

THE STATE BAR OF CALIFORNIA CALIFORNIA ATTORNEY COMPLAINT FORM

Read instructions before filling in this form.

Please mail to: Office of Chief Trial Counsel / Intake Dept., State Bar of California
845 South Figueroa Street, Los Angeles, California 90017-2515

(1) Your contact information:

Your name: David A. Nold

Your address: 10500 NE 8th Street, Suite 930

Your city, state & zip code: Bellevue, WA 98004

Your email address: dnold@noldmuchlaw.com

Your telephone numbers:

Home _____ Work (425) 289-5555 Cell _____

(2) Attorney's contact information: Please provide the name, address and telephone number of the attorney(s) you are complaining about. (NOTE: If you are complaining about more than one attorney, please use a separate form or include on a separate sheet for each attorney the information requested in items #2 through #7.)

Attorney's name: Michael John Avenatti

Attorney's address: 520 Newport Center Drive, Suite 1400

Attorney's city, state & zip code: Newport Beach, CA 92660

Attorney's telephone number: (949) 706-7000

Attorney's California bar license number: 206929

(3) Have you or a member of your family complained to the State Bar about this attorney previously?

Yes No

(4) Did you employ the attorney? Yes No

If "Yes," give the approximate date you employed the attorney and the amount, if any, paid to the attorney.

Date employed: _____ Amount paid (if any): \$ _____

If "No," what is your connection with the attorney(s)? Explain briefly.

See attached.

(5) Include with this form (on a separate piece of paper) a statement of what the attorney(s) did or did not do that is the basis of your complaint. Please state the facts as you understand them. Do not include opinions or arguments. If you employed the attorney(s), state what you employed the attorney(s) to do. Sign and date each separate piece of paper. Additional information may be requested. (Attach copies of pertinent documents such as a copy of the fee agreement, cancelled checks or receipts, and relevant correspondence.)

(6) If your complaint is about a lawsuit, answer the following, if known:

a. Name of court (For example, Superior Court and name of the county)

b. Title of the suit (For example, Smith v. Jones)

c. Case number of the suit

d. Approximate date the suit was filed

e. If you are not a party to this suit, what is your connection with it? Explain briefly.

(7) Size of law firm complained about:

- 1 Attorney
- 2 – 10 Attorneys
- 11 + Attorneys
- Government Attorney
- Unknown

(8) Translation Information: Not Applicable

If you require that the State Bar utilize formal translation services in order to process your complaint, it may delay our communications with you. Is someone available to provide translation assistance for you so that the State Bar may communicate with you in English?

Yes

No

If "no," state the language in which you need formal translation:

Signature



Date:

3-26-18

NOLD ♦ MUCHINSKY PLLC
Attorneys at Law

David A. Nold
dnold@noldmuchlaw.com

Bellevue Place, Suite 930
10500 NE 8th Street
Bellevue, Washington 98004

TEL: 425-289-5555
FAX: 425-289-6666

March 26, 2018

**VIA FACSIMILE: (213) 765-1168
AND FIRST CLASS MAIL**

State Bar of California
Office of Chief Trial Counsel Intake
845 South Figueroa Street
Los Angeles, CA 90017-2515

Re: Bar Complaint against Michael John Avenatti, Bar #202929

To Whom It May Concern:

I write to supplement the Attorney Complaint Form accompanying my submission to you against Michael John Avenatti.

I am an attorney licensed in Washington. I represent Bellevue Square, LLC in King County (Washington) Superior Court Cause Number 15-2-27043-5 SEA, *Bellevue Square LLC v. Global Baristas US, LLC et al.* In the course of that litigation, I learned facts implicating Mr. Avenatti's fitness to practice that I believe, based on my own ethical duties, I am obligated to report to you.

This is just one small piece of what Mr. Avenatti has done in connection with Global Baristas US, LLC ("Global") in the State of Washington antithetical to a license to practice law in any jurisdiction. In essence, he bought a company out of bankruptcy and then used it for a "pump and dump" scheme to deprive federal and state taxing authorities of millions of dollars. According to the Washington Post, he "made a profit" on selling the company and that he "exited at the right time."¹ Here is what he left behind.

A. Federal Withholding Taxes.

An employer withholds taxes from the paychecks of its employees. These are funds earned by the employee, but held in trust by the employer. Not to pay this money to the federal government subjects the employer to personal liability for the funds wrongfully retained. It also subjects the individual responsible to criminal liability.²

¹ Exhibit 1.

² See, 26 U.S.C. Sec. 3102 *et seq.*

Attached as Exhibit 1 is a Notice of Federal Tax Lien to Global Baristas US LLC and Michael Avenatti personally for unpaid Section 941 taxes. This obligation is for \$4,998,227.45. A month later, another Notice was filed for \$59,145.14 in unpaid Section 940 taxes. (Exhibit 2.)

Again: this obligation reflects funds that belonged to Global's employees and converted by Avenatti.

B. State Tax Obligations.

Avenatti also blatantly ignored several obligations to the State of Washington.

1. Department of Revenue.

Businesses in Washington State owe tax based on the amount of revenue generated. Global's failure to pay these taxes resulted in the issuance of three tax warrants between July and November 2017. (Exhibits 3-5.) These total \$649,376.09.

2. Department of Labor & Industries.

Businesses in Washington State are required to pay into a system where by employees injured while working obtain compensation. Global's failure to pay these taxes resulted in the issuance in three tax warrants in 2017. (Exhibits 6-8.) These total \$150,329.07.

C. Payment of Global Baristas US, LLC Funds for Law Firm Bankruptcy.

Eagen Avenatti, LLP was forced into bankruptcy by a creditor. In that bankruptcy, on April 6, 2017, Avenatti executed an Application to Employ Baker & Hostetler LLP as its counsel. In that application, Avenatti admitted to using Global's funds for his personal use (though his law firm):

On March 15, 2017, Global Baristas US, LLC ("Global US") paid a retainer to B&H of \$100,000 for B&H's fees and expenses incurred on EA's behalf in connection with this case ("Initial \$100,000 Retainer"). . . . On or before April 12, 2017, Global US shall pay an additional retainer to B&H of \$100,000[.]

* * *

This \$200,000 paid to B&H from Global US is not a loan to EA, and EA is under no obligation to repay Global US for any portion of the \$200,000. Global US is a limited liability company formed in the State of

Washington. Global US is owned by Global Baristas, LLC (“GBLLC”), which is also a limited liability company formed in the state of Washington. Michael Avenatti holds interests in GBLLC through Doppio, Inc. (“Doppio”), a Delaware corporation. Neither Global US, GBLLC, nor Doppio are creditors or equity security holders of EA. **The business of Global US. . . [is] entirely unrelated to the business of EA, which operates a law firm.**

(Exhibit 9, pp. 3-4, emphasis added.)

Thus, he admits that he committed Global’s funds to his bankrupt law firm with connection in their business operations and no duty to repay the money. All this while Global is in breach of its federal and state tax obligations.

D. Avenatti’s Continued Control over Global Baristas US, LLC.

Avenatti’s public claims to have sold Global are contradicted by his deposition testimony. He testified that “Avenatti & Associates, LLC” owns Doppio, LLC. He testified that Doppio owned at least 80% of Global Baristas. (Exhibit 10, dep. p. 187.) He reiterated this position in a second deposition on July 21, 2017. (Exhibit 11, dep. p. 6.)

Meanwhile documents filed with the Washington Secretary of State as of March 26, 2018 list the sole governor of Global Baristas, LLC to be Michael Avenatti. (Exhibit 12.) The sole governor of Global Baristas US, LLC is listed as Global Baristas, LLC. (Exhibit 13.)

All of the Tully’s coffee shops are now closed.

E. Conclusion.

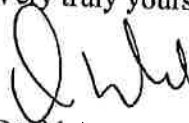
Michael Avenatti’s actions in connection with Global Baristas US, LLC have caused significant damage to the State of Washington, the federal government, and numerous private entities. They subject him to personal and criminal liability. And they implicate his fitness to practice law.

Bellevue Square relentlessly pursued the books and records of Avenatti’s operation in its judgment collection efforts. Avenatti defied multiple court orders in connection with these records, until a forensic imager was literally outside a locked door to Global’s Seattle offices. At that time, Avenatti elected to pay over a million dollars in judgments rather than permit the investigation to continue. A governmental agency interested in policing the legal profession and defend our tax coffers should be very interested to review these records, or hear Mr. Avenatti’s explanations for why he should not have to produce them.

State Bar of California
Office of Chief Trial Counsel Intake
March 26, 2018
Page 4

Thank you for your attention to this matter. Please let me know if I can be of any further assistance.

Very truly yours,



David A. Nold

Exhibits:

1. Washington Post article, March 25, 2018
2. Notice of Federal Tax Lien (941)
3. Notice of Federal Tax Lien (940)
4. Warrant for Unpaid Taxes (filed 10/24/17)
5. Warrant for Unpaid Taxes (filed 2/2/18)
6. Warrant for Unpaid Taxes (filed 3/5/18)
7. Warrant (Labor & Industries) (filed 2/13/17)
8. Warrant (Labor & Industries) (filed 6/16/17)
9. Warrant (Labor & Industries) (filed 11/30/17)
10. Application to Employ Baker & Hostetler LLP
11. Avenatti Deposition Transcript (10/4/16)
12. Avenatti Deposition Transcript (7/21/17)
13. Washington Secretary of State Business Information: Global Baristas, LLC
14. Washington Secretary of State Business Information: Global Baristas US, LLC

Style

Michael Avenatti, the adrenaline-fueled lawyer taking on President Trump

By Manuel Roig-Franzia March 25 at 8:17 PM

EXHIBIT _____
PAGE 1 OF 4

NEW YORK — In the small hours on the morning of his 41st birthday, lawyer Michael Avenatti lay restless at his home in Newport Beach, Calif. He was waiting on an email, and it finally arrived, with brain-rattling force, around 5:30 a.m.

A court in New Jersey had reversed a \$41 million verdict he'd won against the accounting giant KPMG in a case involving allegations of massive auditing fraud. Avenatti, who thought of himself as the "KPMG Killer," had missed the earlier-than-expected birth of his first daughter while doing depositions in the case on the opposite coast; he'd burned through \$3 million in out-of-pocket expenses, and his firm stood to gain somewhere in the neighborhood of \$16 million in legal fees.

Now he would get nothing.

"Ninety percent of lawyers who had taken one on the chin like that, they'd be done," Avenatti said last week over coffee at a luxury Central Park hotel.

That setback in 2012 now serves as a parable of resilience in the legend Avenatti has been crafting about himself — both with a string of multimillion-dollar jury verdicts and with his brash, almost nonstop cable news appearances. Avenatti is locked in a legal throwdown with the president of the United States over porn star Stormy Daniels, who appeared on "60 Minutes" Sunday for a much-hyped interview about her alleged affair with Donald Trump and the hush money she says she received during the 2016 campaign to keep it a secret.

Avenatti, who has heightened anticipation for his client's television appearance by dribbling out hints about major revelations, has linked his reputation to the Daniels case. It is another big bet for an attorney with an enormous appetite for risk whose roster of courthouse adversaries includes mega-corporations, as well as celebrities, such as Paris Hilton and Jim Carrey.

"He is an adrenaline junkie," says Jonathan Turley, who taught Avenatti at George Washington University's law school and has stayed in touch since his former student earned his law degree. "I think he needs that adrenaline rush. He lives his life aggressively. In both litigation and in life he shows a certain aggressive style."

One moment Avenatti is pinballing among courtrooms across the country for high-stakes litigation, including last year's \$454 million judgment in a surgical-gown fraud case, one of the largest in California history. The next he's delving into entrepreneurial pursuits, such as buying Tully's, a struggling Seattle coffee-shop chain, or blasting around a track while competing as a driver in a professional racecar circuit, sometimes hitting speeds of up to 195 mph. The main photograph on his website depicts him in a race suit rather than a business suit.

Avenatti, now 47, won't say how he ended up representing Daniels beginning about six weeks ago. The porn actress and director, whose real name is Stephanie Clifford, has claimed that she had an affair with Trump in 2006 while he was a reality-TV star whose wife, Melania, had recently given birth to their son.

"Initially, I was very skeptical about getting involved because I, much like many Americans, had preconceived notions about Stormy Daniels and her motivations and what she is all about," Avenatti says.

It took him only about 20 minutes to decide that she was credible, he says, although he won't reveal what led him to that conclusion. One thing he says he hasn't done is examine her on-screen appearances.

"Have I ever viewed pornography? Yes," he says. "Have I ever viewed her work? No."

He goes on to say that "we have in this country this Puritan, hypocritical, nonrealistic view of sex that is entirely different than the view, for instance, in Western Europe."

Avenatti's foil in the Daniels melodrama has been Trump's lawyer Michael Cohen, as much as the president. Cohen has said he took out a home-equity loan to pay Daniels \$130,000 of his own money to keep her story of the affair secret and drafted a nondisclosure agreement. Avenatti has called Cohen's claim that the president knew nothing of the deal "ridiculous."

Avenatti has been daring Cohen to appear on television with him to discuss the case. He recently used an enlarged photograph of Cohen as a prop during a contentious appearance on CNN with Cohen's attorney, David Schwartz. (Cohen and Schwartz did not respond to requests to comment for this article.)

"That was fun," Avenatti says.

The legal dispute with Daniels and Trump centers on the particulars of the porn star's nondisclosure agreement. But Avenatti is arguing a broader case about the integrity of the president and his legal team — and drawing from a well-honed playbook of using media appearances as an integral part of his strategy.

"Have I ever not been confident or have I ever not acted confident?" says Avenatti, whittling and reframing a question. "I think I've always acted confident even at times I haven't been confident."

Brian Panish, a prominent plaintiffs attorney who has worked on cases with Avenatti, compares his former colleague to William Ginsburg, Monica Lewinsky's attorney famous for appearing on all the Sunday talk shows on the same day during President Clinton's White House-intern sex scandal. It spawned the term "the full Ginsburg."

Michael Avenatti, the adrenaline-fueled lawyer taking on President Trump. The Washington Post

At the same time that he has been a ubiquitous presence on cable news sets in the Daniels case, Avenatti has also been engaged in a heated financial dispute with a former law partner who'd sued, saying he was owed millions in unpaid fees. At a court hearing, a lawyer for one side characterized the level of acrimony as "unbelievable." But the partners have now settled the case and are back on speaking terms, and Avenatti — employing a few four-letter words, as he is wont to do — says the portrayal of the squabble has been "overblown."

It comes with the territory, Avenatti says in the interview at the New York hotel. He cites an old saying about how a monkey's backside becomes more visible the higher it goes in a tree.


"I'm starting to get pretty high up in the tree," he says.

As he talks, his phone lies on the table, its battery fading from overuse. He's getting 100 to 125 interview requests a day, he says.

He checks his phone. Time is running short. He's got to go. He has a radio interview in a few minutes.

Emma Brown and Alice Crites contributed to this report.

643 Comments

Manuel Roig-Franzia is a writer in The Washington Post's Style section. His long-form articles span a broad range of subjects, including politics, power and the culture of Washington. He has also served as bureau chief in Miami for The Post's National staff and in Mexico City for the Foreign staff.  Follow @RoigFranzia

Form 668 (Y)(c)
(Rev. February 2004)

6788

Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area:

SMALL BUSINESS/SELF EMPLOYED AREA #6
Lien Unit Phone: (800) 913-6050

Serial Number

267947117

For Optional Use by Recording Office

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

EXHIBIT 2

PAGE 1

OF 1

Name of Taxpayer GLOBAL BARISTAS US LLC
MICHAEL J AVENATTI MBR

OF

PAGE

Residence 2003 WESTEM AVENUE SUITE 660
SEATTLE, WA 98121

EXHIBIT

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	09/30/2015	XX-XXX8099	02/22/2016	03/24/2026	29.10
941	12/31/2015	XX-XXX8099	03/27/2017	04/26/2027	1309494.30
941	03/31/2016	XX-XXX8099	03/27/2017	04/26/2027	1258259.68
941	06/30/2016	XX-XXX8099	03/27/2017	04/26/2027	1237674.27
941	09/30/2016	XX-XXX8099	03/27/2017	04/26/2027	1192770.10



20170705000775

IRS ACH ESCROW FTL 146.00
PAGE-001 OF 001
07/05/2017 11:52
KING COUNTY, WA

Place of Filing
COUNTY AUDITOR
KING COUNTY
SEATTLE, WA 98104

Total \$ 4998227.45

This notice was prepared and signed at SEATTLE, WA, on this, the 26th day of June, 2017.

Signature Jean Flach
for DAVID LEE

Title
REVENUE OFFICER 26-08-2516
(206) 946-3313

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax Lien Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60028X

5226 Department of the Treasury - Internal Revenue Service
Form 668 (Y)(c)
 (Rev. February 2004)
Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #6 Serial Number 271591117
 Lien Unit Phone: (800) 913-6050

For Optional Use by Recording Office

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer GLOBAL BARISTAS US LLC
 MICHAEL J AVENATTI MBR

Residence 2003 WESTEM AVENUE SUITE 660
 SEATTLE, WA 98121

EXHIBIT 3

PAGE 1 OF 1

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refilled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
940	12/31/2015	XX-XXX8099	04/10/2017	05/10/2027	59145.14

Place of Filing	COUNTY AUDITOR KING COUNTY SEATTLE, WA 98104	Total \$	59145.14
-----------------	--	----------	----------

This notice was prepared and signed at SEATTLE, WA, on this, the 24th day of July, 2017.

Signature Jean Flach Title REVENUE OFFICER 26-08-2516
 for DAVID LEE (206) 946-3313

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax Lien Rev. Rul. 71-488, 1971 - 2 C.B. 409)

FILED
17 OCT 24 PM 4:02

KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 17-2-27727-4 SEA



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
COMPLIANCE ADMINISTRATION
OLYMPIA, WASHINGTON 98501-1287

BEFORE THE DEPARTMENT OF REVENUE THE STATE OF
WASHINGTON
WARRANT FOR UNPAID TAXES

WARRANT NO.	INVOICE NO.	POSTING PERIOD	DATE OF ISSUE	DISTRICT OFFICE	REGISTRATION NO.
219233A	051	08-2017	10/12/2017	Seattle 4-2-1	603 269 225

TAXPAYER

GLOBAL BARISTAS US LLC (a limited liability company)
2003 WESTERN AVE STE 660
SEATTLE WA 98121-2177

SUMMARY OF LIABILITY:

The liability of this warrant includes the period(s): July-2017, August-2017



Original

EXHIBIT 4
PAGE 1 OF 2



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
COMPLIANCE ADMINISTRATION
OLYMPIA, WASHINGTON 98501-1287

BEFORE THE DEPARTMENT OF REVENUE THE STATE OF
WASHINGTON
WARRANT FOR UNPAID TAXES

WARRANT NO. 219233A	INVOICE NO. 051	POSTING PERIOD 08-2017	DATE OF ISSUE 10/12/2017	DISTRICT OFFICE Seattle 4-2 -1	REGISTRATION NO. 603 269 225
-------------------------------	--------------------	---------------------------	-----------------------------	-----------------------------------	---------------------------------

STATE OF
WASHINGTON VS.

GLOBAL BARISTAS US LLC (a limited liability company)
2003 WESTERN AVE STE 660
SEATTLE WA 98121-2177

SUMMARY OF LIABILITY: The liability of this warrant includes the period(s): July-2017, August-2017

TAX DUE:	\$259,807.04
DELINQUENT PENALTY:	\$23,382.63
WARRANT PENALTY (10% of Tax):	\$25,980.70
AUDIT INTEREST:	\$94.45
ADDITIONAL INTEREST:	\$465.66
ADDITIONAL PENALTY:	\$12,323.06
TOTAL DUE	\$322,053.54

The State of Washington, through the Department of Revenue, to RYAN ANDERSON, or any other agent of the Department of Revenue:
WHEREAS, the taxpayer is indebted to the State of Washington in the amount of **\$322,053.54** for taxes, increases and penalties imposed under and by virtue of Chapters 82.04 through 82.32 RCW, for the period(s) shown above, together with interest thereon at the rate allowed by law from and after the date of this warrant; and

WHEREAS, the amount specified above became due more than fifteen days prior to the date of this warrant, or is hereby declared to be immediately due and payable for the reason that the Director of the Department of Revenue does believe that the tax or penalty specified above will not be paid when due;

NOW, THEREFORE, In the name of the State of Washington, you are commanded (1) to file a copy of this warrant with the Clerk of the Superior Court of a county in which you may find property of the taxpayer, and (2) to levy upon the personal property of said taxpayer to the total amount specified above, together with interest at the rate allowed by law to the date of said levy, and together with cost of executing this warrant, and make sale thereof according to law, and to levy upon and seize any surety bond or other security conditioned upon payment by the taxpayer of taxes due the State of Washington, and if sufficient personal property and bonds or other security cannot be found, to satisfy said amount due out of the real property of said taxpayer.

WITNESS, the Department of Revenue of the State of Washington and the Seal of said Department, affixed on October 12, 2017.



E. O. [Signature]

Program Manager, Compliance Division

Original

FILED
18 FEB 02 AM 11:49

KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 18-2-02922-8 SEA



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
COMPLIANCE ADMINISTRATION
OLYMPIA, WASHINGTON 98501-1267

**BEFORE THE DEPARTMENT OF REVENUE THE STATE OF
WASHINGTON
WARRANT FOR UNPAID TAXES**

WARRANT NO. 220457A	INVOICE NO. 053	POSTING PERIOD 09-2017	DATE OF ISSUE 11/20/2017	DISTRICT OFFICE Seattle 4-2-1	REGISTRATION NO. 603 269 225
-------------------------------	---------------------------	----------------------------------	------------------------------------	---	--

TAXPAYER

**GLOBAL BARISTAS US LLC (a limited liability company)
8805 POINTS DR NE
CLYDE HILL WA 98004-1616**

SUMMARY OF LIABILITY:
The liability of this warrant includes the period(s): **September-2017**



Original

EXHIBIT 5
PAGE 1 OF 2



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
COMPLIANCE ADMINISTRATION
OLYMPIA, WASHINGTON 98501-1267

BEFORE THE DEPARTMENT OF REVENUE THE STATE OF
WASHINGTON
WARRANT FOR UNPAID TAXES

WARRANT NO. 220457A	INVOICE NO. 053	POSTING PERIOD 09-2017	DATE OF ISSUE 11/20/2017	DISTRICT OFFICE Seattle 4-2-1	REGISTRATION NO. 603 269 225
-------------------------------	--------------------	---------------------------	-----------------------------	----------------------------------	---------------------------------

STATE OF
WASHINGTON VS.

GLOBAL BARISTAS US LLC (a limited liability company)
8805 POINTS DR NE
CLYDE HILL WA 98004-1615

SUMMARY OF LIABILITY: The liability of this warrant includes the period(s): September-2017

TAX DUE:	\$123,489.47
DELINQUENT PENALTY:	\$11,114.05
WARRANT PENALTY (10% of Tax):	\$12,348.95
AUDIT INTEREST:	\$20.30
ADDITIONAL INTEREST:	\$182.70
ADDITIONAL PENALTY:	\$0.00
TOTAL DUE	\$147,155.47

The State of Washington, through the Department of Revenue, to RYAN ANDERSON, or any other agent of the Department of Revenue:
WHEREAS, the taxpayer is indebted to the State of Washington in the amount of \$147,155.47 for taxes, increases and penalties imposed under and by virtue of Chapters 82.04 through 82.32 RCW, for the period(s) shown above, together with interest thereon at the rate allowed by law from and after the date of this warrant; and

WHEREAS, the amount specified above became due more than fifteen days prior to the date of this warrant, or is hereby declared to be immediately due and payable for the reason that the Director of the Department of Revenue does believe that the tax or penalty specified above will not be paid when due;

NOW, THEREFORE, in the name of the State of Washington, you are commanded (1) to file a copy of this warrant with the Clerk of the Superior Court of a county in which you may find property of the taxpayer, and (2) to levy upon the personal property of said taxpayer to the total amount specified above, together with interest at the rate allowed by law to the date of said levy, and together with cost of executing this warrant, and make sale thereof according to law, and to levy upon and seize any surety bond or other security conditioned upon payment by the taxpayer of taxes due the State of Washington, and if sufficient personal property and bonds or other security cannot be found, to satisfy said amount due out of the real property of said taxpayer.

WITNESS, the Department of Revenue of the State of Washington and the Seal of said Department, affixed on November 20, 2017.



E. O. [Signature]

Program Manager, Compliance Division

Original

FILED
18 MAR 05 PM 3:57

**KING COUNTY
SUPERIOR COURT CLERK
E-FILED
CASE NUMBER: 18-2-05937-2 SEA**



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
COMPLIANCE ADMINISTRATION
OLYMPIA, WASHINGTON 98501-1267

**BEFORE THE DEPARTMENT OF REVENUE THE STATE OF
WASHINGTON
WARRANT FOR UNPAID TAXES**

WARRANT NO. 223184A	INVOICE NO. 056	POSTING PERIOD 11-2017	DATE OF ISSUE 02/01/2018	DISTRICT OFFICE Seattle 4 -2 -1	REGISTRATION NO. 603 289 225
-------------------------------	---------------------------	----------------------------------	------------------------------------	---	--

TAXPAYER

**GLOBAL BARISTAS US LLC (a limited liability company)
8805 POINTS DR NE
CLYDE HILL WA 98004-1616**

SUMMARY OF LIABILITY:

The liability of this warrant includes the period(s): October-2017, November-2017



Original

EXHIBIT 6

PAGE 1 OF 2



STATE OF WASHINGTON
DEPARTMENT OF REVENUE
COMPLIANCE ADMINISTRATION
OLYMPIA, WASHINGTON 98501-1267

BEFORE THE DEPARTMENT OF REVENUE THE STATE OF
WASHINGTON
WARRANT FOR UNPAID TAXES

WARRANT NO. 223184A	INVOICE NO. 056	POSTING PERIOD 11-2017	DATE OF ISSUE 02/01/2018	DISTRICT OFFICE Seattle 4-2-1	REGISTRATION NO. 603 269 225
-------------------------------	---------------------------	----------------------------------	------------------------------------	---	--

STATE OF
WASHINGTON VS.

GLOBAL BARISTAS US LLC (a limited liability company)
8805 POINTS DR NE
CLYDE HILL WA 98004-1615

SUMMARY OF LIABILITY: The liability of this warrant includes the period(s): **October-2017, November-2017**

TAX DUE:	\$133,754.90
DELINQUENT PENALTY:	\$12,037.94
WARRANT PENALTY (10% of Tax):	\$13,375.49
AUDIT INTEREST:	\$86.62
ADDITIONAL INTEREST:	\$445.84
ADDITIONAL PENALTY:	\$20,466.29
TOTAL DUE	\$180,167.08

The State of Washington, through the Department of Revenue, to RYAN ANDERSON, or any other agent of the Department of Revenue:
WHEREAS, the taxpayer is indebted to the State of Washington in the amount of \$180,167.08 for taxes, increases and penalties imposed under and by virtue of Chapters 82.04 through 82.32 RCW, for the period(s) shown above, together with interest thereon at the rate allowed by law from and after the date of this warrant; and

WHEREAS, the amount specified above became due more than fifteen days prior to the date of this warrant, or is hereby declared to be immediately due and payable for the reason that the Director of the Department of Revenue does believe that the tax or penalty specified above will not be paid when due;

NOW, THEREFORE, in the name of the State of Washington, you are commanded (1) to file a copy of this warrant with the Clerk of the Superior Court of a county in which you may find property of the taxpayer, and (2) to levy upon the personal property of said taxpayer to the total amount specified above, together with interest at the rate allowed by law to the date of said levy, and together with cost of executing this warrant, and make sale thereof according to law, and to levy upon and seize any surety bond or other security conditioned upon payment by the taxpayer of taxes due the State of Washington, and if sufficient personal property and bonds or other security cannot be found, to satisfy said amount due out of the real property of said taxpayer.

WITNESS, the Department of Revenue of the State of Washington and the Seal of said Department, affixed on February 1, 2018.



E. D. [Signature]

Program Manager, Compliance Division

FILED

17 FEB 13 AM 9:49

KING COUNTY
SUPERIOR COURT CLERK
E-FILED

CASE NUMBER: 17-2-03443-6 SEA

WARRANT

Department of Labor & Industries
COLLECTIONS
Olympia, Washington 98504-4170

IN THE MATTER OF THE ASSESSMENT OF
WORKERS' COMPENSATION TAXES AGAINST:

GLOBAL BARISTAS US LLC
A LIMITED LIABILITY COMPANY,
DBA TULLYS
2003 WESTERN AVE STE 660
SEATTLE WA 981212177

An Employer, Account ID 260,839-00
Unified Business Identifier (UBI) 603269225

THE DIRECTOR OF THE DEPARTMENT OF LABOR & INDUSTRIES OF THE
STATE OF WASHINGTON:

TO THE CLERK OF KING COUNTY, STATE OF WASHINGTON,

WHEREAS, a Notice and Order of Assessment of Workers' Compensation
Taxes NO. 0647366 in the amount of \$46,384.92 was served, pursuant
to RCW 51.48.120, on the above named employer, and WHEREAS, the
above named employer has not filed or pursued an appeal with the
Board of Industrial Insurance Appeals or the Director of the
Department of Labor & Industries within thirty days of the date
of service of the Notice and Order of Assessment, and WHEREAS the
Notice and Order of Assessment therefore became final and
established in the remaining unpaid balance of \$53,824.01,
which includes penalties, interest and fees through
January 31, 2017.

Cause No.

Warrant No. 0316571
for Unpaid
Workers'
Compensation Taxes

260,839-00 1353272

EXHIBIT 7

PAGE 1 OF 2

**WARRANT
DEPARTMENT OF LABOR & INDUSTRIES**

WARRANT NO. 0316571

An employer, Account ID 260,839-00
UBI: 603269225

NOW THEREFORE, pursuant to RCW 51.48.140, the Clerk of KING County shall designate a Superior Court cause number for this Warrant and cause to be entered in the judgment docket under the cause number assigned, the name of the listed employer, the date of the filing of the Warrant, and the warrant amount of **Fifty Three Thousand, Nine Hundred Sixty Four and 1/100 Dollars, (\$53,964.01)**, which includes the statutory filing fee of Twenty Dollars and the statutory surcharge of Twenty Dollars.

The aggregate amount of this Warrant as docketed is a lien upon the title to, and interest in all real and personal property of the employer against whom this Warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk, and is sufficient to support the issuance of writs of garnishment in favor of the state in a manner provided by law in case of judgment, wholly or partially unsatisfied.

Delinquent taxes shall bear interest at the rate of one percent of the delinquent amount per month or fraction thereof from and after the due date until payment, increases, and penalties are received by the department (RCW 51.48.210)

Dated this 30th day of January 2017
For the Director of the
DEPARTMENT OF LABOR & INDUSTRIES



By: Griselda Ledesma
Revenue Agent
Phone: (206) 515-2848
Dept. of Labor & Industries
315 5th Avenue South Ste #200
Seattle WA 98104

STATUTORY REFERENCES ATTACHED
260,839-00 1353272

FILED

17 JUN 16 AM 11:38

KING COUNTY
SUPERIOR COURT CLERK
E-FILED

CASE NUMBER: 17-2-15691-4 SEA

WARRANT

Department of Labor & Industries
COLLECTIONS
Olympia, Washington 98504-4170

IN THE MATTER OF THE ASSESSMENT OF
WORKERS' COMPENSATION TAXES AGAINST:

GLOBAL BARISTAS US LLC
A LIMITED LIABILITY COMPANY,
DBA TULLYS
2003 WESTERN AVE STE 660
SEATTLE WA 981212177

An Employer, Account ID 260,839-00
Unified Business Identifier (UBI) 603269225

THE DIRECTOR OF THE DEPARTMENT OF LABOR & INDUSTRIES OF THE
STATE OF WASHINGTON:

TO THE CLERK OF KING COUNTY, STATE OF WASHINGTON,

WHEREAS, a Notice and Order of Assessment of Workers' Compensation
Taxes NO. 0653736 in the amount of \$41,264.29 was served, pursuant
to RCW 51.48.120, on the above named employer, and WHEREAS, the
above named employer has not filed or pursued an appeal with the
Board of Industrial Insurance Appeals or the Director of the
Department of Labor & Industries within thirty days of the date
of service of the Notice and Order of Assessment, and WHEREAS the
Notice and Order of Assessment therefore became final and
established in the remaining unpaid balance of \$46,053.89,
which includes penalties, interest and fees through
June 30, 2017.

) Cause No.

) Warrant No. 0319825
) for Unpaid
) Workers'
) Compensation Taxes

260,839-00 1371855

EXHIBIT 8

PAGE 1 OF 2

**WARRANT
DEPARTMENT OF LABOR & INDUSTRIES**

WARRANT NO. 0319825


An employer, Account ID 260,839-00
UBI: 603269225

NOW THEREFORE, pursuant to RCW 51.48.140, the Clerk of KING County shall designate a Superior Court cause number for this Warrant and cause to be entered in the judgment docket under the cause number assigned, the name of the listed employer, the date of the filing of the Warrant, and the warrant amount of **Forty Six Thousand, One Hundred Ninety Three and 89/100 Dollars, (\$46,193.89)**, which includes the statutory filing fee of Twenty Dollars and the statutory surcharge of Twenty Dollars.

The aggregate amount of this Warrant as docketed is a lien upon the title to, and interest in all real and personal property of the employer against whom this Warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk, and is sufficient to support the issuance of writs of garnishment in favor of the state in a manner provided by law in case of judgment, wholly or partially unsatisfied.

Delinquent taxes shall bear interest at the rate of one percent of the delinquent amount per month or fraction thereof from and after the due date until payment, increases, and penalties are received by the department (RCW 51.48.210)

Dated this 15th day of June 2017
For the Director of the
DEPARTMENT OF LABOR & INDUSTRIES


By: Gerond Kolonja
Revenue Agent
Phone: (206) 515-2843
Dept. of Labor & Industries
315 5th Avenue South Ste #200
Seattle WA 98104

STATUTORY REFERENCES ATTACHED
260,839-00 1371855

FILED

17 NOV 30 PM 4:02

KING COUNTY
SUPERIOR COURT CLERK
E-FILED

CASE NUMBER: 17-2-30862-5 SEA

WARRANT

Department of Labor & Industries
COLLECTIONS
Olympia, Washington 98504-4170

IN THE MATTER OF THE ASSESSMENT OF
WORKERS' COMPENSATION TAXES AGAINST:

GLOBAL BARISTAS US LLC
A LIMITED LIABILITY COMPANY,
DBA TULLYS
2003 WESTERN AVE STE 660
SEATTLE WA 981212177

An Employer, Account ID 260,839-00
Unified Business Identifier (UBI) 603269225

THE DIRECTOR OF THE DEPARTMENT OF LABOR & INDUSTRIES OF THE
STATE OF WASHINGTON:

TO THE CLERK OF KING COUNTY, STATE OF WASHINGTON,

WHEREAS, a Notice and Order of Assessment of Workers' Compensation
Taxes NO. 0660466 in the amount of \$42,768.57 was served, pursuant
to RCW 51.48.120, on the above named employer, and WHEREAS, the
above named employer has not filed or pursued an appeal with the
Board of Industrial Insurance Appeals or the Director of the
Department of Labor & Industries within thirty days of the date
of service of the Notice and Order of Assessment, and WHEREAS the
Notice and Order of Assessment therefore became final and
established in the remaining unpaid balance of \$50,031.17,
which includes penalties, interest and fees through
November 30, 2017.

) Cause No.
)
) Warrant No. 0323053
) for Unpaid
) Workers'
) Compensation Taxes

260,839-00 1390397

EXHIBIT 9

PAGE 1 OF 2

**WARRANT
DEPARTMENT OF LABOR & INDUSTRIES**

WARRANT NO. 0323053

An employer, Account ID 260,839-00
UBI: 603269225


NOW THEREFORE, pursuant to RCW 51.48.140, the Clerk of KING County shall designate a Superior Court cause number for this Warrant and cause to be entered in the judgment docket under the cause number assigned, the name of the listed employer, the date of the filing of the Warrant, and the warrant amount of **Fifty Thousand, One Hundred Seventy One and 17/100 Dollars, (\$50,171.17), which includes the statutory filing fee of Twenty Dollars and the statutory surcharge of Twenty Dollars.**

The aggregate amount of this Warrant as docketed is a lien upon the title to, and interest in all real and personal property of the employer against whom this Warrant is issued, the same as a judgment in a civil case duly docketed in the office of such clerk, and is sufficient to support the issuance of writs of garnishment in favor of the state in a manner provided by law in case of judgment, wholly or partially unsatisfied.

Delinquent taxes shall bear interest at the rate of one percent of the delinquent amount per month or fraction thereof from and after the due date until payment, increases, and penalties are received by the department (RCW 51.48.210)

Dated this 30th day of November 2017
For the Director of the
DEPARTMENT OF LABOR & INDUSTRIES

FOR



By: Griselda Ledesma
Revenue Agent
Phone: (206) 515-2848
Dept. of Labor & Industries
315 5th Avenue South Ste #200
Seattle WA 98104

STATUTORY REFERENCES ATTACHED
260,839-00 1390397

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

In re:

EAGAN AVENATTI, LLP

Debtor.

CHAPTER 11

CASE NO.: 6:17-bk-01329-KSJ

APPLICATION OF EAGAN AVENATTI, LLP TO EMPLOY
ELIZABETH A. GREEN AND THE LAW FIRM OF BAKER & HOSTETLER LLP
AS CHAPTER 11 COUNSEL, NUNC PRO TUNC TO MARCH 10, 2017

EAGAN AVENATTI, LLP ("EA"), seeks authorization to employ Elizabeth A. Green and the law firm of Baker & Hostetler LLP ("B&H") as its counsel in this case, *nunc pro tunc* to March 10, 2017, stating as follows in support:

1. On March 1, 2017 ("Involuntary Petition Date"), an involuntary Chapter 11 petition (Doc. No. 1) was commenced against EA by Gerald Tobin ("Tobin" or "Petitioning Creditor") in the United States Bankruptcy Court for the Middle District of Florida, Orlando Division (the "Court"). On March 10, 2017, EA filed an Answer and Consent to Entry of Order for Relief (Doc. No. 10). EA continued to operate its business with the assistance of its employees following the Involuntary Petition Date pursuant to Bankruptcy Code¹ Section 303(f).
2. On March 10, 2017, the Court entered its Order for Relief, (Doc. No. 13). No trustee has been appointed. EA intends to continue to operate its business in the ordinary course as debtor in possession pursuant to Bankruptcy Code Sections 1107 and 1108.
3. EA desires to employ B&H, pursuant to Section 327(e) of the Bankruptcy Code, to assist EA in its bankruptcy case.

¹ All references to the "Bankruptcy Code" refer to 11 U.S.C. §§ 101 *et seq.*

EXHIBIT 10

PAGE 1 OF 4

4. EA has selected B&H because:
 - a. partners and associates of B&H are admitted to practice in this Court;
 - b. partners and associates of B&H are experienced in rendering the types of legal services that will be required in this case; and
 - c. B&H will be able to efficiently and cost-effectively render services necessary in this Chapter 11 case.
5. In the continuation of EA's estate and in the administration of this case, legal services will be required as to, but not limited to, the following:
 - a. advising as to EA's rights and duties in this case;
 - b. preparing pleadings related to this case, including a disclosure statement and a plan of reorganization;
 - c. negotiating with creditors in this case with respect to treatment under the Plan of Reorganization;
 - d. soliciting acceptances for the Disclosure Statement and a Plan of Reorganization; and
 - e. taking any and all other necessary action incident to the proper preservation and administration of this estate.
6. Except as may be set forth in its Verified Statement pursuant to Fed. R. Bank. P. 2014, B&H has no connection with any lenders or other creditors, any other party-in-interest, their respective attorneys and accountants, the United States Trustee, or any persons employed by the United States Trustee.
7. To EA's knowledge, B&H represents no interest adverse to EA or to its estate in matters upon which it is to be engaged, and employment of BH would be in the best interest of the estate.
8. On March 8, 2017, EA paid a retainer to B&H of \$10,000 for expenses and services rendered by B&H to EA in connection with determining EA's rights as a result of the

involuntary petition commenced by Tobin ("Pre-Order for Relief Retainer"). The Pre-Order for Relief Retainer was intended to compensate B&H for fees and expenses incurred in connection with B&H's representation of EA from March 3, 2017 through March 10, 2017, just prior to the entry of the Order for Relief ("GAP Period"). However, because the Pre-Order for Relief Retainer was in the form of a check, and the Order for Relief was entered on an expedited basis, the check for the Pre-Order for Relief Retainer cleared after the Order for Relief was entered. As such, B&H is returning the \$10,000 Pre-Order for Relief Retainer to EA.

9. On March 15, 2017, Global Baristas US, LLC ("Global US") paid a retainer to B&H of \$100,000 for B&H's fees and expenses incurred on EA's behalf in connection with this case ("Initial \$100,000 Retainer"). During the GAP Period, Global US paid B&H fees and costs totaling \$22,627.88 from the \$100,000 retainer, leaving \$77,375.12. On or before April 12, 2017, Global US shall pay an additional retainer to B&H of \$100,000, for a collective Chapter 11 retainer of \$177,375.12 ("Chapter 11 Retainer"). Additionally, Michael Avenatti, Managing Partner of EA, has personally guaranteed payment of B&H's Chapter 11 Retainer and any other fees and expenses incurred by B&H on EA's behalf related to EA's Chapter 11 case.

10. The \$200,000 paid to B&H from Global US is not a loan to EA, and EA is under no obligation to repay Global US for any portion of the \$200,000. Global US is a limited liability company formed in the state of Washington. Global US is owned by Global Baristas, LLC ("GBLLC"), which is also a limited liability company formed in the state of Washington. Michael Avenatti holds interests in GBLLC through Doppio, Inc. ("Doppio"), a Delaware corporation. Neither Global US, GBLLC, nor Doppio are creditors or equity security holders of EA. EA is not a creditor, guarantor, or equity security holder of Global US, GBLLC, or Doppio. The business of Global US, GBLLC, and Doppio (which are in the coffee business) are entirely

unrelated to the business of EA, which operates a law firm. Neither Global US, GBLLC, nor Dopplo share the same day-to-day operational management or employees as EA. Mr. Avenatti's ownership interests in Global US, GBLLC, and Dopplo is the only connection in common with EA.

11. The terms of employment agreed to between EA and B&H, subject to approval of the Court, are that services will be billed at the standard hourly rates of the respective attorneys and paralegals of B&H and are subject to periodic adjustment to reflect economic and other considerations. B&H will apply any retainer to its periodic billings subject to interim and final applications for compensation and approval by the Court, and, at an appropriate time, B&H may make application for an award of additional compensation; and EA, subject to Court approval, shall be responsible for all fees and expenses incurred by B&H.

WHEREFORE, EAGAN AVENATTI, LLP respectfully requests the entry of an order, *nunc pro tunc* to March 10, 2017, authorizing it to retain and employ Elizabeth A. Green and the law firm of Baker & Hostetler, LLP, as counsel in this case, and for such other and further relief as is just and proper in the circumstances.

RESPECTFULLY SUBMITTED this 6th day of April, 2017.


EAGAN AVENATTI, LLP
By: Michael Avenatti, Managing Partner

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

SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

BELLEVUE SQUARE, LLC, a)	
Washington limited liability)	
company,)	
Plaintiff,)	
vs.)	No. 15-2-27043-5 SEA
GLOBAL BARISTAS US, LLC, a)	
Washington limited liability)	
company; B-SQUARED)	
CONSTRUCTION, INC., a)	
Washington corporation,)	
Defendants.)	

VIDEOTAPED 30(b)(6) DEPOSITION UPON ORAL EXAMINATION
OF
GLOBAL BARISTAS
MICHAEL JOHN AVENATTI
VOLUME II

4:13 p.m.
October 4, 2016
1201 Pacific Avenue, Suite 1200
Tacoma, Washington

REPORTED BY: Brenda Steinman, CCR #2717

EXHIBIT 11
PAGE 1 OF 3

1 to believe this, but I just got this voicemail from
2 Howard McQuaid. And then he told me about the
3 voicemail.

4 Q. Was Mr. Helm on that call?

5 A. No.

6 Q. Who are the owners of Global Baristas?

7 A. Doppio, LLC, and a number of trusts.

8 Q. Spell Doppio, please.

9 A. D-O-P-P-I-O.

10 Q. Who owns Doppio, LLC?

11 A. Avenatti and Associates, LLC.

12 Q. What percentage interest does Doppio own?

13 A. It's greater than 80 percent. I don't

14 recall the exact percentage.

15 Q. Do you also control the trusts that own the
16 remainder?

17 A. No.

18 Q. Who controls those trusts?

19 A. A gentleman by the name of Larry
20 Spitcaufsky.

21 Q. Spell the last name, please.

22 A. S-P-I-T-C-A-U-F-S-K-Y.

23 Q. Does -- I'll call him 'Larry so I don't have

24 to take a crack at that last name. Is he involved in

25 the day to day decision making of Global Baristas at

1 all?

2 A. No.

3 Q. Does he have any title with the company?

4 A. No.

5 Q. Who are currently the officers of Global
6 Baristas?

7 A. I believe just myself. I mean we don't have
8 officers in a traditional sense, because it's an LLC
9 as opposed to an S or C corp. Obviously we're not
10 publicly traded.

11 Q. Right. Forgive me if I'm misquoting you,
12 but I believe from this morning you said either
13 Mr. Helm had been replaced but Mr. McDonald had not,
14 or vice versa.

15 A. Mr. Helm was never an officer. He was the
16 director of retail operations.

17 Q. And he has not been replaced.

18 A. Mr. Helm has been replaced.

19 Q. Who is currently the director of retail
20 operations?

21 A. Melissa Grice.

22 Q. Spell the last name, please.

23 A. G-R-I-C-E.

24 Q. When did she become the director of retail
25 operations?

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING

BELLEVUE SQUARE, LLC, a)
Washington limited liability)
company,)

Plaintiff,)

vs.)

No. 15-2-27043-5 SEA

GLOBAL BARISTAS US, LLC, a)
Washington limited liability)
company; and B-SQUARED)
CONSTRUCTION, INC., a)
Washington corporation,)

Defendants.)

B-SQUARED CONSTRUCTION, INC.,)

Plaintiff,)

vs.)

HARTFORD FIRE INSURANCE)
COMPANY, Surety for Bellevue)
Square, LLC,)

Defendant.)

SUPPLEMENTAL PROCEEDING

of

MICHAEL AVENATTI

King County Courthouse
516 Third Avenue
Seattle, Washington 98104

EXHIBIT 12

DATE: July 21, 2017
REPORTED BY: Olivia Pennella

PAGE 1 OF 2

Page 6

1 briefly, if you'd like.
 2 A. I think I'm generally familiar with the rules.
 3 Q. Well, I'll -- the short and sweet version is,
 4 verbal responses only. We'll try not to speak over each
 5 other. You know, tell me if you don't understand a
 6 question.
 7 Let me know if you need a break. And I'll ask
 8 that you answer my questions post your counsel's
 9 objection, unless instructed otherwise by your counsel.
 10 So Global Baristas is an LLC, correct?
 11 A. Yes, sir.
 12 Q. I'm just trying to understand the
 13 organizational structure -- who owns what. Who are the
 14 members of Global Baristas LLC?
 15 A. Global Baristas LLC has three members, as I
 16 recall: Doppio Inc., the Spitzkaufsky Trust has a small
 17 percentage, and I believe another family trust
 18 established by Sim Osborn.
 19 Q. The same Sim Osborn that is the named partner
 20 in Osborn Machler, your counsel?
 21 A. Yes, sir.
 22 Q. So, tell me about Doppio Inc. Where is it
 23 incorporated?
 24 A. I'm not here to answer questions about Doppio
 25 Inc., sir. I'm here to answer questions as the

Page 7

1 corporate designee of Global Baristas LLC. If you
 2 wanted a supplemental proceeding against Doppio Inc.,
 3 then you should have asked for that.
 4 Q. Okay.
 5 A. But I believe it's incorporated in Delaware.
 6 But I did not check the incorporation before I came here
 7 today, 'cause I did not expect to answer questions on
 8 Doppio.
 9 Q. Well, you understand we have a judgment
 10 against Global Baristas US, LLC, correct?
 11 A. That's an entirely different company than
 12 Global Baristas, and it's an entirely different company
 13 from Doppio. But, yes --
 14 Q. They're not related in any way, shape, or
 15 form?
 16 A. Sir, you haven't asked me that question. But
 17 I understand that you have a judgment, which may or may
 18 not hold up ultimately against Global Baristas US, LLC.
 19 That is an entirely different company than Global
 20 Baristas and Doppio Inc.
 21 Q. Why don't you tell me the exact nature of the
 22 relationship between Global Baristas LLC and Global
 23 Baristas US, LLC?
 24 A. Global Baristas LLC owns 100 percent of the
 25 membership units in Global Baristas US, LLC. They are

Page 8

1 separate limited liability companies that were
 2 established in 2013.
 3 Q. For what purpose?
 4 A. For general corporate governance and
 5 operational purposes. It's not unusual, in my
 6 experience, to have multiple entities in connection with
 7 one or more purposes. In fact, it's fairly standard.
 8 Q. You're saying you don't know the purpose of
 9 US, LLC -- why you set that up?
 10 A. No, I think I just answered your question. I
 11 told you exactly why. Namely, at the time that the
 12 assets of the former Tully's Company -- which was TC
 13 Global -- at the time those assets were purchased by
 14 Global Baristas LLC in 2013, a number of entities were
 15 set up for the purpose of operating the company and for
 16 the purposes of addressing various aspects of the
 17 company's operational agreements, et cetera. One of
 18 those entities was Global Baristas US, LLC.
 19 Q. You said a lot of stuff, but I'm not sure you
 20 said anything. What business do you operate --
 21 MS. MACHLER: I'm going to object to that.
 22 You can ask him questions, but that's -- that wasn't a
 23 question. So let's just ask questions, okay?
 24 Q. (By Mr. Uddin) Fine. Okay. What entity do
 25 you use to operate Tully's coffee stores?

Page 9

1 A. Well, I don't know that I understand your
 2 question entirely, sir. But, generally, most of the
 3 day-to-day operation activities occur through Global
 4 Baristas US, LLC. And they have occurred through Global
 5 Baristas US, LLC since 2013.
 6 Q. Does Baristas LLC have any parent entities or
 7 umbrella operations?
 8 A. I don't understand the question. Which
 9 entity?
 10 Q. Baristas LLC. Global Baristas LLC, does that
 11 have any parents?
 12 A. Well, I don't know exactly what you mean by
 13 the word "parent." But -- but I believe that Doppio
 14 would be a parent to Global Baristas LLC, technically.
 15 Q. So US, LLC is wholly owned by Baristas LLC; is
 16 that fair?
 17 A. Global Baristas US, LLC is wholly owned by
 18 Global Baristas LLC, yes.
 19 Q. Okay. Does US, LLC ever make distributions to
 20 Baristas LLC or its members?
 21 A. No, not that I can recall. Certainly not
 22 within the last three years, which I think is the scope
 23 of the order.
 24 Q. Does it make any transfers?
 25 A. Are you asking me about Global Baristas or

Corporations and Charities Filing System Business Information



BUSINESS INFORMATION

GLOBAL BARISTAS, LLC

Business Name:

603 259 246

UBI Number:

WA LIMITED LIABILITY COMPANY

Business Type:

ACTIVE

Business Status:

2003 WESTERN AVE STE 660, SEATTLE, WA, 98121-2177, UNITED STATES

Principal Office Street Address:

Principal Office Mailing Address:

12/31/2018

Expiration Date:

UNITED STATES, WASHINGTON

Jurisdiction:

12/12/2012

Formation/ Registration Date:

Perpetual

Period of Duration:

FOOD & BEVERAGES

Inactive Date:

Nature of Business:

EXHIBIT 13
PAGE 1 OF 2

REGISTERED AGENT INFORMATION

Registered Agent Name:

UNISEARCH, INC.

Street Address:

1780 BARNES BLVD SW, TUMWATER, WA, 98512, UNITED STATES

Mailing Address:

1780 BARNES BLVD SW, TUMWATER, WA, 98512, UNITED STATES

GOVERNORS

Title	Governors Type	Entity Name	First Name	Last Name
GOVERNOR	INDIVIDUAL		MICHAEL	AVENATTI

Back

[Filing History](#) [Name History](#) [Print](#) [Return to Business Search](#)

Corporations and Charities Filing System Business Information



BUSINESS INFORMATION

GLOBAL BARISTAS US, LLC

Business Name:

603 269 225

UBI Number:

WA LIMITED LIABILITY COMPANY

Business Type:

ACTIVE

Business Status:

1111 3RD AVE STE 3400, SEATTLE, WA, 98101, UNITED STATES

Principal Office Street Address:

Principal Office Mailing Address:

01/31/2019

Expiration Date:

UNITED STATES, WASHINGTON

Jurisdiction:

01/23/2013

Formation/ Registration Date:

Perpetual

Period of Duration:

EXHIBIT 14
PAGE 1 OF 2

Inactive Date:

Nature of Business:

REGISTERED AGENT INFORMATION

Registered Agent Name:

UNISEARCH, INC.

Street Address:

1780 BARNES BLVD SW, TUMWATER, WA, 98512-0410, UNITED STATES

Mailing Address:

1780 BARNES BLVD SW, TUMWATER, WA, 98512-0410, UNITED STATES

GOVERNORS

Title	Governors Type	Entity Name	First Name	Last Name
GOVERNOR	INDIVIDUAL			GLOBAL BARISTAS, LLC

Back



UNITED STATES POSTAGE
EAGLE
FITNESS DRIVES
02 IP \$002.26⁰
0000718076 MAR 27 2018
MAILED FROM ZIP CODE 98004



NOLD ♦ MUCHINSKY
10500 NE 8th Street, Suite 930
Bellevue, WA 98004

To: Office of Chief Trial Counsel
c/o Intake Dept., State Bar of California
845 South Figueroa Street
Los Angeles, CA 90017