

CAUSE NO. 2018-06480

FREE AND SOVEREIGN STATE OF
VERACRUZ DE IGNACIO DE LA LLAVE
Plaintiff,

vs.

83 WEST JAGGED RIDGE, LLC, 87 WEST
JAGGED RIDGE, LLC, 175 W NEW
HARMONY, LLC, 18 GRIFFIN HILL, LLC,
138 BRYCE BRANCH, LLC, MONICA M.
TUBILLA, 43 SPINNING WHEEL, LLC,
JAVIER DUARTE DE OCHOA, JOSE A.
BANDIN, MONICA BABAYAN, and
BANBA OFFICES, LLC
Defendants.

IN THE DISTRICT COURT OF

295TH JUDICIAL DISTRICT

HARRIS COUNTY, TEXAS

JURY TRIAL DEMANDED

PLAINTIFF'S FIRST AMENDED PETITION

TO THIS HONORABLE COURT:

Plaintiff, the Free and Sovereign State of Veracruz De Ignacio De La Llave ("Veracruz"), files this Original Petition against Defendants 83 West Jagged Ridge, LLC, 87 West Jagged Ridge, LLC, 175 W New Harmony, LLC, 18 Griffin Hill, LLC, 138 Bryce Branch, LLC, Monica M. Tubilla, 43 Spinning Wheel, LLC, Javier Duarte, Jose A. Bandin, Monica Babayan and Banba Offices, LLC, and respectfully shows this Honorable Court the following:

Summary of this Case

Javier Duarte De Ochoa was the governor of the Mexican state of Veracruz from 2010 until 2016. His time as governor was marked by multiple controversies, including the deaths of multiple journalists (17 in total) and reports of rampant corruption. In fact, the international association *Reporters Without Borders* named Veracruz as one of the ten most places on earth to be a journalist. The corruption in Gov. Duarte's administration also reached dizzying heights. Mr. Duarte orchestrated a scheme in which hundreds of millions of dollars earmarked for social

programs were diverted to an elaborate network of phantom companies – among other misdeeds. Indeed, he is alleged to have absconded with nearly \$3 billion of his state’s money. This stolen money was used to make investments and purchase luxury homes and cars all over the United States. As the allegations against him grew, Mr. Duarte eventually fled Veracruz, and then Mexico. Mr. Duarte was later indicted, and then arrested in Guatemala as a fugitive. He was ultimately extradited to Mexico, where he is currently jailed.

The money stolen by Duarte rightfully belong to the people of the State of Veracruz. The State thus files this and other actions in an effort to recoup those funds stolen by Duarte and those acting in concert with him. Veracruz also seeks to recover assets purchased with such stolen funds.

Each of the Defendants named conspired with Javier Duarte to steal government funds from the State of Veracruz. Defendant Jose A. Bandin, who is married to Defendant Monica Babayan, has very close ties to Javier Duarte. Monica Tubilla, is the sister in law of Javier Duarte. The properties listed *in rem* are just a few of the hundreds purchased with stolen funds all across the United States and the world.

I.
Discovery Control Plan

Plaintiff intends to conduct discovery under Level 2.

II. **Parties**

Plaintiff Veracruz is a foreign state entity of Mexico.

Defendant 83 West Jagged Ridge, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Jose A. Bandin, at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382.

Defendant 87 West Jagged Ridge, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Jose A. Bandin, at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382.

Defendant 175 W New Harmony, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Jose A. Bandin, at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382.

Defendant 18 Griffin Hill, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Jose A. Bandin, at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382.

Defendant 138 Bryce Branch, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Monica Babayan, at 43 Spinning Wheel Circle, The Woodlands, Texas 77382.

Defendant Monica M. Tubilla, is an individual residing in The Woodlands, Texas. She is the owner of 83 Birch Canoe Drive, Tomball, Texas 77375. She can be served at 83 Birch Canoe Drive, Tomball, Texas 77375 via personal service. Tubilla is the sister in law to Defendant Javier Duarte.

Defendant 43 Spinning Wheel, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Monica Babayan, at 43 Spinning Wheel Circle, The Woodlands, Texas 77382.

Defendant Javier Duarte is a foreign individual that will be served via the Hague Convention. He is currently jailed in Veracruz.

Defendant Jose A. Bandin is an individual residing in Texas. He may be served with personal service at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382, or wherever he may be found. Jose A. Bandin is married to Defendant Monica Babayan.

Defendant Monica Babayan is an individual residing in Texas. She can be served at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382, or wherever she may be found. She is the wife of Defendant Jose A. Bandin.

Defendant Banba Offices, LLC, is a domestic limited liability company residing in Texas. This company can be served via personal service via its registered agent, Jose Bandin, at 8350 Ashlane Way, Ste. 104-23, The Woodlands, Texas 77382, or wherever he may be found.

In Rem Parties

Plaintiff makes claims against the following properties *in rem*.

83 West Jagged Ridge is a property in The Woodlands, Texas; its record owner is Defendant 83 West Jagged Ridge, LLC. The funds used to purchase this property were stolen from Veracruz.

87 West Jagged Ridge is a property in The Woodlands, Texas; its record owner is Defendant 87 West Jagged Ridge, LLC. The funds used to purchase this property were stolen from Veracruz.

175 W. New Harmony is a property in The Woodlands, Texas; its record owner is Defendant 175 W. New Harmony, LLC. The funds used to purchase this property were stolen from Veracruz.

18 Griffin Hill Ct. is a property in Spring, Texas; its record owner is Defendant 18 Griffin Hill, LLC. The funds used to purchase this property were stolen from Veracruz.

138 Bryce Branch Circle is a property in The Woodlands, Texas; its record owner is Defendant 138 Bryce Branch Circle, LLC. The funds used to purchase this property were stolen from Veracruz.

83 Birch Canoe Drive is a property in Tomball, Harris County, Texas; its record owner is Defendant Monica Tubilla. The funds used to purchase this property were stolen from Veracruz.

43 N. Spinning Wheel Circle is a property in Spring, Texas; its record owner is Defendant 43 Spinning Wheel, LLC. The funds used to purchase this property were stolen from Veracruz.

8350 Ashlane Way, Suite 3 is an office suite in The Woodlands, Texas; its record owner is Defendant Banba Offices, LLC. The funds used to purchase this property were stolen from Veracruz.

8350 Ashlane Way, Suite 4 is an office suite in The Woodlands, Texas; its record owner is Defendant Banba Offices, LLC. The funds used to purchase this property were stolen from Veracruz.

III. **Venue and Jurisdiction**

Plaintiff seeks damages in excess of \$75,000.00, exclusive of interest and costs; however, federal courts lack subject matter over this action, as there is no federal question and there is incomplete diversity of citizenship due to the presence of a defendant who is a resident and

citizen of Texas. Removal would thus be improper. No party is asserting any claims arising under the Constitution, treaties, or laws of the United States. Venue is proper in this County as at least one Defendant maintains a principal office here and most of the properties involved are here.

IV.
Causes of Action

Conversion – All Defendants

Plaintiff incorporates the preceding paragraphs of this Petition as if set forth fully below.

Plaintiff owned, possessed, and had the right to the funds that were stolen by Javier Duarte and his network to invest into the above referenced assets. These funds were the property of State of Veracruz. Defendants are currently wrongfully exercising control over this property.

Plaintiff has suffered injury because of these actions.

Theft Liability Act – All Defendants

Plaintiff incorporates the preceding paragraphs of this Petition as if set forth fully below.

Defendant Duarte unlawfully appropriated property with the intent to deprive the owner of this property. In this case, the property belonged to the State of Veracruz. Currently, this property is owned or controlled by Defendants.

Constructive Trust – All Defendants

Plaintiff incorporates the preceding paragraphs of this Petition as if set forth fully below.

Plaintiff seeks a constructive trust over Mr. Duarte and his associates' interest in the subject properties. Mr. Duarte and his associates conspired together and looted government coffers and engaged in other graft that stole money from the State of Veracruz. Mr. Duarte and his associates took those funds and invested into the above referenced assets, among other things. Mr. Duarte had a fiduciary relationship with the State of Veracruz. More importantly, Mr.

Duarte and his associates committed both actual and constructive fraud in obtaining these funds. These funds were then used to invest in properties in Texas.

Civil Conspiracy – All Defendants

Plaintiffs would show that Duarte, together with Jose Bandin and Monica Babayan, conspired with Duarte and his associates to steal and embezzle, and to commit fraud on Plaintiff. The purpose of the conspiracy was move as much money as possible from the State of Veracruz to the United States for the benefit of Mr. Duarte and his family. Duarte, Bandin and Babayan had a meeting of the minds on this objective and, as shown in detail above, together, made one or more unlawful and overt acts towards this objective. As a result, Plaintiff suffered damages. Plaintiff also seeks punitive damages.

Joint and Several Liability – All Defendants

Duarte and the other defendants are joint and severally liable for all acts of Duarte and his associates, the conspirators as referenced above. Duarte and the other defendants planned and assisted in this conspiracy, and, as such, they are jointly and severally liable for all acts done by any member of the conspiracy in furtherance of such.

Texas Penal Code 31.03(e)(7) – All Defendants

The previous paragraphs are incorporated herein. Defendants unlawfully appropriated property with intent to deprive the owner, the State of Veracruz, of its property. Defendants did not have the effective consent of the State of Veracruz. Additionally, the property at issue is stolen and the various actors appropriated the property knowing it was stolen by another.

V.
Damages

As a direct and proximate result of the foregoing events, Veracruz suffered damages in the form of stolen funds, all for which Plaintiff seeks recovery herein.

VI.
Exemplary Damages

Plaintiff seeks to recover exemplary damages against all Defendants based on their criminal conduct and resulting injuries and damages made the basis of this suit. Any caps or limits on punitive damages should not be applied because Defendants' conduct and violations of the Penal Code, including 31.03, disqualifies them from the benefit of any caps.

VII.
Demand for Jury

Plaintiff demands a jury trial and has tendered the appropriate fee.

VIII.
Requests for Disclosure

Pursuant to Tex. R. Civ. P. 194, Plaintiff requests that each Defendant disclose within fifty (50) days of service of this Request for Disclosure, the information and/or material described in Rule 194.2.

IX.
Prayer

For these reasons, Plaintiff asks that Defendants be cited to appear and answer, and that they have judgment against Defendants for the following:

- a. Actual damages within the jurisdictional limits of this Court, but no less than \$25,000,000;
- b. Exemplary damages;
- c. Court costs;

- d. Pre and post judgment interest; and
- e. All other relief to which the Plaintiff is justly entitled.

Respectfully submitted,

THE BUZBEE LAW FIRM

By: /s/ Anthony G. Buzbee

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