

**IN THE UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
SEATTLE DIVISION**

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<p>Phoebe Lee,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">v.</p> <p>John Does #1-3,</p> <p style="text-align: center;">Defendants,</p>	<p style="text-align: center;">Case No.</p>
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**COMPLAINT**

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Plaintiff Phoebe Lee (“Plaintiff”), by and through her attorneys, Patterson Law Firm, LLC, complains of Defendants John Does #1-3 (“Defendants”), and states as follows:

**Nature of Action**

1. This is an action arising out of a fraudulent scheme that lured Plaintiff into transferring cryptocurrency to various individuals associated with an online cryptocurrency trading website U8, operating at URL [www.ueieuav.vip](http://www.ueieuav.vip).
2. Defendant John Doe #1 played a material role in a scheme to defraud Plaintiff. With the help of two or more individuals, John Does #2-3, John Doe #1 scammed and misappropriated Plaintiff’s cryptocurrency, eventually depositing a substantial portion of it in several accounts that they own, operate, or control at Binance and OKX, centralized cryptocurrency exchange platforms that facilitate cryptocurrency-to-cash conversion.
3. Plaintiff seeks recovery of her assets from these accounts.

### **Parties**

4. Plaintiff Phoebe Lee is a Washington resident.
5. U8 is an online cryptocurrency trading website (www.ueieuav.vip) that purportedly facilitated both centralized and peer-to-peer trading of cryptocurrency. This website is, upon information and belief, no longer available as of today.
6. Defendant John Doe #1 (“Chao”) is an individual who operated or controlled U8 under the alias of Lin “Jack” Chao. Chao electronically solicited Plaintiff to invest and trade her cryptocurrency assets through U8 in exchange for lucrative returns.
7. Defendants John Does # 1-3 held all or a part of Plaintiff’s cryptocurrency in accounts at Binance and OKX (formerly known as OKEx).
8. Although Does’ true identities are unknown at this point, Plaintiff will be able to identify Does through discovery and third-party subpoenas using the specific facts related to Does, including their cryptocurrency wallet addresses, WhatsApp accounts, and domain registrant information for www.ueieuav.vip and other associated domains.
9. Nonparty Binance Holdings Limited (“Binance”) is a global centralized cryptocurrency exchange platform that provides a platform for customers to buy, sell, and store cryptocurrencies. Binance requires personal identification information, known as Know-Your-Customer (“KYC”) information, for its accountholders.
10. Nonparty OKX (“OKX”) is a global centralized cryptocurrency exchange platform registered in Seychelles, which provides a platform for customers to buy, sell, and store cryptocurrencies. OKX requires KYC information for its accountholders.

11. Nonparty Coinbase, Inc. (“Coinbase”) is a global centralized cryptocurrency exchange platform that provides a platform for customers to buy, sell, and store cryptocurrencies. Coinbase requires KYC information for its accountholders.

12. Nonparty WhatsApp is an online mobile and desktop messaging service through which members exchange private, secure messages.

### **Jurisdiction and Venue**

13. This Court has subject matter jurisdiction under 28 U.S.C. § 1331. There is federal question jurisdiction because one of Plaintiff’s claims arises under the Commodity Exchange Act, and supplementary jurisdiction exists over related state law claims under 28 U.S.C. § 1367.

14. This Court has personal jurisdiction over Does #1-3 due to their involvement in the acts detailed herein which deprived a resident of this district of funds using communications directed at this district.

15. Venue is proper because a substantial part of the acts giving rise to this Complaint occurred in this district.

### **Facts**

#### **Background**

16. Cryptocurrency is a digital currency stored in an electronic wallet. Bitcoin (BTC) and Ethereum (ETH) are the most popular types of cryptocurrencies. Cryptocurrency can be exchanged in person, through intermediaries, or through a cryptocurrency exchange.

17. Holding and exchanging cryptocurrency requires a digital wallet, which has a public key or a wallet address (like a bank account number) and a private key (like a password).

18. A sender seeking to send cryptocurrency to another person utilizes his private key to access the cryptocurrency and authorizes the transfer to the intended recipient’s wallet address.

19. Wallets keep a record of all cryptocurrency transactions (sell, buy, exchange) and store the record on a blockchain.

20. A blockchain is a decentralized public ledger that records cryptocurrency transactions. Each block on the chain contains multiple transactions.

21. Most transactions are recorded publicly to the blockchain along with the sender and recipient's addresses, making it possible to monitor financial activities of a single address.

22. A recipient seeking to protect his or her privacy can create an alias wallet address linked to his or her actual wallet.

23. Cryptocurrency can be converted into a fiat currency (like USD and EUR) through various methods. The most common and easiest way is to utilize a centralized cryptocurrency exchange platform such as Binance, OKX, and Coinbase. A holder seeking to convert cryptocurrency being held in an outside wallet can create an account on these platforms, transfer his or her cryptocurrency to this account, convert it into a currency of his or her choice, and then withdraw it to a designated bank account.

24. Binance, OKX and Coinbase are financial institutions that operate similarly to traditional stock exchange platforms. They are subject to KYC or "Know Your Customer" requirements, under which its accountholder must submit valid personal identification documents to be able to make transactions through these institutions.

25. Unregulated cryptocurrency trading platforms may also facilitate trades of cryptocurrency. These platforms may not necessarily offer cryptocurrency-to-cash exchange services. A user must first create a trading account on the website and make a deposit by sending his or her crypto assets from elsewhere to a designated wallet address provided by the website. Upon deposit, the user can use these assets to purchase and sell other assets real-time at their respective trading

value. To withdraw his or her assets from the account, the user must designate an outside wallet address and request a transfer.

26. All cryptocurrency trading platforms allow the users to access their portfolio activities and performance in real-time. The portfolio would also reflect the total number and types of each cryptocurrency holdings as well as their fiat currency value calculated based on the trading value of the cryptocurrency.

27. To entice investors, some trading platforms offer investment services as an add-on. These services, designed to help increase the overall value of a portfolio, could include investment counseling, trade counseling and brokering, tax planning, and general asset management.

#### Factual Allegations

28. In or about January 2023, Doe #1, directly or through an agent and using an alias, initially contacted Plaintiff, a real estate agent, stating he was a resident of California looking to purchase a home in Seattle, Washington.

29. Doe #1 also represented himself as a successful cryptocurrency trader.

30. Upon information and belief, Lin “Jack” Chao is an alias used by Doe #1.

31. Chao, directly or through an agent, used a cellular phone (number 626-790-2215) and WhatsApp (number 650-620-1032) in his communications with Plaintiff.

32. Beginning in January 2023, Chao enticed Plaintiff to engage in cryptocurrency transactions by promising that he could help Plaintiff make money through trading.

33. Through texts and WhatsApp, Chao solicited Plaintiff to trade at U8, an online cryptocurrency company/website. Chao offered to help Plaintiff make money by exploiting cryptocurrency trading opportunities available through U8.

34. On Jan 14, 2023, at Chao's direction, Plaintiff wired \$1,000 to her Coinbase account. Chao told Plaintiff how to convert cryptocurrency to USDT and then use it to trade live on the U8 platform. Because Plaintiff was able to withdraw her \$1,000 from trading back into her bank account without issue, the transactions appeared to be safe.

35. On January 14, 2023, Plaintiff made a first deposit to her U8 account by transferring 1082.366106 USDT to a wallet address provided on the website.

36. The website showed a profitable transaction with an increased portfolio balance, which led Plaintiff to believe that U8 had produced an impressive return on Plaintiff's investment.

37. Chao encouraged Plaintiff to deposit more cryptocurrency with U8 in order to increase the amount of trading and generate more profits.

38. Because most of the transactions appeared to be highly profitable, as represented to Plaintiff on U8, Plaintiff made additional deposits into her trading account by transferring more cryptocurrency to addresses provided to her. Attached as Exhibit A are graphs depicting the transactions and the wallets where the funds eventually ended up.

39. Between January 14, 2023, and March 21, 2023, Plaintiff made a total of 12 deposits into her account with Coinbase in reasonable reliance on representations made by Chao, in order to fund trades on U8.

<b>Date</b>	<b>Currency</b>	<b>Amount</b>
01/14/23	BTC	0.00023778
01/14/23	USDT	1084.441556
01/17/23	USDT	29512.99687
01/18/23	USDT	48911.196662
01/24/23	USDT	98001.769717
01/26/23	USDT	31363.702178
02/13/23	USDT	100900.0
02/23/23	USDT	107500.0
02/23/23	USDT	39600.0
03/10/23	USDT	53900.0

03/17/23	USDT	27400.0
03/21/23	USDT	13600.0

40. Between January 14, 2023, and March 21, 2023, Plaintiff made 11 transfers from her Coinbase account to fund the U8 platform:

Date	Currency	Amount	Address
01/14/23	USDT	1082.366106	0x7e32ee2d605165279D7D11975996aDea3D66d30B
01/17/23	USDT	29514.473743	0x7e32ee2d605165279D7D11975996aDea3D66d30B
01/18/23	USDT	48805.287122	0x1ade42228392445C2643f7736F1331f1296FE04f
01/24/23	USDT	97988.823281	0x7e32ee2d605165279D7D11975996aDea3D66d30B
01/26/23	USDT	31200.662817	0x7e32ee2d605165279D7D11975996aDea3D66d30B
02/13/23	USDT	101182.493914	0x1ade42228392445C2643f7736F1331f1296FE04f
02/23/23	USDT	107002.909222	0x6ae8Bf836e63770Ff2739d6601fb7f8F903279D6
02/23/23	USDT	40097.090778	0x6ae8Bf836e63770Ff2739d6601fb7f8F903279D6
03/10/23	USDT	53002.956208	0x1ade42228392445C2643f7736F1331f1296FE04f
03/17/23	USDT	28297.043792	0x2E5e74e53C31D31CAa2b8C58042EB6fA7456B8C5
03/21/23	USDT	13250.213287	0x2E5e74e53C31D31CAa2b8C58042EB6fA7456B8C5

41. On or around February 23, 2023, Plaintiff's U8 trading account had accumulated at least 2,649,331 USDT valued at approximately \$2,649,331.00 at the time.

42. On or around February 23, 2023, Plaintiff attempted to withdraw this amount, but U8 did not process this transfer.

43. On or around February 24, 2023, U8 informed Plaintiff that, in order to withdraw funds, she must pay 13.3% tax (344,413 USDT). In response, Plaintiff wired \$253,000 to U8 and Chao "lent" Plaintiff \$100,000. However, U8 still did not allow Plaintiff to withdraw the money.

44. On or around March 10, 2023, U8 informed Plaintiff she must pay 2.5% in handling fees (66,233 USDT). In response, Plaintiff wired \$55,000 and Chao "lent" Plaintiff \$11,000. U8 still did not allow Plaintiff to withdraw the money.

45. On or around March 11, 2023, U8 informed Plaintiff she must pay a 10% deposit (264,933 USDT) to prevent others from using the trading platform to launder money. U8 then told Plaintiff that once she received her withdrawal of 2,629,331 USDT, the 1% risk security fee, 0.5% risk protection fee, and 10% deposit would be automatically returned to her exchange. However, U8 never allowed Plaintiff to withdraw her funds and never returned the 1% risk security fee, 0.5% risk protection fee, or the 10% deposit to Plaintiff.

46. On or around March 17, 2023, U8 informed Plaintiff she must pay a 1% risk security fee (26,493 USDT) due to the large withdrawal Plaintiff was requesting. In response, Plaintiff wired \$28,000 to U8. Still, U8 did not permit Plaintiff to withdraw her funds.

47. On or around March 21, 2023, U8 informed Plaintiff she must pay a 0.5% risk protection fee (13,246 USDT). In response, Plaintiff wired \$14,000. U8 still did not permit Plaintiff to withdraw her funds.

48. The U8 website was taken down shortly thereafter.

49. Chao's actions, omissions, and representations constitute fraud and deceit on Plaintiff.

50. Chao exploited a relationship of trust with Plaintiff to induce Plaintiff's investments and successfully conduct and conceal all misleading and fraudulent activities perpetrated upon Plaintiff in connection with U8.

51. Upon information and belief, the pattern of the transactions involving Plaintiff's assets suggests a common scheme or ownership of one or more such addresses by at least three individuals, including Chao (Doe #1) and Does #2-3, who are the accountholders or beneficial owners of the accounts where funds were transferred, and who acted in concert to scam Plaintiff.

52. Plaintiff did not know, and through the exercise of reasonable diligence could not have discovered, the scam that was being perpetrated upon her.

53. Plaintiff has duly performed all of her duties and obligations, and any conditions precedent to Plaintiff bringing this action have occurred, have been performed, or else have been excused or waived.

54. As a result of Does #1-3's actions, omissions, and misrepresentations, Plaintiff incurred damage—through the loss of her cryptocurrency—551,424.31 USDT.

55. This loss is well in excess of \$75,000.

56. Had Plaintiff known that she was being scammed by Does #1-3, Plaintiff would not have transferred these assets.

57. To enforce her rights, Plaintiff retained the undersigned counsel and is obligated to pay counsel a reasonable fee for their services, for which Does are also liable.

**Count I. Fraudulent Inducement (against Doe #1)**

58. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

59. Doe #1, by acts of omission and commission, made false statements to Plaintiff concerning material facts about U8 and Plaintiff's trading and investment activities at U8.

60. Doe #1 knew at the time the statements were made to Plaintiff that the statements were false.

61. Doe #1 intended that Plaintiff would be induced into action by relying upon these statements of facts.

62. Plaintiff reasonably and justifiably relied on these statements of fact in the course of transferring her assets to U8 and trusting Doe #1's advice on trading those assets for profit.

63. Plaintiff suffered damages as a direct and proximate result of her reliance on Doe #1's statements.

64. The Court may award Plaintiff costs of suit, attorneys' fees incurred in bringing this action, and treble damages under the law. RCW § 19.86.090; *Pacific 5000, LLC v. Kitsap Bank*, No. 55558-1-II, 2022 Wash. App. LEXIS 1170, ¶ 51 (Ct. App. June 7, 2022).

65. Doe #1 acted maliciously toward Plaintiff and intentionally disregarded Plaintiff's rights because he misrepresented the U8 business in order to lure Plaintiff to send cryptocurrency and continued to bilk Plaintiff for more cryptocurrency when he was just stealing from Plaintiff.

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an amount to be determined at trial, including an award of interest and costs.

**Count II. Breach of Fiduciary Duty (against Doe #1)**

66. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

67. Plaintiff and Doe #1 shared a relationship where Plaintiff reposed trust and confidence in Doe #1, and Doe #1 undertook such trust and assumed a duty to advise, counsel and/or protect Plaintiff.

68. Doe #1 owed Plaintiff a fiduciary duty to, among other things: (a) disclose to Plaintiff all material information pertaining to Plaintiff's assets in U8; and (b) refrain from making false statements or creating misimpressions of material fact as they relate to Plaintiff's assets in U8.

69. Doe #1 breached his duty to Plaintiff.

70. Plaintiff has suffered damage as a direct and proximate result of her reliance on the statements made to her by Doe #1.

71. The Court may award Plaintiff costs of suit, attorneys' fees incurred in bringing this action, and treble damages under the law. RCW § 19.86.090; *Pacific 5000, LLC v. Kitsap Bank*, No. 55558-1-II, 2022 Wash. App. LEXIS 1170, ¶ 51 (Ct. App. June 7, 2022).

72. Doe #1 acted maliciously toward Plaintiff and intentionally disregarded Plaintiff's rights because he willfully violated Plaintiff's trust and confidence.

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an amount to be determined at trial, including an award of interest and costs.

**Count III. Fraudulent and Negligent Misrepresentation (against Doe #1)**

73. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

74. Doe #1, by acts of both omission and commission, made false statements to Plaintiff concerning material facts about her assets at U8.

75. Doe #1 knew or should have known, at the time the statements were made, that the statements were false.

76. Doe #1 intended Plaintiff would rely on these false statements of fact.

77. Plaintiff reasonably and justifiably relied on these statements of fact in the course of transferring her assets to U8 and trusting Doe #1's advice on trading those assets for profit.

78. Plaintiff suffered damages as a direct and proximate result of her reliance of Doe #1's statements.

79. The Court may award Plaintiff costs of suit, attorneys' fees incurred in bringing this action, and treble damages under the law. RCW § 19.86.090; *Pacific 5000, LLC v. Kitsap Bank*, No. 55558-1-II, 2022 Wash. App. LEXIS 1170, ¶ 51 (Ct. App. June 7, 2022).

80. Doe #1 acted maliciously toward Plaintiff and intentionally disregarded her rights because he misrepresented the U8 business in order to lure Plaintiff to send cryptocurrency and continued to bilk Plaintiff for more cryptocurrency when he was just stealing from Plaintiff.

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an amount to be determined at trial, including an award of interest and costs.

**Count IV. Rescission (against Doe #1)**

81. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

82. The terms of participation in U8 constitute a contract between Plaintiff and Doe #1, who acted through a sham entity, U8, which was never legally registered as a business with any governmental authority.

83. The terms of participation and investment in U8 called for an investment of cryptocurrency by Plaintiff.

84. As a result of Doe #1's fraud, false representations, and violation of federal and state laws in connection with U8, Plaintiff states her demand that the contract be rescinded and canceled.

85. As a direct and proximate cause of Doe #1's conduct, Plaintiff has been damaged.

86. Doe #1 is subject to liability because he is believed to control the cryptocurrency assets Plaintiff transferred to U8, which must be disgorged and returned to Plaintiff in effectuating the rescission of the contract that she was fraudulently led into entering.

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an amount to be determined at trial, including an award of interest and costs.

**Count V. Conversion (against Doe #1)**

87. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

88. Plaintiff transferred her cryptocurrency assets, property, to her individual account at U8 for trading and investment purposes.

89. Neither U8 nor Doe #1 has any ownership interest in Plaintiff's property.

90. Doe #1, through U8, refused to return Plaintiff's property when he failed to honor Plaintiff's requests to withdraw her trading balance of approximately 551,424.31 USDT.

91. By inducing Plaintiff to invest funds in U8, Doe #1 intended to interfere with, and indeed has interfered with, Plaintiff's ownership and interest in the property and has permanently deprived Plaintiff of her property.

92. Upon information and belief, Doe #1 has utilized all or a portion of Plaintiff's property to enrich himself.

93. As a result of Doe #1's conversion of Plaintiff's property to his own personal use, Plaintiff suffered damage.

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an amount to be determined at trial, including an award of interest and costs.

**Count VI. Civil Conspiracy (against Does #1-3)**

94. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

95. Does #1-3 conspired with one another to perpetrate an unlawful act upon Plaintiff or to perpetrate a lawful act by unlawful means by making multiple misrepresentations of fact, in an effort to extract Plaintiff's cryptocurrency solely to enrich themselves and not to fund the purportedly legitimate purpose of trading and investing as represented to Plaintiff.

96. Does #1-3 solicited and/or accepted from Plaintiff's cryptocurrency assets worth a significant monetary value while withholding certain material facts from Plaintiff, including:

- a. U8 is not a legally formed entity registered with any government authority.
- b. The confidence that Doe #1 had instilled in Plaintiff based on his purported success as a cryptocurrency trader was entirely baseless, as the name he used, Lin ("Jack") Chao, is a fake person with a fake phone number.

- c. The account statements presented to Plaintiff on U8, which purported to reflect her cryptocurrency holdings in her investment portfolio, were fabricated with false and misleading information.
- d. Plaintiff's deposits did not go toward any trading or investment program. Rather, they were delivered to various private or sham addresses owned, operated, and/or affiliated with Does #1-3.
- e. After being rerouted via intermediary addresses, Plaintiff's assets were eventually funneled into 9 different accounts at centralized exchange platforms that allow for cryptocurrency-to-cash conversion.
- f. These accounts are owned, operated, and/or affiliated with Does #1-3.

97. Does #1-3 each agreed to the illicit purpose of scamming Plaintiff and bilking her cryptocurrency for their own personal gains.

98. Does #1-3 were each aware of, and consented to, the misrepresentations detailed above and knew that the efforts to collect assets from Plaintiff was all part of a fraud aimed solely at enriching themselves without any intent to remunerate Plaintiff.

99. In furtherance of their conspiracy, Does #1-3 made to Plaintiffs, or agreed to have someone make on their behalf, the false statements of fact detailed above and purposefully withheld from Plaintiff certain material facts detailed above in a concerted effort to obtain Plaintiff's cryptocurrency.

100. To fulfill his role in the conspiracy, Doe #1 solicited Plaintiff to contribute assets to U8, made numerous misrepresentations of material fact about his credentials and U8, and even "lent" Plaintiff some money to induce her to make even more trades on U8. For his role in the conspiracy, Doe #1 was duly compensated.

101. To fulfill his role in the conspiracy, Does #2-3 knowingly created, operated, and controlled various sham wallet addresses through which they transferred Plaintiff's assets in order to "launder" them before finally depositing all or a substantial portion in exchange accounts they own, operate, or control, which would then allow Does #2-3 to fraudulently convert Plaintiff's assets into cash. For their role in the conspiracy, Does #2-3 were duly compensated.

102. Does #2-3 were aware that Doe #1, through U8, conducted no legitimate trading activities, and they accepted and assisted in these activities as part of a broader fraudulent scheme designed to steal cryptocurrency from Plaintiff and other unsuspecting investors.

103. As a direct and proximate result of Does #1-3's conspiracy, Plaintiff suffered damage.

104. The Court may award Plaintiff costs of suit, attorneys' fees incurred in bringing this action, and treble damages under the law. RCW § 19.86.090; *Pacific 5000, LLC v. Kitsap Bank*, No. 55558-1-II, 2022 Wash. App. LEXIS 1170, ¶ 51 (Ct. App. June 7, 2022).

105. Does #1-3 acted maliciously toward Plaintiff and intentionally disregarded Plaintiff's rights because they conspired with one another to operate a fraudulent scheme that exploited Plaintiff and laundered Plaintiff's cryptocurrency in an attempt to legitimize their ill-gotten gains.

WHEREFORE, Plaintiff demands a judgment against Does #1-3, jointly and severally, for an amount within the jurisdiction limits of this Court, including an award of interest and costs.

**Count VII. Unjust Enrichment (against Does #1-3)**

106. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

107. Plaintiff had a direct relationship with Doe #1, where Plaintiff conferred a benefit upon Doe #1, by transferring cryptocurrency assets to U8, which Doe #1 accessed.

108. Doe #1 has reaped the benefits of operating and/or personally benefiting from inducing Plaintiff to invest in a fraudulent trading and investment scheme, thereby causing Plaintiff actual harm.

109. Doe #1 misappropriated Plaintiff's assets for his own benefit and was enriched at Plaintiff's expense.

110. Does #2-3 participated in this scheme by engaging in activities designed to launder Plaintiff's assets before directing these assets into their accounts at OKX and Binance. They were enriched at Plaintiff's expense.

111. It would be unconscionable and against the fundamental principles of justice, equity, and good conscience for Does #1-3 to retain Plaintiff's assets, which are worth substantial monetary value.

112. To remedy the unjust enrichment, the Court should order Does #1-3 to immediately return Plaintiff's assets and disgorge any amounts received by them as a result of their misconduct alleged above.

WHEREFORE, Plaintiff demands a judgment against Does #1-3 for an amount to be determined at trial, including an award of interest and costs.

**Count VIII. Imposition of Constructive Trust (against Does #1-3)**

113. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

114. In this action, Plaintiff seeks to impose a constructive trust upon cryptocurrency assets that are currently held and controlled by Does in their accounts. This action further calls for the restoration to Plaintiff of that wrongfully obtained property.

115. Cryptocurrency assets are specific, identifiable property that can be traced in Does #1-3's accounts.

116. As alleged above, Does #1-3—through actual fraud, abuse of confidence, or other questionable means—have obtained Plaintiff’s assets, which they should not be permitted to hold in equity and good conscience.

117. These assets must be held in trust and be disgorged to Plaintiff’s benefit, as Does are not entitled to the benefit of the wrongfully converted property that was scammed from Plaintiff.

WHEREFORE, Plaintiff demands the equitable imposition of a constructive trust over these assets being held by Does #1-3 in their accounts, and further demands the restoration of those assets to Plaintiff.

**Count IX. Violation of the Washington Unfair Business Practices  
and Consumer Protection Act (against Doe #1)**

118. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

119. The Washington Unfair Business Practices and Consumer Protection Act (the “CPA”) (Wash. Rev. Code Ann. § 19.19.86 *et seq.*) protects individuals like Plaintiff from “[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce.” RCW § 19.86.20. *Spokeo, Inc. v. Whitepages, Inc.*, No. 78897-3-I, 2020 Wash. App. LEXIS 847, ¶ 12 (Ct. App. Apr. 6, 2020).

120. Doe #1, with the intent to increase Plaintiff’s consumption of nonexistent cryptocurrency trading and investment services through U8, made a litany of false statements of facts to Plaintiff to induce Plaintiff to enter into an obligation relating to using such services.

121. Doe #1’s statements and representations were made through text and WhatsApp.

122. Doe #1 acted maliciously toward Plaintiff and intentionally disregarded her rights because he misrepresented the U8 business in order to lure Plaintiff to send cryptocurrency and continued to bilk Plaintiff for more cryptocurrency when he was just stealing from Plaintiff.

123. Doe #1's unfair and deceptive conduct had the potential to impact the public interest, as he deceived and induced individuals like Plaintiff into investing their assets in U8.

124. As a direct and proximate cause of Doe #1's conduct, Plaintiff has been damaged.

125. The Court may award Plaintiff costs of suit, attorneys' fees incurred in bringing this action, and treble damages under the law. RCW § 19.86.090; *Pacific 5000, LLC v. Kitsap Bank*, No. 55558 1-II, 2022 Wash. App. LEXIS 1170, ¶ 51 (Ct. App. June 7, 2022).

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an award for an amount to be determined at trial, including an award of interest and costs. Plaintiff also demands a statutory award of reasonable attorneys' fees.

**Count X. Violations of the Commodity Exchange Act (against Doe #1)**

126. Plaintiff incorporates paragraphs 1-57 as if fully set forth herein.

127. Plaintiff alternatively seeks relief under Sections 4o and 22 of the Commodity Exchange Act (the "CEA").

128. Section 4o of the CEA (7 U.S.C. § 6o) prohibits a "commodity trading advisor," "associated person of a commodity trading advisor," "commodity pool operator," and "associated person of a commodity pool operator," from "employ[ing] any device, scheme, or artifice to defraud any client or [...] prospective client." 7 U.S.C. § 6o(1)(A). It further prohibits a "commodity trading advisor," "associated person of a commodity trading advisor," "commodity pool operator," or "associated person of a commodity pool operator," from "engag[ing] in any transaction, practice, or course of business which operates as a fraud or deceit upon any client [...] or prospective client." *Id.* § 6o(1)(B).

129. Section 22 of the CEA (7 U.S.C § 25) provides a private right of action for violations of the CEA's provisions, including Section 4o. Section 22(a)(1) spells out four circumstances where a

private right of action will lie. Each is explicitly transactional in nature: (1) receiving trading advice for a fee, (2) making a contract of sale of any commodity for future delivery or the payment of money to make such a contract, (3) placing an order for purchase or sale of a commodity, or (4) market manipulation in connection with a contract for sale of a commodity.

130. Cryptocurrency is a commodity under the CEA.

131. Doe #1 is a commodity advisor and a commodity operator, or, alternatively, an associated person of a commodity trading advisor or associated person of a commodity pool operator, subject to the CEA.

132. Doe #1, through the offer of his cryptocurrency trading service on U8, for compensation or profit, engaged in the business of advising investors of cryptocurrency trading and operated or was otherwise involved with a website where investors can place an order for purchase or sale of cryptocurrency.

133. Doe #1 fraudulently induced Plaintiff to enter into a commodities account at U8 by overblown predictions of profit from cryptocurrency trading and lured Plaintiff into unrealistic sense of security and confidence in U8.

134. Through the use of WhatsApp and [www.ueieuav.vip](http://www.ueieuav.vip), Doe #1 employed a fraudulent scheme to induce Plaintiff to transfer her cryptocurrency to wallet addresses provided by U8 by falsely telling her that the cryptocurrency was being used to trade and misappropriating Plaintiff's cryptocurrency assets by transferring them into various exchange accounts controlled by Does #1-3.

135. Upon information and belief, these blockchain transactions took place within the United States.

136. Doe #1's misrepresentations and omissions proximately caused Plaintiff's injuries in the form of loss of her cryptocurrency assets.

137. Plaintiff sustained actual damages in the amount to be proven at trial, but in no event less than the actual out-of-pocket loss, the value of total cryptocurrency Plaintiff had transferred to U8.

WHEREFORE, Plaintiff demands a judgment against Doe #1 for an award for an amount to be determined at trial, including an award of interest and costs. Plaintiff also demands a statutory award of reasonable attorneys' fees.

Respectfully submitted,

Dated: December 29, 2023

/s/David Sanders  
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### EXHIBIT A





