

STATE OF SOUTH CAROLINA
 COUNTY OF GEORGETOWN

IN THE COURT OF COMMON PLEAS
 FIFTEENTH JUDICIAL CIRCUIT
 CASE NO. 02-CP-22-_____

20020422945

Ruby D. Wells,
 Plaintiff,

vs.

I.B.D. Group, Inc., Nicholas DiBruno,
 and Joseph A. DiBruno, Jr.,
 Defendants.

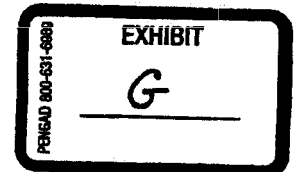
COMPLAINT
 (Fraud; Breach of Fiduciary Duty;
 Negligence; Violation of S.C. Code Ann.
 §35-1-10 et seq.; Unfair Trade Practices;
 Conspiracy)

Jury Trial Demanded

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 GEORGETOWN COUNTY, S.C.
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The Plaintiff, by and through her attorney, would respectfully allege and show unto this Court as follows:

1. The Plaintiff was/is a mature citizen and resident of Georgetown County, State of South Carolina.
2. Upon information and belief, Defendant I.B.D. Group, Inc. ("IBD") is an entity that was set up by the other Defendants to defraud, inter alia, citizens of the State of South Carolina, including the Plaintiff.
3. Upon information and belief, Defendant Nicholas DiBruno is an individual an incorporator of IBD who was integrally involved in a scheme to defraud Plaintiff and other South Carolina investors. Nicolas DiBruno acted as the agent of IBD.
4. Upon information and belief, Defendant Joseph A. DiBruno, Jr. is an individual and an incorporator of IBD who was integrally involved in a scheme to defraud Plaintiff and other South Carolina investors. Joseph A. DiBruno, Jr. acted as the agent of IBD.
5. This court has jurisdiction over the parties herein, and venue is proper.
6. Defendants solicited Plaintiff for the investment and received substantial sums from Plaintiff for an investment (hereinafter referred to as "security" or "investment") in shares of IBD.



7. Based on the representations, the Plaintiff gave monies to the Defendants for the security. Defendants represented that Plaintiff would receive dividend income every quarter and that it was a great investment.

8. Defendants failed to advise Plaintiff as to the risky nature of the security, failed to properly capitalize IBD, and failed to comply with state licensing requirements, and omitted material facts concerning the investment, its liquidity and marketability.

9. Plaintiff's claims herein, inclusive of all damages, punitive damage, statutory damages and attorneys fees and all other relief, does not exceed \$74,500.00. Pursuant to SCRCPC 8, the amount in controversy does not exceed \$74,500.00

AS A FIRST CAUSE OF ACTION

(Fraud)

10. Not inconsistent herewith, Plaintiff incorporates each and every paragraph above as if repeated verbatim herein.

11. At all times mentioned herein, Defendants committed common law fraud by making representations and/or omissions of material facts whereupon Plaintiff reasonably relied upon said misrepresentations and/or omissions. Defendants also omitted material facts in his representation of the security, including that they were not licensed securities dealers, that the security was not subject to registration, and that the security was not liquid or marketable.

12. Defendants knew or should have known that the misrepresentations and/or omissions of material facts were untrue or inaccurate.

13. Plaintiff was ignorant of the falsity of the misrepresentation and justifiably relied upon Defendants' misrepresentations to her detriment, thereby causing her to suffer serious financial damages.

14. As a result of Defendants' violations of the duties and standards, Plaintiff has suffered and will continue to suffer damages and is entitled to damages and punitive damages in an amount to be determined.

AS A SECOND CAUSE OF ACTION

(Breach of Fiduciary Duty)

15. Not inconsistent herewith, Plaintiff incorporates each and every paragraph above as if repeated verbatim herein.

16. Defendants breached their fiduciary duty to Plaintiff by taking advantage of their position of trust, by not performing their duty of due diligence, by failing to exercise reasonable care as officers, directors and incorporators, by failing to adequately capitalize the Company, by failing to provide accounting and financial statements, and by failing to advise the Plaintiff of material facts during the course of their relationship.

17. As a result of Defendants' violations of duties and standards, Plaintiff has suffered and will continue to suffer damages and is entitled to the same, plus interest, and punitive damages in an amount to be determined, plus costs.

AS A THIRD CAUSE OF ACTION

(Negligence)

18. Not inconsistent herewith, Plaintiff incorporates each and every paragraph above as if repeated verbatim herein.

19. Defendants owed a duty of care to Plaintiff in the solicitation of her money for a security.

20. Defendants breached their duty of care and such breach was the proximate cause of Plaintiff's damages.

21. Defendants acted recklessly and with wanton disregard of Plaintiff's objectives and goals. Such recklessness with respect to Plaintiff's money was the proximate cause of her damages.

22. The Defendants were negligent, grossly negligent, careless, reckless, willful and wanton in the following particulars:

- a) In failing to warn Plaintiff of the risks of investing in the security offered by sale by Defendants;
- b) In failing to register or cause to be registered the security being offered for sale by Defendants;
- c) In failing to adequately provide to Plaintiff with adequate materials, offering circulars or prospectuses of the security being offered for sale;
- d) By providing false and/or misleading information on the security;
- e) In failing to disclose any and all information needed or necessary for Plaintiff to make an informed decision on whether or not to purchase the offered security;
- f) In failing to use the proper care, skill and judgment of a security sales person and in failing to follow normal and customary procedures as required, investment advisors, fiduciaries, and the rules, statutes, regulations and laws of the State of South Carolina;
- g) In failing to use proper care, skill and judgment as a broker; and
- h) In failing to use proper care, skill and judgment as a general agent, director, incorporator or manager.

All of which were the proximate cause of the damages sustained by Plaintiff, in that the security is worthless.

23. As a proximate and consequent result of Defendants' violations of the duties and standards, Plaintiff has suffered and will continue to suffer damages, and is entitled to the same, interest, punitive damages, and costs.

AS A FOURTH CAUSE OF ACTION

(For Violation of S.C. Code Ann. §35-1-10 et seq.)

24. Not inconsistent herewith, Plaintiff incorporates each and every paragraph above as if repeated verbatim herein.

25. Defendants misstated or omitted to state material facts concerning the investments selected.

26. The misstatements and/or omissions rendered the statements misleading.

27. Plaintiff did not know the truth of the matters. Further, Defendants offered to sell and sold securities in South Carolina without being licensed, in violation of S. C. Code Ann. §35-1-810.

28. As a result of Defendants' violations of the duties and standards, Plaintiff has suffered and will continue to suffer damages in an amount thus far not determined, plus interest, commissions, reasonable attorneys fees, and punitive damages in an amount to be determined, pursuant to S.C. Code Ann. § 35-1-1490.

29. Plaintiff is further informed and believes she is entitled to an Order unwinding all transactions.

AS A FIFTH CAUSE OF ACTION

(Unfair Trade Practices)

30. Not inconsistent herewith, Plaintiff incorporates herein each and every paragraph above as if repeated verbatim.

31. The sale of the security is an action defined as a conduct of trade of commerce pursuant to S.C. Code Ann. §39-5-10(b). The manner in which the sale of the security was effected was an unfair or deceptive act in the conduct of trade of commerce in violation of S. C. Code Ann. §39-5-20, in that the Defendants misrepresented the security and took money from

the Plaintiff without providing accurate information concerning the security. The foregoing acts are either offensive to public policy, immoral, unethical, oppressive, or has a capacity or tendency to deceive the general consumer public. The manner in which the sale of the security was effected was an unfair or deceptive act in the conduct of trade of commerce in violation of S.C. Code Ann. §39-5-20.

32. Defendants are the business of selling securities to the consumer public on a regular basis and, therefore, the conduct of Defendants has an impact on the public interest due to its potential for repetition. Defendants have disadvantaged others.

33. The Defendants' employment of unfair or deceptive acts or practices was a willful and/or knowing violation of S.C. Code Ann. §39-5-20.

34. The willful and knowing employment of unfair or deceptive acts or practices by the Defendants was the direct and proximate cause of Plaintiff's actual damages in an amount to be determined by an empanelled jury.

35. As a result of Defendants' willful and knowing violation of S.C. Code Ann. §39-5-20, Plaintiff is informed and believes that she is entitled to actual damages in an amount to be determined by an empanelled jury plus statutory damages in the amount of three times of the actual damages, plus attorney's fees and costs for this action.

AS A SIXTH CAUSE OF ACTION

(Conspiracy)

36. Not inconsistent herewith, Plaintiff incorporates each and every paragraph above as if repeated verbatim herein.

37. The individual defendants had an illicit agreement or understanding and conspired within themselves and others to harm the Plaintiff and others in this investment scheme.

38. The Plaintiff suffered special damages from Defendants' conspiracy.

39. Plaintiff is informed and believes she is entitled to damages, punitive damages, plus attorney fees, not to exceed \$74,500.00.

AS A SEVENTH CAUSE OF ACTION

(Accounting)

40. Not inconsistent herewith, Plaintiff incorporates each and every paragraph above as if repeated verbatim herein.

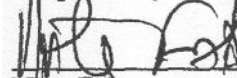
41. Upon information and belief, the Defendant's use of the corporate artifice and the gross misappropriation of funds will be borne out in an accounting.

42. Plaintiff is informed and believes she is entitled to an accounting of all receipts and expenditures by IBD.

WHEREFORE, Plaintiff respectfully requests an amount not in excess of Seventy-Four Thousand Five Hundred and 00/100 Dollars (\$74,500.00), inclusive of all claims herein as set forth below:

- a. Special damages, damages and treble damages;
- b. Punitive damages;
- c. Pre-award and post-award interest at the maximum rate allowed by law;
- d. Attorneys fees as allowed by law and costs; and
- e. An accounting.

Respectfully submitted,



Nate Fata

Attorney for Plaintiff

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Surfside Beach, South Carolina
November 15, 2002