

CAUSE NO. 429-05770-2018

INSPIRED CAPITAL	§	IN THE DISTRICT COURT
	§	
v.	§	
	§	____ JUDICIAL DISTRICT
INVERSE ASSET FUND, LLC,	§	
SCOTT CARSON, AND	§	
INVERSE INVESTMENTS, LLC	§	COLLIN COUNTY, TEXAS

**PLAINTIFF'S ORIGINAL PETITION**  
**AND REQUEST FOR DISCLOSURE**

Plaintiff Inspired Capital (“Inspired Capital”), files this Original Petition complaining of Inverse Asset Fund, LLC (“Inverse”), Scott Carson (“Carson”), and Inverse Investments, LLC (“Inverse Investments”) (collectively “Defendants”), and respectfully shows the Court as follows:

**DISCOVERY-CONTROL PLAN**

1. Inspired Capital intends to conduct discovery under Level 2 of Texas Rule of Civil Procedure 190.3. Requests for Disclosure are enclosed.

**PARTIES**

2. Inspired Capital is a Texas limited liability company.

3. Inverse Asset Fund, LLC, is a Texas limited liability company who may be served with process by and through its agent for service of process Scott Carson located at 13785 Research Blvd, Ste 125-146, Austin, Texas 78750 or any other place in the State of Texas where he may be found.

4. Scott Carson is an individual residing in Texas who may be served at 13785 Research Blvd, Ste 125-146, Austin, Texas 78750 or any other place in the State of Texas where he may be found.

5. Inverse Investments, LLC, is a Texas limited liability company who may be served with process by and through its agent for service of process Scott Carson located at 13785

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Research Blvd, Ste 125-146, Austin, Texas 78750 or any other place in the State of Texas where he may be found.

#### **JURISDICTION AND VENUE**

6. The subject matter in controversy is within the jurisdictional limits of this court. This Court has personal jurisdiction over the parties because the parties reside in Texas.

7. Venue is proper in Collin County pursuant to TEX. CIV. PRAC. & REM. CODE § 15.002(a), *et seq.*, because all or substantially all of the events giving rise to this matter occurred in Collin County, Texas.

8. Pursuant to Tex. R. Civ. P. 47, Inspired Capital states that the claims asserted herein seek monetary relief between \$100,000 and \$1,000,000, including costs, attorney fees, and interest.

#### **CAUSES OF ACTION**

##### **A. Count 1: Breach of Contract by Inverse**

9. *Contract.* On or about November 12, 2014, Inspired Capital and Inverse entered into a Joint Venture Agreement (the "Agreement No. 1") whereby Inspired Capital would provide \$82,250.00 to Inverse and Inverse would purchase certain defaulted promissory notes related to two real properties in Miramar and Leesburg, Florida. The Agreement No.1 is attached hereto as Exhibit 1 in redacted form and incorporated herein by reference. On or about November 12, 2014, Inspired Capital and Inverse entered into a Joint Venture Agreement (the "Agreement No. 2") whereby Inspired Capital would provide \$72,750.00 to Inverse and Inverse would purchase certain defaulted notes related to two real properties in Jacksonville and Lehigh Acres, Florida. The Agreement No. 2 is attached hereto as Exhibit 2 in redacted form and incorporated herein by reference.



10. Inverse was to purchase the promissory notes secured by the real property, foreclose and/or obtain possession and control of the property, and, once Inverse obtained the properties secured by the notes, hire professionals to repair and maintain the properties, manage the properties, inspect the properties, etc. Inverse Investments managed the purchase of the notes for Inverse and the properties later possessed or controlled by Inverse.

11. Inverse promised to buyout Inspired Capital if the notes/properties were not sold within 12 months from the time of the Agreement. Inverse promised to pay Inspired Capital 12% interest per year for Inspired Capital's invested funds. In the event that the notes/properties sold, Inspired Capital and Inverse agreed to share the proceeds of the sale after Inspired Capital was paid back the money it invested, any other party was paid for any additional capital contributions and closing costs and unpaid expenses were paid.

12. *Inspired Capital's Performance.* Inspired Capital delivered the investment funds to Inverse. Inspired Capital fully performed, or was excused from performance under the Agreement No. 1 and Agreement No. 2.

13. *Inverse's Breach.* Inverse failed to obtain each of the notes/properties identified in the Agreement No. 1 and Agreement No. 2. Inverse failed to take legal title to the property or ownership of the note/mortgage prior to the foreclosure for the property located at 8550 North Sherman Circle, 104, Miramar, Florida. Inverse failed to take legal title or ownership of the notes/properties identified in the JV Agreement No. 1 in the joint name of Inspired Capital and Inverse. Inverse failed to buy Inspired Capital out of the Agreement after 12 months. Inspired Capital caused demand to be made upon Inverse to pay Inspired Capital in accordance with the Agreement. Inverse again failed to perform. Defendants failure to perform has caused Inspired Capital damages in the amount of \$41,300.57 plus future interest accruing at the rate of 12% per annum. Inspired Capital caused demand to be delivered to Defendants on or about October 4,



2018. Defendants failed to pay the amounts due and owing.

14. *Conditions Precedent.* All conditions precedent have been waived, or have occurred, or been performed.

15. *Attorney's Fees.* Inverse's default and refusal to perform under the Agreement have made it necessary for Inspired Capital to employ the undersigned attorneys to file suit. Inspired Capital is entitled to reasonable attorney's fees pursuant to TEX. CIV. PRAC. & REM. CODE §38.001, *et seq.*, including fees incurred in any appeal of this matter.

**B. Count 2: Fraud**

16. Carson represented to Inspired Capital that Inverse would invest the funds invested by Inspired Capital as set forth in the Agreement. Upon information and belief, Inverse did not purchase the assets/properties with the invested funds in accordance with JV Agreement No. 1. Inspired Capital has been unable to locate in the public records evidence of the purchase/acquisition of the property located at 8550 North Sherman Circle, 104, Miramar, Florida by Inverse on or after the date of the Agreement. In fact, upon information and belief, the Miramar, Florida property was sold at a tax foreclosure sale for which Defendants failed to acquire the property. Upon information and belief, Carson and Inverse misrepresented the amount of money required for the investments and the amount of money to be actually invested in the notes/assets with respect to JV Agreement No. 1 and No. 2. Due to these misrepresentations, Defendants gained access to more funds than was necessary for the contemplated investments. Upon information and belief, Defendants diverted the investment funds from the intended purpose without the knowledge or consent of Inspired Capital. By these misrepresentations, Defendants were able to misdirect and use the funds invested by Inspired Capital for Defendants own purposes at the expense of Inspired Capital.



17. Carson made representations regarding the properties and investment funds meant to demonstrate compliance with the agreements between Inspired Capital and Inverse. When made by Carson, Carson knew the representations were false or made the representations recklessly without knowledge of the truth. The representations were made with the intent that Inspired Capital rely and act upon the representations. Inspired Capital relied upon the representations and, thereafter, suffered damages as a result.

18. Inverse failed to pay off all amounts invested in the Leesburg, Florida and Jacksonville, Florida property plus contractual interest after the assets were sold. Upon information and belief, Defendants used the gains from the sales (the returns on Inspired Capital's investment) to pay other investors and/or reinvested the funds in other properties/notes without permission from Inspired Capital.

19. Inspired Capital sues Defendants for recovery of damages based on fraudulent inducement and fraudulent misrepresentation. Carson knowingly or recklessly made false representations of substantial and material fact to Inspired Capital with the intent that Inspired Capital rely on the misrepresentations, which representations Carson knew to be false or at the very least reckless as a positive assertion and without knowledge of their truth. Inspired Capital relied on the misrepresentations to its detriment. Inspired Capital seeks a judgment against Defendants, jointly and severally.

**C. Count 3: Conspiracy to commit fraud by Inverse Investments, Inverse and Carson**

20. Inverse Investments managed the notes/properties purchased by Inverse, including the assets purchased with the funds invested by Inspired Capital. Inverse Investments, in combination with Inverse and Carson, used the invested funds for a purpose other than what Inspired Capital intended. Inverse obtained the funds by fraud and misrepresentation whereupon Inverse Investments and Carson misdirected the proceeds away from Inspired Capital.



Investments had a duty to Inspired Capital to perform in accordance with the JV Agreement No. 1 and JV Agreement No. 2. Inverse Investments had a duty, even a fiduciary duty, to act for the benefit of Inspired Capital in accordance with the JV agreements. Inverse Investments breached its duty when Inverse Investments failed to manage the assets/properties in accordance with the agreements. Each of the members of this conspiracy had a meeting of the minds and did each commit overt acts in furtherance of their objective. Inspired Capital sues Defendants for recovery of damages based on Defendants conspiracy to commit fraud. Inspired Capital seeks a judgment against Defendants, jointly and severally.

**D. Count 4: Sham to Perpetrate Fraud**

21. Inverse and Inverse Investments are limited liability companies being used to perpetrate a fraud. Carson misled Inspired Capital into believing that it would be investing in the notes/properties secured by real property in Florida. Carson misled Inspired Capital into believing all the investment funds would be invested into the notes/properties secured by real property in Florida. Carson misled Inspired Capital into believing that the amounts invested were necessary for each of the purchases. Defendants used Inverse to gain control of the investment funds without liability. As a result, the corporation and the corporate shield should be disregarded.

**E. Count 5: Alter Ego**

22. Carson is liable for the wrongdoing of Inverse and Inverse Investments because he is the alter ego of Inverse and Inverse Investments. In support of this claim, Plaintiff would show that the corporate formalities have not been followed as individual and corporate property has been commingled, upon information and belief, Carson has complete or almost complete financial interest and ownership over Inverse and Inverse Investments. Each have been used for the personal purposes of Carson. Furthermore, Carson has used the corporate entities to



perpetrate a fraud.

**F. Count 6: Exemplary Damages**

23. Inspired Capital seeks to recover exemplary damages from Defendants, jointly and severally, for is fraud and fraudulent conduct identified in Counts 2 thru 5.

24. Defendants knowingly or recklessly made false and material representations of fact to Inspired Capital with the intent that Inspired Capital act on them. Inspired Capital relied on the false and material representations and, thereby, suffered injury. Defendants used Inverse to perpetrate a fraud.

**G. Joint and Several Liability**

25. Inspired Capital sues Defendants, jointly, seeking liability and damages against them both, jointly and severally, for the fraud claims set forth in Counts 2 thru 5.

**RESERVATIONS**

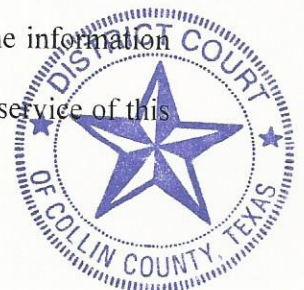
26. Inspired Capital does not waive or release any rights, claims, causes of action, or defenses or make any election of remedies that it has or may have, but expressly reserves such rights, claims, and causes of action.

27. Pursuant to TEX. R. CIV. P. 54, all conditions precedent to Plaintiff being entitled to bring each of these causes of action and recover the relief requested herein have been performed, have occurred, or have been waived.

28. Pursuant to TEX. R. CIV. P. 193.7, Plaintiff hereby gives notice to Defendants that any and all documents produced by Defendants may be used against Defendants at any pretrial proceeding and/or at the trial of this matter.

**REQUEST FOR DISCLOSURE**

29. Inspired Capital hereby requests that Inverse and Carson provide the information set forth in Texas Rule of Civil Procedure 194.2(a-1) within 50 days of the date of service of this



Petition and Request upon Inverse and Carson to the undersigned counsel at 12222 Merit Drive, Suite 340, Dallas, Texas 75251.

**PRAYER**

**WHEREFORE, PREMISES CONSIDERED,** Plaintiff hereby requests that Defendants be cited to appear, and that upon final trial and other disposition, Plaintiff have judgment against Defendants as follows:

- a. actual, incidental and consequential damages plus pre-judgment interest accruing to the date of trial;
- b. post-judgment interest at the highest rate allowed by law;
- c. exemplary damages;
- d. All costs of court;
- e. Attorney's fees; and
- f. For such other and further relief to which Plaintiff may show itself justly entitled.

Respectfully submitted,

**CLARK, MALOUF & WHITE, LLP**

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