

1 **\$1422**
 2 Leigh T. Goddard, NV Bar No. 6315
 3 Daniel I. Aquino, NV Bar No. 12682
 4 Tara U. Teegarden, NV Bar No. 15344
 5 McDONALD CARANO LLP
 6 100 W. Liberty St., Tenth Floor
 7 Reno, Nevada 89501
 8 Telephone: (775) 788-2000
 9 lgoddard@mcdonaldcarano.com
 10 daquino@mcdonaldcarano.com
 11 tteegarden@mcdonaldcarano.com

12 *Attorneys for Plaintiffs*

13 **IN THE SECOND JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**

14 **IN AND FOR THE COUNTY OF WASHOE**

15 KPG INVESTMENTS INC., a Nevada
 16 corporation; KENDALLE GETTY, an
 17 individual,

18 Plaintiffs,

19 v.

20 MARLENA SONN, an individual; AND DOES
 21 1-20,

22 Defendant.

23 CASE NO.:

24 DEPT. NO.:

25 **COMPLAINT**

26 **Exempt from Arbitration (N.A.R. 3(a) –
Value in Excess of \$50,000; Declaratory
Relief Sought)**

27 **COMPLAINT**

28 Plaintiffs KPG Investments Inc. (“Plaintiff KPG”) and Kendalle Getty (“Plaintiff Getty”),
 by and through their counsel of record, the law firm of McDonald Carano LLP, hereby complain
 and allege against Defendant Marlena Sonn (“Defendant Sonn”) as follows:

29 **PARTIES**

- 30 1. Plaintiff KPG is, and at all times relevant hereto was, a corporation organized under
 31 Chapter 78 of the Nevada Revised Statutes and existing under the laws of the State of Nevada.
- 32 2. Plaintiff Getty is currently a resident of the State of California.
- 33 3. Upon information and belief, Defendant Sonn is, and at all times relevant hereto
 34 was, a resident of the State of New York.

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

JURISDICTION AND VENUE

4. Plaintiff Getty, on behalf of Plaintiff KPG, entered into an at-will employment agreement with Defendant Sonn in Washoe County, Nevada, and a dispute has arisen with respect to the performance of Defendant Sonn’s obligations, including the exercise of her fiduciary duties as an officer of Plaintiff KPG.

5. Additionally, the at-will employment agreement provides that the venue for this action shall lie in the Second Judicial District Court for Washoe County, Reno, Nevada.

6. By virtue of the allegations set forth above, jurisdiction and venue are proper in this Court.

GENERAL ALLEGATIONS

7. The Pleiades Trust was established for the benefit of various individuals, including Plaintiff Getty.

8. There are a number of trustees of the Pleiades Trust, including Plaintiff KPG Investments Inc., of which Plaintiff Getty is the President.

9. On November 1, 2015, Defendant Sonn and Plaintiff KPG entered into an at-will employment agreement (“Employment Agreement”) whereby Defendant Sonn would serve as the Vice President of Plaintiff KPG.¹

10. The Employment Agreement states, in relevant part: “In the performance of Employee’s duties under this Agreement, Employee shall adhere to such employment standards, ethical practices, and standards of care and competence as are customary for an employee holding a similar position as a vice president of a corporation serving as a trustee to a family trust.”

11. Defendant Sonn served as a corporate officer of Plaintiff KPG.

12. Defendant Sonn is a Certified Financial Planner, whose responsibilities to Plaintiff KPG included managing investments and providing financial advice.

13. During the time period that Defendant Sonn was employed as Plaintiff KPG’s Vice President, she also served as a personal financial advisor to Plaintiff Getty.

¹ See Exhibit 1.

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 14. Defendant Sonn was employed in a similar fiduciary capacity by another trustee of
2 the Pleiades Trust during this time period.

3 15. In mid-to-late 2017, Defendant Sonn urged and requested that Plaintiff Getty
4 increase Defendant Sonn’s compensation for her services as Vice President of Plaintiff KPG.

5 16. Thereafter, Plaintiff Getty’s legal counsel prepared a document reflecting a
6 schedule for bonus payments to Defendant Sonn (the “Draft Incentive Award Letter”). On
7 October 18, 2017, legal counsel for Plaintiff Getty sent the Draft Incentive Award Letter to
8 Defendant Sonn.

9 17. The Draft Incentive Award Letter (prepared by Plaintiff Getty’s legal counsel)
10 stated that Defendant Sonn would receive, upon the specified triggering events, two payments,
11 each of 0.00125% of the after-tax amounts received by Plaintiff Getty from the Pleiades Trust.

12 18. After receiving the Draft Incentive Award Letter from Plaintiff Getty’s legal
13 counsel, Defendant Sonn did not address the matter further with counsel. Instead, Defendant
14 Sonn, without the knowledge of Plaintiff Getty’s legal counsel, caused the letter to be revised to
15 increase the amount of money she would receive. Specifically, while the Draft Incentive Award
16 Letter stated Defendant Sonn would receive two installments of 0.00125% of the total after-tax
17 distribution to Plaintiff Getty from the Pleiades Trust, Defendant Sonn increased this percentage
18 to two installments of 0.00375%.

19 19. On or about November 10, 2017, Plaintiff Getty, on behalf of Plaintiff KPG,
20 executed the Incentive Award Letter as revised by Defendant Sonn (the “Incentive Award
21 Letter”).² The Incentive Award Letter stated that Defendant Sonn would receive a one-time cash
22 bonus (the “First Incentive Bonus”) at the time of any distribution of funds to Plaintiff Getty from
23 the Pleiades Trust in excess of \$25 million, equal to 0.00375% of the after-tax distribution. The
24 Incentive Award Letter further stated that on the date of the final distribution of funds to Plaintiff
25 Getty from the Pleiades Trust, Defendant Sonn would receive a one-time cash bonus (the “Second
26
27

28 _____
² See Exhibit 2.

1 Incentive Bonus”) equal to 0.00375% of all after-tax distribution received after payment of the
2 First Incentive Bonus.

3 20. The Incentive Award Letter, which Plaintiff Getty initially prepared in conjunction
4 with advice from her legal counsel, contained important safeguards to ensure consistency with the
5 best interests of Plaintiff KPG and Plaintiff Getty.

6 21. Specifically, the Incentive Award Letter stated that Defendant Sonn would not
7 receive any payment if she did not remain employed by Plaintiff KPG at the time of any applicable
8 payment date. This requirement was vital to incentivize Defendant Sonn to adequately perform
9 her responsibilities and act in the best interests of Plaintiff KPG and Plaintiff Getty, so that she
10 would remain employed through the applicable payment dates.

11 22. The Incentive Award Letter also conditioned payment of any bonuses to Defendant
12 Sonn on Plaintiff Getty’s receipt of funds, after deduction of applicable taxes, from the Pleiades
13 Trust. This requirement was vital to ensure that Plaintiff KPG did not become liable to Defendant
14 Sonn for sums it had not yet received, particularly given that the Pleiades Trust contained
15 investments, subject to market volatility and risk.

16 23. In or around January 2021, the other trustee of the Pleiades Trust that had employed
17 Defendant Sonn in a similar fiduciary capacity terminated Defendant Sonn’s employment.

18 24. Shortly thereafter, Defendant Sonn (realizing she would lose the Incentive Bonuses
19 if Plaintiff Getty also terminated her employment) formed a plan to convince Plaintiff Getty to
20 remove the safeguards protecting the interests of Plaintiff KPG and Plaintiff Getty set forth in the
21 Incentive Award Letter.

22 25. In or around early March 2021, Defendant Sonn requested payment of an
23 additional bonus amount from Plaintiff Getty.

24 26. In or around early March 2021, Defendant Sonn unilaterally drafted a Second
25 Incentive Award Letter, purporting to modify the terms of the initial Incentive Award Letter.³
26 Plaintiff Getty had no role in drafting the Second Incentive Award Letter.

27 _____
28 ³ See Exhibit 3.

MCDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 27. On or about March 14, 2021, Defendant Sonn presented Plaintiff Getty with the
2 Second Incentive Award Letter and requested Plaintiff Getty sign the letter.

3 28. In presenting the Second Incentive Award Letter and requesting Plaintiff Getty
4 sign the letter, Defendant Sonn falsely represented to Plaintiff Getty that the terms of the Second
5 Incentive Award Letter were fair, justified, and in the best interests of Plaintiff KPG and Plaintiff
6 Getty.

7 29. Contrary to Defendant Sonn’s representations, the Second Incentive Award Letter
8 was not fair, justified, or in the best interests of Plaintiff KPG and Plaintiff Getty.

9 30. The original Incentive Award Letter calculated Defendant Sonn’s potential bonus
10 as a percentage of the portion Plaintiff Getty would receive from the Pleiades Trust, after the
11 deduction of applicable taxes. However, the Second Incentive Award Letter drafted by Defendant
12 Sonn calculated Defendant Sonn’s potential bonus as a percentage of the entire Pleiades Trust (not
13 just Plaintiff Getty’s share), before any tax deductions, totaling over \$1 billion, thus drastically
14 increasing Defendant Sonn’s compensation. The Second Incentive Award Letter provided that
15 Defendant Sonn’s total Incentive Award would be \$2.5 million.

16 31. In addition to unilaterally inflating her bonus, Defendant Sonn also removed the
17 safeguards present in the original Incentive Award Letter.

18 32. The Second Incentive Award Letter removed the safeguard in the original
19 Incentive Award Letter stating that Defendant Sonn would not receive any payment if she was not
20 still employed by Plaintiff KPG at the time of any applicable payment date. Rather, Defendant
21 Sonn drafted the Second Incentive Award Letter so that she would be guaranteed her inflated \$2.5
22 million even if she were terminated prior to applicable payment dates. This modification
23 benefitted Defendant Sonn’s personal interests, to the detriment of Plaintiff KPG and Plaintiff
24 Getty.

25 33. Defendant Sonn drafted the Second Incentive Award Letter with an acceleration
26 clause stating that, if Defendant Sonn’s employment were terminated, regardless of the reason for
27 termination, payment of the entire \$2.5 million would be due within 30 days of termination. While
28 the original Incentive Award Letter incentivized Defendant Sonn to adequately perform her

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 responsibilities and act in the best interests of Plaintiff KPG and Plaintiff Getty (and thus remain
2 employed through the applicable payment dates), Defendant Sonn’s modified Second Incentive
3 Award Letter did the opposite. It incentivized Defendant Sonn to perform poorly or against the
4 best interests of Plaintiff KPG and Plaintiff Getty so that Defendant Sonn’s employment would
5 be terminated, thus accelerating her (now guaranteed) payment. This modification benefitted
6 Defendant Sonn’s personal interests, to the detriment of Plaintiff KPG and Plaintiff Getty.

7 34. The Second Incentive Award Letter removed the safeguard in the original
8 Incentive Award Letter conditioning payment of any bonuses to Defendant Sonn on Plaintiff
9 Getty’s receipt of funds from the Pleiades Trust. Instead, the Second Incentive Award Letter
10 provided Defendant Sonn would receive three bonus payments of \$833,333 each, which would be
11 made to Defendant Sonn on March 31, 2021 (within weeks of Defendant Sonn presenting the
12 Second Incentive Award Letter to Plaintiff Getty), March 31, 2022, and March 31, 2023, or,
13 alternatively, within 30 days of Defendant Sonn’s termination of employment.

14 35. While the original Incentive Award Letter protected the interests of Plaintiff KPG
15 and Plaintiff Getty by ensuring Plaintiff KPG did not become liable to Defendant Sonn for sums
16 it had not yet received from the Pleiades Trust, the Second Incentive Award Letter removed this
17 critical safeguard. The Second Incentive Award Letter not only allowed, but encouraged,
18 Defendant Sonn to create a situation where Plaintiff KPG would become liable to pay Defendant
19 Sonn sums that Plaintiff KPG had not received from the Pleiades Trust. Defendant’s removal of
20 this safeguard was particularly egregious, since the actual amounts Plaintiffs would receive were
21 subject to volatility of investments and applicable taxes. This modification benefitted Defendant
22 Sonn’s personal interests, to the detriment of Plaintiff KPG and Plaintiff Getty.

23 36. Defendant Sonn was initially provided a copy of the Draft Incentive Award Letter
24 in 2017 via an email from Plaintiff Getty’s legal counsel. Thus, Defendant Sonn was well aware
25 that the terms of the Draft Incentive Award Letter were prepared in 2017 by legal counsel for
26 Plaintiff Getty and Plaintiff KPG, and that Plaintiff Getty and Plaintiff KPG had received legal
27 advice in connection with that agreement.

28 //

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 37. Defendant Sonn was aware that Plaintiff Getty and Plaintiff KPG had independent
2 counsel retained that could advise on the propriety of executing the Second Incentive Award
3 Letter, and whether such action was in the best interests of Plaintiff Getty and Plaintiff KPG.

4 38. Despite this knowledge, Defendant Sonn pressured Plaintiff Getty to sign the
5 Second Incentive Award Letter and did not suggest to Plaintiff Getty or Plaintiff KPG that their
6 legal counsel be consulted in connection with the decision to execute the Second Incentive Award
7 Letter.

8 39. Instead, Defendant Sonn actively discouraged Plaintiff Getty and Plaintiff KPG
9 from consulting legal counsel in connection with the decision to execute the Second Incentive
10 Award Letter. Defendant Sonn falsely told Plaintiff Getty that it was not necessary for Plaintiff
11 Getty to speak to a lawyer about the Second Incentive Award Letter.

12 40. Between March 14, 2021 and March 17, 2021, Defendant Sonn falsely represented
13 to Plaintiff Getty that the Second Incentive Award Letter was a “standard” document that served
14 only to corroborate and substantiate the terms of the original Incentive Award Letter.

15 41. Between March 14, 2021 and March 17, 2021, Defendant Sonn falsely represented
16 the nature of the amount of her bonus under the Second Incentive Award Letter, which was in fact
17 a percentage of the total Pleiades Trust.

18 42. When Defendant Sonn presented Plaintiff Getty with the Second Incentive Award
19 Letter and requested Plaintiff sign the letter on or about March 14, 2021, Defendant Sonn was
20 aware that Plaintiff Getty was experiencing extremely stressful issues in her personal life. In
21 addition to these issues, Defendant Sonn was aware that the anniversary date of the death of
22 Plaintiff Getty’s close family member was occurring in this immediate time period.

23 43. Defendant Sonn expressed orally to Plaintiff Getty that the amount to which
24 Plaintiff Getty would commit by signing the Second Incentive Award Letter was \$2 million, when
25 in fact the commitment stated in the Second Incentive Award Letter is \$2.5 million.

26 44. Plaintiff Getty initially expressed to Defendant Sonn that the amounts Defendant
27 Sonn was requesting (which Plaintiff believed to be \$2 million based on the discussion with
28 Defendant Sonn) were quite steep, and asked for time to think about the request.

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 45. Defendant Sonn did not respect Plaintiff Getty’s request, and instead proceeded to
2 pressure Plaintiff Getty, via oral conversations and written communications, to execute the Second
3 Incentive Award Letter and authorize its terms on behalf of Plaintiff KPG. Defendant Sonn
4 repeatedly expressed to Plaintiff Getty that she needed to hurry and sign the Second Incentive
5 Award Letter.

6 46. Defendant Sonn advised Plaintiff Getty that everyone else in Plaintiff Getty’s life
7 was against Defendant Sonn, and discouraged Plaintiff Getty from allowing anyone else to review
8 the Second Incentive Award Letter.

9 47. Defendant Sonn was aware of Plaintiff Getty’s personal circumstances at the time
10 that rendered Plaintiff Getty vulnerable to such pressure.

11 48. Prior to March 2021, Defendant Sonn befriended Plaintiff Getty and gained her
12 trust so that Plaintiff Getty would not question Defendant Sonn’s advice or motives. As a result
13 of these efforts over the years, Plaintiff Getty trusted Defendant Sonn unconditionally at that point.

14 49. Defendant Sonn had access to all of Plaintiff Getty’s personal and trust accounts.
15 Defendant Sonn assisted Plaintiff Getty with purchasing her residence. Defendant Sonn advised
16 Plaintiff Getty on how she should vote on all trust investments and related matters, and Plaintiff
17 Getty came over the years to unconditionally trust, accept, and depend upon all of Defendant
18 Sonn’s recommendations.

19 50. Defendant Sonn leveraged this position of trust and dependence in pressuring
20 Plaintiff Getty to quickly sign the Second Incentive Award Letter.

21 51. As a result of Defendant Sonn’s pressure to execute the Second Incentive Award
22 Letter, Plaintiff Getty executed the Second Incentive Award Letter on behalf of Plaintiff KPG on
23 March 17, 2021, just three days after Defendant Sonn presented the document to Plaintiff Getty.

24 52. Plaintiff Getty did not have any reason to believe that her execution of the Second
25 Incentive Award Letter was inappropriate or unwarranted due to Defendant Sonn’s
26 representations that the terms of the Second Incentive Award Letter were fair, justified, and in the
27 best interests of Plaintiff KPG and Plaintiff Getty.

28 //

MCDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 53. Having successfully coerced Plaintiff Getty into executing the Second Incentive
2 Award Letter, Defendant Sonn immediately took steps to secure payment of funds. On March 25,
3 2021, Defendant Sonn emailed Plaintiff KPG’s Secretary and Treasurer Francis Nash (now
4 deceased) to demand payment of her first bonus award. Defendant Sonn was aware that Mr. Nash
5 had been suffering from a medical condition. Upon discovering that Mr. Nash was still sick,
6 Defendant Sonn requested that Mr. Nash ignore his other responsibilities and focus his limited
7 energy on processing her bonus payment, stating: “Rather than sending the February financial
8 statements, please save your energy to take care of making the manual payment on ADP’s
9 website.”

10 54. As a result of Defendant Sonn’s pressuring, Plaintiff KPG made the first bonus
11 payment of \$833,333 to Defendant Sonn on or about March 31, 2021.

12 55. While both the original Incentive Award Letter and the Second Incentive Award
13 letter required Defendant to execute a written release of claims against Plaintiff KPG and its
14 affiliates prior to receiving any payments, upon information and belief Defendant Sonn obtained
15 this payment without providing such a release.

16 56. Following Plaintiff Getty’s execution of the Second Incentive Award Letter,
17 various interested individuals associated with Plaintiff Getty learned of the Second Incentive
18 Award Letter’s terms. These individuals flagged the terms of the Second Incentive Award Letter
19 and informed Plaintiff Getty that the terms were, in fact, unusual.

20 57. Thereafter, Plaintiff Getty realized that Defendant Sonn had taken advantage of
21 their relationship and coerced Plaintiff Getty to execute a document that was not in her best
22 interests, or the best interests of Plaintiff KPG. Given that Defendant Sonn had breached her
23 relationship of trust in this manner, Plaintiff Getty could no longer permit Defendant Sonn to
24 continue providing her services in either her capacity as Vice President of Plaintiff KPG or as a
25 personal financial advisor to Plaintiff Getty.

26 58. On November 30, 2021, Defendant Sonn was notified that her employment with
27 Plaintiff KPG, as well as her relationship providing personal financial planning services to
28 Plaintiff Getty, was terminated.

**FIRST CAUSE OF ACTION
(Breach of Fiduciary Duty)**

1
2
3 59. Plaintiffs hereby repeat, reallege, and incorporate all the above-stated allegations
4 of this Complaint as if fully set forth herein.

5 60. NRS 78.138(1) states: “The fiduciary duties of directors and officers are to exercise
6 their respective powers in good faith and with a view to the interests of the corporation.”

7 61. As an officer of Plaintiff KPG, a Nevada corporation organized under Chapter 78,
8 Defendant Sonn had a duty to exercise her powers in good faith and with a view to the interests
9 of Plaintiff KPG.

10 62. As Plaintiff Getty’s personal financial advisor, Defendant Sonn had a fiduciary
11 duty to render advice and recommendations that were in Plaintiff Getty’s best interests.

12 63. Defendant Sonn’s unilateral preparation of the Second Incentive Award Letter to
13 disproportionately inflate her compensation and remove numerous provisions safeguarding the
14 legal interests of Plaintiff KPG and Plaintiff Getty was not in the best interests of Plaintiff KPG
15 or Plaintiff Getty, and constituted a breach of Defendant Sonn’s fiduciary duties.

16 64. Defendant Sonn’s pressuring of Plaintiff Getty to execute the Second Incentive
17 Award Letter, and recommendation that she do so, was not in the best interests of Plaintiff KPG
18 or Plaintiff Getty, and constituted a breach of Defendant Sonn’s fiduciary duties.

19 65. Defendant Sonn’s statements to Plaintiff Getty that she did not need to consult legal
20 counsel or seek others’ advice regarding execution of the Second Incentive Award Letter were not
21 in the best interests of Plaintiff KPG or Plaintiff Getty, and constituted a breach of Defendant
22 Sonn’s fiduciary duties.

23 66. Defendant Sonn’s misrepresentations to Plaintiff Getty regarding the justification
24 for and effect of the Second Incentive Award Letter were not in the best interests of Plaintiff KPG
25 or Plaintiff Getty, and constituted a breach of Defendant Sonn’s fiduciary duties.

26 67. Defendant Sonn’s concealment of material and relevant information from Plaintiff
27 Getty, including the true reasons for and effect of the Second Incentive Award Letter, was not in
28

MCDONALD CARANO
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 the best interests of Plaintiff KPG or Plaintiff Getty, and constituted a breach of Defendant Sonn’s
2 fiduciary duties.

3 68. Defendant Sonn’s leveraging of Plaintiff Getty’s personal circumstances and her
4 relationship of trust with Plaintiff Getty was not in the best interests of Plaintiff KPG or Plaintiff
5 Getty, and constituted a breach of Defendant Sonn’s fiduciary duties.

6 69. As a direct and proximate result of Defendant Sonn’s conduct, Plaintiffs have
7 suffered and will continue to suffer damages in an amount to be proven at trial, in excess of
8 \$15,000.

9 70. Defendant Sonn’s conduct has required Plaintiffs to retain legal counsel to seek
10 relief. Plaintiffs are entitled to an award of their attorney’s fees and costs incurred in bringing this
11 action.

12 **SECOND CAUSE OF ACTION**
13 **(Fraudulent/Intentional Misrepresentation)**

14 71. Plaintiffs hereby repeat, reallege, and incorporate all the above-stated allegations
15 of this Complaint as if fully set forth herein.

16 72. Between March 14, 2021 and March 17, 2021, Defendant Sonn falsely represented
17 to Plaintiff Getty that the Second Incentive Award Letter was a “standard” document that served
18 only to corroborate and substantiate the terms of the original Incentive Award Letter. In fact, the
19 Second Incentive Award Letter contained major material modifications to the terms of the original
20 Incentive Award Letter.

21 73. Between March 14, 2021 and March 17, 2021, Defendant Sonn falsely represented
22 the nature of the amount of her bonus under the Second Incentive Award Letter, which was in fact
23 a percentage of the total Pleiades Trust.

24 74. Between March 14, 2021 and March 17, 2021, Defendant Sonn omitted facts
25 related to the true nature of the Second Incentive Award Letter, including the fact that the terms
26 were not in the best interest of Plaintiff KPG and Plaintiff Getty, despite the fact that Defendant
27 Sonn was bound in good faith to disclose such facts to Plaintiff Getty. Defendant Sonn’s
28

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 omissions are equivalent to false representations, as they constituted indirect representations that
2 such facts did not exist.

3 75. Defendant Sonn knew and believed that these representations were false.

4 76. Defendant Sonn intended to induce Plaintiff Getty to execute the Second Incentive
5 Award Letter based on her representations.

6 77. Given that Defendant Sonn was the Vice President of KPG, Plaintiff Getty's
7 personal financial advisor, and someone that Plaintiff Getty believed to be her close personal
8 friend, Plaintiff Getty justifiably relied on Defendant Sonn's representations.

9 78. As a direct and proximate result of Defendant Sonn's conduct, Plaintiffs have
10 suffered and will continue to suffer damages in an amount to be proven at trial, in excess of
11 \$15,000.

12 79. Defendant Sonn's conduct has required Plaintiffs to retain legal counsel to seek
13 relief. Plaintiffs are entitled to an award of their attorney's fees and costs incurred in bringing this
14 action.

15 **THIRD CAUSE OF ACTION**
16 **(Negligent Misrepresentation)**

17 80. Plaintiffs hereby repeat, reallege, and incorporate all the above-stated allegations
18 of this Complaint as if fully set forth herein.

19 81. Defendant Sonn, in the course of her employment with Plaintiff KPG and provision
20 of personal financial planning services to Plaintiff Getty, failed to exercise reasonable care or
21 competence in obtaining or communicating the information to guide Plaintiffs in connection with
22 business transactions.

23 82. Defendant Sonn supplied false information and failed to disclose material
24 information she had a duty to disclose related to the nature of the Second Incentive Award Letter,
25 including facts related to whether the terms of the Second Incentive Award Letter were fair,
26 justified, and in the best interests of Plaintiff KPG and Plaintiff Getty.

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 were designed to induce Plaintiffs to execute the Second Incentive Award Letter against Plaintiffs’
2 interests.

3 92. As a result of Defendant Sonn’s fraudulent inducement, Plaintiffs are entitled to
4 rescission of the Second Incentive Award Letter.

5 93. The Second Incentive Award Letter is both procedurally and substantively
6 unconscionable.

7 94. Due to the circumstances surrounding the execution of the Second Incentive Award
8 Letter, including Plaintiff Getty’s reliance on Defendant Sonn to act in her best interests, which
9 caused her to believe that no review of the terms was necessary, unequal bargaining power was
10 created between Defendant Sonn and Plaintiffs, and Plaintiffs lacked meaningful opportunity to
11 agree to the Second Incentive Award Letter’s terms.

12 95. The terms of the Second Incentive Award Letter, including the provision entitling
13 Defendant Sonn to a guaranteed schedule of payments totaling \$2.5 million that would accelerate
14 to be paid immediately upon her termination for any reason, were so one-sided and oppressive as
15 to constitute substantive unconscionability.

16 96. As a result of the unconscionable nature of the Second Incentive Award Letter,
17 Plaintiffs are entitled to rescission of the Second Incentive Award Letter.

18 97. Defendant Sonn exerted undue influence over Plaintiff Getty in pressuring Plaintiff
19 Getty to execute the Second Incentive Award Letter, based on events in Plaintiff Getty’s personal
20 life and Defendant Sonn’s fiduciary relationship to Plaintiff Getty.

21 98. Plaintiff Getty was unduly susceptible to the excessive and unreasonable pressure
22 Defendant Sonn placed on Plaintiff Getty to execute the Second Incentive Award Letter, the terms
23 of which were grossly one-sided and unfair to Plaintiffs.

24 99. Plaintiff Getty assumed Defendant Sonn would not act in a manner inconsistent
25 with Plaintiffs’ welfare.

26 100. As a result of Defendant Sonn’s exertion of undue influence over Plaintiff Getty,
27 Plaintiffs are entitled to rescission of the Second Incentive Award Letter.
28

McDONALD  **CARANO**
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 110. As an officer of Plaintiff KPG and a trusted personal financial advisor to Plaintiff
2 Getty, Defendant Sonn was in an entrusted position.

3 111. Defendant Sonn engaged in grievous and perfidious misconduct by seeking to
4 remove the protections of Plaintiffs' legal rights set forth in the original Incentive Award Letter,
5 preparing the Second Incentive Award Letter, misrepresenting the nature of the Second Incentive
6 Award Letter, concealing material facts regarding the Second Incentive Award Letter, pressuring
7 Plaintiff Getty to sign the Second Incentive Award Letter, and retaining funds paid as a result of
8 her conduct.

9 112. As a direct and proximate result of Defendant Sonn's conduct, Plaintiffs have
10 suffered and will continue to suffer damages in an amount to be proven at trial, in excess of
11 \$15,000.

12 113. Defendant Sonn's conduct has required Plaintiffs to retain legal counsel to seek
13 relief. Plaintiffs are entitled to an award of their attorney's fees and costs incurred in bringing this
14 action.

15 **SEVENTH CAUSE OF ACTION**
16 **(Unjust Enrichment, In The Alternative)**

17 114. Plaintiffs hereby repeat, reallege, and incorporate all the above-stated allegations
18 of this Complaint as if fully set forth herein.

19 115. Plaintiffs conferred a benefit on Defendant Sonn by providing funds to which
20 Defendant Sonn was not entitled.

21 116. Defendant Sonn knew of the benefit conferred by Plaintiffs and has been unjustly
22 enriched, at the expense of and to the detriment of Plaintiffs.

23 117. As a direct and proximate result of Defendant Sonn's conduct, Plaintiffs have
24 suffered and will continue to suffer damages in an amount to be proven at trial, in excess of
25 \$15,000.

26 118. Defendant Sonn's conduct has required Plaintiffs to retain legal counsel to seek
27 relief. Plaintiffs are entitled to an award of their attorney's fees and costs incurred in bringing this
28 action.

**EIGHTH CAUSE OF ACTION
(Declaratory Relief)**

119. Plaintiffs hereby repeat, reallege, and incorporate all the above-stated allegations of this Complaint as if fully set forth herein.

120. An actual and justifiable controversy has arisen and now exists between Plaintiffs and Defendant Sonn with respect to the formation and validity of the Second Incentive Award Letter and the obligations arising therefrom.

121. Plaintiffs deny that Defendant Sonn is owed the sums set forth in the Second Incentive Award Letter.

122. To date, Defendant Sonn has retained \$833,333 she wrongfully received in connection with the Second Incentive Award Letter. Defendant Sonn claims she is entitled to the remaining amounts set forth in the Second Incentive Award Letter.

123. These issues are ripe for judicial determination because Defendant Sonn has retained amounts she wrongfully received, and maintains that she is owed further amounts.

124. Plaintiffs request a judicial determination of the rights and obligations between Plaintiffs and Defendant Sonn as described herein. In particular, Plaintiffs seek the following declarations and determinations from the Court:

- a. The Second Incentive Award Letter is void due to Defendant Sonn’s fraudulent inducement, the unconscionable nature of the agreement, and Defendant Sonn’s undue influence exerted over Plaintiff Getty;
- b. Plaintiffs are entitled to repayment of the amounts paid to Defendant Sonn under the auspices of the Second Incentive Award Letter in the amount of \$833,333; and
- c. Plaintiffs are not obligated to pay Defendant Sonn any further sums under the Second Incentive Award Letter or any other purported agreement.

125. Such declarations are necessary and appropriate at this time so that Plaintiffs may ascertain their rights with respect to the subject matter of the parties’ dispute.

//

//

McDONALD CARANO
100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
PHONE 775.788.2000 • FAX 775.788.2020

1 126. Defendant Sonn’s conduct has required Plaintiffs to retain legal counsel to seek
2 relief. Plaintiffs are entitled to an award of their attorney’s fees and costs incurred in bringing this
3 action.

4 **PRAYER FOR RELIEF**

5 For these reasons, Plaintiffs pray for relief against Defendant Sonn as follows:

- 6 (1) For general, compensatory, and punitive damages exceeding \$15,000.00;
- 7 (2) For reasonable attorney’s fees and costs;
- 8 (3) For prejudgment and post-judgment interest on all sums awarded according to
9 proof at the maximum legal rate; and
- 10 (4) For such other and further relief as the Court may deem just and proper.

11 **AFFIRMATION**

12 Pursuant to NRS 239B.030, the undersigned affirms that this document does not contain
13 any personal information, as defined in NRS 603A.040.

14 DATED this 16th day of March, 2022.

15 MCDONALD CARANO LLP

16
17 By: /s/ Leigh T. Goddard
 18 Leigh T. Goddard, NV Bar No. 6315
 Daniel I. Aquino, NV Bar No. 12682
 Tara U. Teegarden, NV Bar No. 15344
 MCDONALD CARANO LLP
 100 W. Liberty St., Tenth Floor
 Reno, Nevada 89501
 Telephone: (775) 788-2000
 lgoddard@mcdonaldcarano.com
 daquino@mcdonaldcarano.com
 tteegarden@mcdonaldcarano.com

23 Attorneys for Plaintiffs

McDONALD CARANO
 100 WEST LIBERTY STREET, TENTH FLOOR • RENO, NEVADA 89501
 PHONE 775.788.2000 • FAX 775.788.2020

24
25
26
27
28