

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
26
27
28

ACOM
CAMPBELL & WILLIAMS
DONALD J. CAMPBELL, ESQ. (1216)
J. COLBY WILLIAMS, ESQ. (5549)
JACK F. DEGREE, ESQ. (11102)
700 South Seventh Street
Las Vegas, Nevada 89101
Telephone: (702) 382-5222
Facsimile: (702) 382-0540
and
HUNTERTON & ASSOCIATES
C. STANLEY HUNTERTON, ESQ. (1891)
333 S. Sixth Street
Las Vegas, Nevada 89101
Telephone: (702) 388-0098
Facsimile: (702) 388-0361

Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

KIRK and AMY HENRY,)
)
Plaintiffs,)
)
vs.)
)
FREDRICK RIZZOLO aka RICK RIZZOLO,)
)
an individual; LISA RIZZOLO, individually)
)
and as trustee of The Lisa M. Rizzolo Separate)
)
Property Trust and as successor trustee of)
)
The Rick J. Rizzolo Separate Property Trust;)
)
THE RICK AND LISA RIZZOLO FAMILY)
)
TRUST; THE RICK J. RIZZOLO SEPARATE)
)
PROPERTY TRUST; THE LISA M. RIZZOLO)
)
SEPARATE PROPERTY TRUST; THE RLR)
)
TRUST; and THE LMR TRUST,)
)
Defendants.)
)

Case No. 2:08-CV-635-PMP-GWF

PLAINTIFFS' SECOND AMENDED COMPLAINT

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
26
27
28

KIRK and AMY HENRY for their causes of action against the Defendants herein, allege and aver as follows:

PARTIES

1. Kirk and Amy Henry are residents and citizens of the State of Kansas.
2. Defendants Fredrick Rizzolo, aka Rick Rizzolo (hereinafter referred to as Rick Rizzolo), and Lisa Rizzolo are residents and citizens of the State of Nevada.
3. The Rick and Lisa Rizzolo Family Trust is, upon information and belief, a trust formed pursuant to the laws of the State of Nevada and one which is owned, controlled, dominated and otherwise operated for the benefit of Rick and Lisa Rizzolo.
4. The Rick J. Rizzolo Separate Property Trust is, upon information and belief, a trust formed pursuant to the laws of the State of Nevada and one which is owned, controlled, dominated and otherwise operated for the benefit of Rick and Lisa Rizzolo.
5. The Lisa M. Rizzolo Separate Property Trust is, upon information and belief, a trust formed pursuant to the laws of the State of Nevada and one which is owned, controlled, dominated or otherwise operated for the benefit of Rick and Lisa Rizzolo.
6. The RLR Trust is, upon information and belief, a trust created in the State of Nevada but apparently operating through offshore accounts in the Cook Islands and one which is owned, controlled, dominated or otherwise operated for the benefit of Rick and Lisa Rizzolo.
7. The LMR Trust is, upon information and belief, a trust created in the State of Nevada but apparently operating through offshore accounts in the Cook Islands and one which is owned, controlled, dominated or otherwise operated for the benefit of Rick and Lisa Rizzolo.

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
26
27
28

JURISDICTION AND VENUE

8. This is a civil action in which this Court has original jurisdiction under the provisions of Title 28 USC §1332(a) as the parties hereto are completely diverse and the amount in controversy exceeds the sum of \$75,000.00 exclusive of interest and costs.

9. Venue is proper in this Court under Title 28 USC §1391(a)(2) as all of the acts and omissions which give rise to the claims alleged herein occurred in this district.

FIRST CAUSE OF ACTION

(Conspiracy to Defraud)

10. The Plaintiffs repeat and reallege paragraphs 1 through 9 and 26 through 33 as though fully set forth herein.

11. Beginning on or about May 24, 2005, the Defendants Rick and Lisa Rizzolo together, and with each other and with third persons acting in concert with them (believed to include attorneys and accountants whose names are not presently known but who will be added as parties once their identities are confirmed) did combine, conspire, confederate and agree together and with each other to defraud the Plaintiffs and each of them.

12. The Defendants, and each of them, owned, controlled or otherwise held an equity and/or community interest in the commercial enterprise known as The Crazy Horse Too Gentlemen's Club, a topless lounge located at 2476 Industrial Road, Las Vegas, Clark County, Nevada. The operation of the Crazy Horse Too Gentlemen's Club was conducted via the use of a legal fiction, specifically a closely held Nevada corporation known as The Power Company. The Power Company was owned, controlled and dominated by Rick Rizzolo in such a manner as to render it the alter ego of the Defendant Rick Rizzolo.

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
26
27
28

13. The Defendants Rick and Lisa Rizzolo operated or otherwise encouraged or acquiesced in the operation of the Crazy Horse Too in a lawless and criminal manner to such an extent that it constituted a racketeering enterprise as that term is defined as Title 18 USC §1962, et seq.

14. As a result of the lawless and criminal acts of the Crazy Horse Too, its owners, operators and agents, the Plaintiff Kirk Henry was attacked on the premises and rendered a quadriplegic on September 20, 2001.

15. Thereafter, the Plaintiffs, Kirk Henry and his spouse Amy Henry filed suit against the Defendant Rick Rizzolo and The Power Company on October 2, 2001.

16. Having been keenly aware that the Plaintiffs and each of them had suffered damages in excess of Ten Million Dollars, the Defendants Rick and Lisa Rizzolo engaged in a concerted effort to conceal and/or alienate the ownership of their assets in an effort to avoid and/or otherwise frustrate the Plaintiffs in their eventual efforts to recover the substantial damages sustained.

17. In an overt act in furtherance of the conspiracy, Rick Rizzolo and Lisa Rizzolo, together with third parties believed to include attorneys and accountants (whose names are not presently known but who will be added as parties once their identities are confirmed), formed a so-called "family trust" and thereafter transferred their assets into the same in an attempt to shield the assets available to compensate the Henrys for their catastrophic injuries.

18. In their efforts to frustrate the collection of damages, the Defendants Rick and Lisa Rizzolo further devised a scheme to engage in a series of fraudulent transactions which included among others the following:

1
2 19. On or about June 7, 2005, the Defendants Rick and Lisa Rizzolo obtained a
3 collusive divorce in which the Defendant Lisa Rizzolo was awarded nearly every listed
4 community asset of the parties of any appreciable value except the real estate, furniture, fixtures
5 and equipment associated with the Crazy Horse Too which both Rick and Lisa Rizzolo knew
6 would be subject to forfeiture by the United States of America as a result of the racketeering
7 activities conducted through that enterprise.

8
9 20. Subsequent to the divorce, Mr. and Ms. Rizzolo each established their own so-
10 called "separate property trusts" in various formations, the contents of which now contain assets
11 once held under their family trust among other items of real and personal property.

12 21. In addition to the above, Rick Rizzolo also "agreed" to assume the burden of an
13 additional "debt" of Five Million Dollars which he would pay over to Lisa Rizzolo in the form of
14 "alimony."

15 22. In this regard, the Defendant Rick Rizzolo also obtained a Five Million Dollar loan
16 which was secured by the underlying property from which the racketeering enterprise known as
17 the Crazy Horse Too was conducted, knowing full well that he would default on the same and
18 would further diminish the assets available for forfeiture and to pay damages to the Henrys.

19
20 23. Upon information and belief, the Defendant Rick Rizzolo engaged in numerous
21 cash transactions involving millions of dollars in the form of "loans," gambling "debts," and other
22 third party transactions, all of which were designed to further obscure and conceal the nature,
23 extent and location of his assets.

24 24. That all of the foregoing was done intentionally, willfully and with the specific
25 purpose of misleading and defrauding the Henrys in their efforts to identify, locate and secure
26
27
28

1
2 assets to compensate them for their damages suffered at the racketeering enterprise known as the
3 Crazy Horse Too.

4 25. That as a result thereof, the Plaintiffs Kirk and Amy Henry have in fact been
5 misled, frustrated, damaged, and defrauded in their continuing and ongoing efforts to locate assets
6 to compensate them for the injuries suffered at the racketeering enterprise known as the Crazy
7 Horse Too.

8 **SECOND CAUSE OF ACTION**

9 **(Common Law Fraud)**

10
11 26. The Plaintiffs repeat and reallege paragraphs 1 through 25 and 30 through 33 as
12 though fully set forth herein.

13 27. That the object and purpose of the conspiracy as alleged above in paragraphs 10
14 through 25 has been effectuated and accomplished and has, in fact, resulted in and acted as a
15 fraud upon the Henrys.

16 28. That as a result of this fraud, the Plaintiffs, Kirk and Amy Henry, have in fact been
17 misled, frustrated and defrauded in their continuing and ongoing efforts to locate assets to
18 compensate them for their injuries suffered at the racketeering enterprise known as the Crazy
19 Horse Too.
20

21 29. That in addition the Plaintiffs Kirk and Amy Henry have been further damaged in
22 that they have been forced to expend additional sums on costs, expenses and attorneys fees in
23 connection herewith.
24
25
26
27
28

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
26
27
28

THIRD CAUSE OF ACTION

(Violation of the Uniform Fraudulent Transfer Act)

30. The Plaintiffs repeat and reallege paragraphs 1 through 29 as though fully set forth herein.

31. That the transfers made and the obligations incurred by Rick and Lisa Rizzolo were fraudulent as to the Henrys who are defined as creditors under Nevada Revised Statute 112.150 because the Rizzolos made transfers and otherwise incurred obligations with the actual intent to hinder, delay or defraud the Henrys.

32. In this regard, the intent to defraud the Henrys is evident in that (a) transfers or obligations were made to parties qualifying as insiders as that term is defined in Nevada Revised Statute 112.150; (b) that the Rizzolos retained possession or control of property after the transfer; (c) that transfers were made or obligations incurred after the Rizzolos or entities which they controlled or held an equitable interest in had been sued by the Henrys; (d) that the transfers were of substantially all of the Rizzolos assets; (e) that the Rizzolos removed or concealed assets; and (f) that the transfers occurred shortly before or shortly after a substantial debt was incurred.

33. That in addition the Plaintiffs Kirk and Amy Henry have been further damaged in that they have been forced to expend additional sums on costs, expenses and attorneys fees in connection herewith.

PRAYER FOR RELIEF

WHEREFORE, Kirk and Amy Henry pray for relief as follows:

1. As to the First and Second Causes of Action, for compensatory damages in excess of \$75,000.00 and punitive damages as permitted by law;

