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9 ROGER MARTIN CORMAN and
10 BRIAN WILLIAM CORMAN

11 Judge Joseph S. Biderman

12 **FILED**
13 LOS ANGELES SUPERIOR COURT
14 DEC 08 2009
15 BY JOHN A. CLARKE, CLERK
16 DEPUTY

17 CASE MANAGEMENT CONFERENCE
18 MAR 29 2010
19 Date

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21 830am

22 SUPERIOR COURT OF THE STATE OF CALIFORNIA
23 FOR THE COUNTY OF LOS ANGELES

24 ROGER MARTIN CORMAN, an individual;
25 and BRIAN WILLIAM CORMAN, an
26 individual,

27 Plaintiffs,

28 v.

JULIE CORMAN, an individual; NEW
HORIZONS PICTURE CORP., a California
corporation; CONCORDE-NEW HORIZONS
CORP., an unregistered entity doing business in
California; THE NEW EDUCATION
FOUNDATION, a California nonprofit public
benefit corporation; ROGER WILLIAM
CORMAN, an individual; and Does 1 through
20, inclusive,

Defendants.

Case No.

SC105958

COMPLAINT FOR DAMAGES FOR
EMPLOYMENT DISCRIMINATION

Complaint Filed: November, 2009

Trial Date: Not set

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1 **TO THE COURT AND ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 Plaintiffs Roger Martin Corman and Brian William Corman (collectively "Plaintiffs")
3 complain against Julie Corman, New Horizons Picture Corp. ("New Horizons"), Concorde-New
4 Horizons Corp. ("Concorde-New Horizons"), The New Education Foundation, Roger William
5 Corman, and Does 1 through 20, inclusive (all collectively "Defendants"), as follows:

6 **GENERAL ALLEGATIONS**

7 1. Plaintiffs as well as their siblings, Catherine Corman and Mary Corman (all
8 collectively "the Corman Children") were employed by their family's business until October 2009.
9 At that time, the Corman Children were each terminated from their longstanding employment
10 without prior notice or warning. The only reason for their termination was Plaintiffs' exercise of
11 protected rights, including: 1) requests for an accounting of the family trusts, of which the parents
12 are the trustees and special trustees and the four siblings are the sole beneficiaries; 2) speaking out
13 against improper financial transactions that could result in significant tax consequences and
14 requesting the company to discontinue those practices; and 3) filing a petition to enforce the
15 Plaintiffs' rights as beneficiaries to a complete and accurate accounting of the family trusts.
16 Plaintiffs' parents, Roger William Corman and Julie Corman ("the Corman Parents"), in addition to
17 being the trustees and special trustees of the family trusts, are believed to hold controlling interests
18 in the various family businesses owned in part or whole by the family trusts, including but not
19 limited to New Horizons, Concorde-New Horizons and The New Education Foundation. Pursuant to
20 the California Fair Employment and Housing Act ("FEHA"), *Government Code* Sections 12926 and
21 12940, it is unlawful to terminate a person's employment based on the exercise of protected rights.

22 **PARTIES**

23 2. Roger Martin Corman is an adult individual residing in Los Angeles, California,
24 90077.

25 3. Brian William Corman is an adult individual residing in Los Angeles, California,
26 90049.

27 4. Julie Corman is an adult individual residing in Santa Monica, California. She is
28 Roger William Corman's wife and Plaintiffs' mother. She is a Director of Concorde-New Horizons.

1 She is the sole trustee of the Tessa Trust, a trustee of the MG Trust, and a special trustee of The
2 Pacific Trust.

3 5. New Horizons Picture Corp. ("New Horizons") is a California corporation. A true
4 and correct copy of the information on New Horizons from the California Secretary of State's
5 website is attached as Exhibit "1". New Horizons was founded in 1970 and is still active. Ex. "1".
6 New Horizons is located at 11600 San Vicente Boulevard, Los Angeles, California, 90049. (Ex.
7 "1"). Germaine Simiens, an employee of Concorde-New Horizons, is the registered Agent for
8 Service of Process for New Horizons. Ex. "1".

9 6. The California Secretary of State's website has no record of any corporation ever
10 having been established in California under the name Concorde-New Horizons, regardless of the
11 appellation. A true and correct copy of the information on "Concorde-New Horizons" from the
12 California Secretary of State's website is attached as Exhibit "2". Plaintiffs are informed and believe
13 and on that basis allege that the articles of incorporation for New Horizons were amended to change
14 the legal name of the company to Concorde-New Horizons Corp. ("Concorde-New Horizons"). A
15 true and correct copy of a corporate resolution, dated April 30, 2002, by the Directors of Concorde-
16 New Horizons ("the Resolution") reflecting that change is attached as Exhibit "3". The Resolution
17 starts at page 3 of the exhibit. The Resolution indicates that Concorde-New Horizons is a California
18 corporation. *Id.* Roger William Corman, Plaintiffs' father, is the president of Concorde-New
19 Horizons. Ex. "3". The Directors of Concorde-New Horizons are Roger William Corman, Julie
20 Corman, and Mary Hampson. *Id.* Mary Hampson, Julie Corman's sister, is the Secretary of
21 Concorde-New Horizons. *Id.* She is an alternate trustee and alternate beneficiary of the Corman
22 family trusts. *Id.* Concorde-New Horizons is a closely held company. *Id.* Concorde-New Horizons
23 is doing business in California. Its home office and principal place of business are located at 11600
24 San Vicente Boulevard, Los Angeles, California, 90049. Payment of salaries to the Corman
25 Children came directly from Concorde-New Horizons.

26 7. Plaintiffs are informed and believe and on that basis allege that Roger William
27 Corman and Julie Corman, as trustees for the family trusts, at one point owned 100% of the
28 preferred stock in Concorde-New Horizons, which constituted all of the voting rights in the

1 company. True and correct copies of stock certificates showing the Corman Parents' ownership of
2 Concorde-New Horizons as trustees, are included in Exhibit "3". Plaintiffs are further informed and
3 believe and on that basis allege that the all of the stock in Concorde-New Horizons was subsequently
4 sold to Transpacific Corp. A.V.V., a foreign corporation located in Aruba.

5 8. The New Education Foundation is a California nonprofit public benefit corporation.
6 A true and correct copy of the information on The New Education Foundation from the California
7 Secretary of State's website is attached as Exhibit "4". The New Education Foundation was founded
8 on April 29, 2008. Ex. "4". The New Education Foundation is located at 11600 San Vicente
9 Boulevard, Los Angeles, California, 90049. Ex. "4". Roger William Corman is the registered Agent
10 for Service of Process for The New Education Foundation. Ex. "4". Roger William Corman is also
11 the sole Director of The New Education Foundation.

12 9. Roger William Corman is an adult individual residing in Santa Monica, California.
13 He is Plaintiffs' father. He is the President and a Director of Concorde-New Horizons. He is the
14 sole Director of The New Education Foundation. He is the sole trustee of The Pacific Trust and a
15 trustee of the MG Trust.

16 10. Plaintiffs are unaware of the true names and capacities of defendant Does 1 through
17 20, inclusive, and therefore sue these defendants by such fictitious names. Plaintiffs will amend this
18 Complaint to allege their true names and capacities when ascertained. Plaintiffs are informed and
19 believe and on that basis allege that each of these fictitiously named defendants is responsible in
20 some manner for the occurrences alleged in this Complaint, and that Plaintiffs' injuries as alleged
21 were proximately caused by the Defendants, and each of them.

22 11. Plaintiffs are informed and believe and on that basis allege that at all times relevant to
23 this lawsuit each of the Defendants was the agent or employee of each of the remaining Defendants
24 and, in doing the things alleged, was acting within the course and scope of such agency or
25 employment.

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1 12. Plaintiffs are informed and believe and on that basis allege that at all times relevant to
2 this lawsuit each Defendant was acting in the capacity of the alter-ego of each of the remaining
3 Defendants and, in so doing the things alleged, was acting within the course and scope of such alter-
4 ego capacity.

5 **JURISDICTION AND VENUE**

6 13. New Horizons is subject to jurisdiction in this Court because it is located at 11600
7 San Vicente Boulevard, Los Angeles, California, 90049. New Horizons is subject to suit under
8 FEHA, *Government Code* Sections 12926 and 12940, because it regularly employs at least five
9 persons.

10 14. Concorde-New Horizons is subject to jurisdiction in this Court because it is located at
11 11600 San Vicente Boulevard, Los Angeles, California, 90049, the same address as New Horizons.
12 Concorde-New Horizons is subject to suit under FEHA, *Government Code* Sections 12926 and
13 12940, because it regularly employs at least five persons.

14 15. The New Education Foundation is subject to jurisdiction in this Court because it is
15 located at 11600 San Vicente Boulevard, Los Angeles, California, 90049, the same address as New
16 Horizons. The New Education Foundation is subject to suit under FEHA, *Government Code*
17 Sections 12926 and 12940, because it regularly employs at least five persons.

18 16. Roger William Corman is subject to jurisdiction in this Court because he resides in
19 Santa Monica, California.

20 17. Julie Corman is subject to jurisdiction in this Court because she resides in Santa
21 Monica, California.

22 18. Venue is proper in this Court because: 1) the Plaintiffs both reside in Los Angeles,
23 California; 2) the defendant individuals each reside in Santa Monica, California; 3) the defendant
24 businesses all have their home office and principal places of business located at 11600 San Vicente
25 Boulevard, Los Angeles, California, 90049; and 4) the unlawful employment practices occurred at
26 11600 San Vicente Boulevard, Los Angeles, California, 90049, where the family businesses are
27 located.

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1 **FIRST CAUSE OF ACTION**

2 **(FOR EMPLOYMENT DISCRIMINATION, AGAINST ALL DEFENDANTS)**

3 19. Plaintiffs incorporate Paragraphs 1 through 18 above as if set forth here in full.

4 20. Roger Martin Corman was originally hired by Concorde-New Horizons in 1998. He
5 was also paid for working on various films for his father starting in 1998. He has held various titles
6 including Vice President of Marketing.

7 21. Brian William Corman was originally hired by Concorde-New Horizons in 2000. He
8 has held various titles including Director of Operations.

9 22. Catherine Corman was originally hired by Concorde-New Horizons in 1992.

10 23. Mary Corman was also employed by Concorde-New Horizons.

11 24. Prior to October 13, 2009, each of the Corman Children received bi-weekly salaries
12 from Concorde-New Horizons based on annual salaries of \$25,000 to \$50,000 depending on their
13 position within the company.

14 25. The only stated basis for the termination was that Concorde-New Horizons is now a
15 charity. Ex. "5". Plaintiffs are informed and believe and on that basis allege that The New Education
16 Foundation is the charity referenced in the termination emails. The New Education Foundation was
17 founded in April 2008, a year and a half before the terminations. There was no effect on the Corman
18 Children's income from Concorde-New Horizons or their employment status at Concorde-New
19 Horizons at any time during the one and a half years from the time that The New Education
20 Foundation was founded until the Corman Children were terminated. There was no reason that the
21 formation of The New Education Foundation in April 2008 necessitated the termination of the
22 Corman Children from their longstanding employment at Concorde-New Horizons in October 2009.
23 Moreover, Concorde-New Horizons, and its predecessor in interest, New Horizons, are still active
24 and continuing to conduct business, both in California and abroad.

25 26. The termination of Plaintiffs from the family business was an act of retaliation for
26 Plaintiffs' exercise of protected rights.

27 27. The Corman Children are the sole beneficiaries of a series of irrevocable family trusts
28 established by the Corman Parents, including but not limited to The Pacific Trust, the Tessa Trust,

1 and the MG Trust. The Corman Parents serve as trustees and special trustees of the various family
2 trusts.

3 28. Beginning in late 2008, Plaintiffs began to suspect that funds from the family trusts
4 were being removed, improperly and without authorization, to overseas trusts and secret accounts in
5 offshore banks. Those transactions could potentially cause serious tax ramifications for the trusts,
6 and may be unlawful. Those actions are not in the best interests of the beneficiaries and contrary to
7 the duties of the trustees and special trustees as fiduciaries.

8 29. As beneficiaries of the family trusts, Plaintiffs have a statutory right to a complete
9 and accurate accounting of the trust assets. *Prob. C.* §§ 16061 and 16062. Plaintiffs requested an
10 accounting pursuant to that right. The Corman Parents refused to provide a complete and accurate
11 accounting for any of the trusts, and instead retaliated by cancelling all further trust distributions and
12 terminating their children from the family business.¹

13 30. Pursuant to a letter dated December 30, 2008, Roger Martin Corman made a
14 reasonable written request to Roger William Corman, as trustee for The Pacific Trust, the largest of
15 the family trusts, for an accounting of trust assets pursuant to *Probate Code* Sections 16061. The
16 request was entirely ignored for six months.

17 31. Pursuant to a letter dated December 30, 2008, Roger Martin Corman made a
18 reasonable written request to Julie Corman, as trustee for the Tessa Trust, for an accounting of trust
19 assets pursuant to *Probate Code* Sections 16061 and 16062. The request was entirely ignored for six
20 months.

21 32. Subsequently, during the first half of 2009, Roger Martin Corman made at least four
22 additional verbal requests for an accounting of the trusts to the Corman Parents, as trustees and
23 special trustees of the family trusts. Those requests were refused by the Corman Parents, who
24 responded that they were not required to provide any information or an accounting.

25 33. Pursuant to a letter dated June 11, 2009, prior counsel for Brian William Corman
26 made a reasonable written request for an accounting of The Pacific Trust, the Tessa Trust, and the

27
28 1. The administration of the Corman family trusts and the accounting to which the beneficiaries are entitled are the
subject of separate lawsuits, titled: *In the Matter of the Pacific Trust*, LASC Case No. SP007923; *In the Matter of the
Tessa Trust*, LASC Case No. SP007983; and *In the Matter of the MG Trust*, LASC Case No. SP007984.

1 MG Trust, pursuant to *Probate Code* Sections 16061 and 16062.

2 34. Pursuant to an email dated June 16, 2009, counsel for Plaintiffs made a further
3 reasonable written request to Julie Corman, as trustee of the Tessa Trust and the MG Trust, and as
4 special trustee for The Pacific Trust, for an accounting of each of the trusts pursuant to *Probate Code*
5 Sections 16061 and 16062.

6 35. Immediately following these requests, the Corman Parents ceased making their usual
7 and customary distributions from The Pacific Trust to the Corman Children, including Plaintiffs.
8 The Corman Parents continued to ignore all requests by the Corman Children for complete and
9 accurate accountings of the trusts, as required by statute.

10 36. Since the Corman Children were very young, the family held periodic meetings at
11 their father's request to discuss the trust assets and the distribution schedule. Roger William Corman
12 expressly requested and honored input from the Corman Children in that regard. Then, slowly at
13 first, but with increasing frequency over time, Julie Corman began to react strongly whenever the
14 issue of the trusts came up in the presence of the Corman Children. She would verbally castigate
15 Roger William Corman in front of their children and chastise him for discussing the trusts with
16 them. She has forbidden Roger William Corman from speaking with his children in private. She
17 threatened to leave Roger William Corman, who is now 83 years old, if he ever discusses finances
18 with his children without her present. Over time Julie Corman's reactions became increasingly
19 violent to the point that the Corman Children came to the conclusion that her behavior constituted
20 verbal abuse. On more than one occasion, Roger William Corman became physically ill as a result
21 of the abuse. It was clear to the Corman Children that the issue of the trusts was the specific trigger
22 for their mother's conduct.

23 37. Julie Corman has retaliated against the children based on Plaintiffs' request for an
24 accounting. She has declared that the assets of the family trust are hers, despite the fact that the
25 trusts are established for the sole benefit of the Corman Children and are irrevocable. She has
26 attempted to move the trusts to another state or even offshore to a foreign jurisdiction so that she
27 would have greater control, and made concerted efforts to conceal her actions in that regard. She has
28 cut off all distributions to the children. Plaintiffs are informed and believe and on that basis allege

1 that she ordered her children's termination from the family business.

2 38. On or about June 16, 2009, Julie Corman telephoned Darren S. Enenstein, counsel for
3 Plaintiffs, regarding the requests for an accounting of the family trusts. Julie Corman stated that she
4 was not in a position to be able to grant an accounting and that only Roger William Corman had
5 such power. At the time of that conversation, Julie Corman was trustee for the Tessa Trust and
6 special co-trustee for The Pacific Trust and the MG Trust. Therefore, she had the authority and
7 power to provide an accounting for the Tessa Trust. She also had the authority to order an
8 accounting for The Pacific Trust, which assigns all powers under the trust to the special co-trustees,
9 and not to the trustee himself. As special co-trustee of The Pacific Trust, she has a statutory duty to
10 provide an accounting. (*Prob. C.* §§ 16061 and 16062). She is also married to and lives with Roger
11 William Corman, the trustee. She has been instrumental in prohibiting the Corman Children from
12 having access to their father, thereby acting as Roger William Corman's agent in fact with respect to
13 nearly all communications with the trust beneficiaries.

14 39. On August 4, 2009, in response to numerous written and oral requests by the Corman
15 Children for an accounting, Roger William Corman provided what was represented as an
16 "accounting," but which was in fact no more than a sham. A true and correct copy of that letter is
17 attached as Exhibit "10". The accounting is incomplete and failed to comply with the statutory
18 requirements of *Probate Code* Section 16061. It contained only a cursory statement of assets and
19 liabilities and an incomplete statement of receipts and disbursements. The accounting failed to
20 provide any information concerning the acts of the trustees, and failed to provide any particulars
21 relating to the administration of the trust in regard to the beneficiaries' interests. The trustees failed
22 to provide any accounting whatsoever for the Tessa Trust and the MG Trust.

23 40. Based on the Corman Parents' failure and refusal to provide complete and accurate
24 accountings for the family trusts, lawsuits were necessary. Roger Martin Corman filed the initial
25 petition regarding the family trusts on August 25, 2009. The petition was subsequently amended to
26 include Brian William Corman and separated into three related petitions, one for each trust (see fn
27 1). Each of the petitions is currently pending in the Los Angeles Superior Court, West District,
28 before the Honorable Craig D. Karlan in Department "N".

1 41. Beginning in late 2008, Plaintiffs began to suspect that Concorde-New Horizons was
2 engaging in improper financial transactions that could cause serious tax ramifications for the
3 company, as well as possibly being unlawful. Plaintiffs questioned Roger William Corman and
4 other officers, employees and agents of Concorde-New Horizons, including the company's legal
5 counsel, about these practices and requested that such practices be discontinued immediately.
6 Plaintiffs' questions and warnings were ignored.

7 42. The Corman Children remained employed by Concorde-New Horizons continuously
8 from the time they were hired until October 2009, at which time they were each terminated without
9 any prior notice or warning. The terminations were made pursuant to an email message to each of
10 the Corman Children from Gita Jamshidi, Concorde-New Horizons' Controller, all sent on the same
11 date, October 13, 2009. Attached as Exhibit "5" are true and correct copies of the four emails
12 terminating each of the Corman Children, including Plaintiffs. The terminations were effective
13 immediately as of the date of the emails, which fell on a Tuesday. No severance pay or continuing
14 benefits were provided.

15 43. Contrary to Ms. Jamshidi's statement, Concorde-New Horizons would have had to
16 terminate the Corman Children a year and a half earlier, when The New Education Foundation was
17 formed. Moreover, there is no indication that Concorde-New Horizons is defunct and no longer
18 continuing operations. According to the California Secretary of State's website, New Horizons
19 Picture Corp., the original entity that is now known as Concorde-New Horizons, is still an active
20 corporation as of the date of this complaint. Even if Concorde-New Horizons merged into The New
21 Education Foundation around the time of the October 13, 2009 terminations, it still would not excuse
22 the termination.

23 44. The only explanation for the abrupt and retaliatory termination of the Corman
24 Children from the family business is Plaintiffs' exercise of their protected rights. The termination
25 was in retaliation for the following actions by Plaintiffs: 1) requests for an accounting of the family
26 trusts, of which the parents are the trustees and special trustees and the four siblings are the sole
27 beneficiaries; 2) speaking out against improper financial transactions that could result in significant
28 tax consequences and requesting the company to discontinue those practices; and 3) filing a petition

1 to enforce the Plaintiffs' rights as beneficiaries to a complete and accurate accounting of the family
2 trusts. Plaintiffs' termination constitutes illegal discrimination based on the exercise of protected
3 rights.

4 45. As a direct and proximate result of the Defendants' discriminatory termination of
5 Plaintiffs, and each of them, Plaintiffs have incurred damages, including but not limited to the loss of
6 both front and back pay, health care and other insurance benefits, and additional benefits that
7 Plaintiffs would have enjoyed if they had not been terminated.

8 46. As a further proximate result of Defendants' discriminatory actions against Plaintiffs,
9 as alleged above, Plaintiffs have been harmed in that Plaintiffs have suffered intangible loss such as
10 employment related opportunities and continuing experience in that position.

11 47. The above actions were committed intentionally with malice, fraud, or oppression,
12 and in reckless disregard of Plaintiffs' rights under FEHA, in that Plaintiffs were terminated purely
13 for their exercise of protected rights, including: 1) requests for an accounting of the family trusts, of
14 which the parents are the trustees and special trustees and the four siblings are the sole beneficiaries;
15 2) speaking out against improper financial transactions that could result in significant tax
16 consequences and requesting the company to discontinue those practices; and 3) filing a petition to
17 enforce the Plaintiffs' rights as beneficiaries to a complete and accurate accounting of the family
18 trusts.

19 48. On November 11, 2009, within one year of the date that the discrimination was
20 committed, Plaintiffs requested right to sue letters from the California Department of Fair
21 Employment and Housing ("DFEH").

22 49. On November 11, 2009, DFEH issued a right to sue letter to each of the Plaintiffs.
23 True and correct copies of the DFEH's right to sue letters to each of the Plaintiffs are attached as
24 Exhibits "6" and "7", respectively.

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JURY DEMAND

Plaintiffs demand a trial by jury in this matter.

DATED: December 8, 2009

ENENSTEIN & SALTZMAN, APC

By: 

Darren S. Eneinstein
Mark J. Pollard
Attorneys for Plaintiffs
ROGER MARTIN CORMAN and
BRIAN WILLIAM CORMAN

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