the unlikely event that we must cancel or postpone your scheduled excursion due to hazardous weather conditions, we will make every effort to reschedule your reservation for a date and time that is most convenient to you. In the event that the client cannot reschedule, than the charter fees and deposit shall be returned in full to client.

Damages Policy:

We reserve the right to charge the client to rectify any damage to the yacht or its structure, whether it be by the client or their guests. Should this damage come to light after the guest has departed, we will contact the client and notify them of the damage and charges. We reserve the right to make a charge to the guest's credit / debit card after the charter date to cover these guests unless alternative payment methods are provided by the client.

Boat Repair:

If the agreement cannot be met due to mechanical failure that cannot be resolved, or the vessel cannot be delivered as agreed, charter fees and/or deposit will be returned to the client in full.

Client Signature:

Date:

07/17/2007 