IN THE SUPERIOR COURT OF FLOYD COUNTY
STATE OF GEORGIA

FILED IN OFFICE

APR 14 2015

Jackie Crown

CLERK

STATE OF GEORGIA *ex rel.* LEIGH E. PATTERSON, District Attorney for the Rome Judicial Circuit,	(	CIVIL ACTION
Plaintiff,	(	FILE NO. 15CV00764 JFL004
vs.	(	
DERRY SCOTT RICHARDSON,	(	
Defendant *in personam*,	(	
and	(	
THE REAL AND PERSONAL PROPERTY LOCATED AT 241 RIVERBLUFF DRIVE, SUMMERVILLE, GEORGIA,	(	
Defendants *in rem*.	(	

COMPLAINT FOR RELIEF AND NOTICE OF SEIZURE UNDER THE GEORGIA RACKETEEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT

The State of Georgia *ex rel.* Leigh E. Patterson, District Attorney for the Rome Judicial Circuit, ("State" or "Plaintiff") files this Complaint against the Defendant *in personam* and *in rem* named herein pursuant to the Georgia Racketeer Influenced and Corrupt Organizations Act, O.C.G.A. § 16-14-1 *et seq.*, (hereinafter referred to as the "Georgia RICO Act") and

Article 1 of Chapter 8 of the Official Code of Georgia, O.C.G.A. § 16-8-1 *et seq.,* showing this Court, in support thereof, the following:

I. INTRODUCTION

1.

This is a civil action brought by the State of Georgia pursuant to O.C.G.A. § 16-14-6 (b) seeking the equitable relief provided for and authorized by O.C.G.A. § 16-14-6(a) against the individual person named as Defendant *in personam* in this Complaint. The State also seeks injunctive relief against the Defendant and the appointment of a receiver.

II. PARTIES JURISDICTION AND VENUE

2.

Defendant Derry Scott Richardson ("Richardson") is subject to the jurisdiction and venue of this Court and can be served at 241 Riverbluff Drive, Summerville, Georgia 30747.

3.

Defendant the Real Property located at 241 Riverbluff Drive, Summerville, Georgia 30747 is subject to the jurisdiction and venue of this Court and can be served through its owners Derry S. Richardson and Lisa Richardson at 241 Riverbluff Drive, Summerville, Georgia 30747.

4.

Defendant the Personal Property located at 241 Riverbluff Drive, Summerville, Georgia 30747 is subject to the jurisdiction and venue of this Court and can be served through its owners Derry S. Richardson and Lisa Richardson at 241 Riverbluff Drive, Summerville, Georgia 30747.

III. FACTUAL BACKGROUND

5.

Beginning no later than 2007 and continuing through the present, the Defendant *in personam* Derry Scott Richardson ("Richardson") and others engaged in and committed at least two or more acts of racketeering activity, to wit, violation of state law relating to theft, against the Floyd County Board of Education ("FCBE").

6.

The relationship between Richardson and others constitutes an "enterprise" pursuant to O.C.G.A. § 16-14-3(6) (hereinafter referred to as "RICO Enterprise").

7.

Such acts of racketeering activity as well as the conduct and operation of the RICO Enterprise occurred in Floyd County, Georgia. All such acts of racketeering activity and the operation of the RICO Enterprise occurred within four (4) years of one another and after 1980.

8.

Through such a pattern of racketeering activity, the Defendant *in personam* and others unlawfully obtained money, and with such money acquired and maintained, both directly and indirectly, interests in and control of personal and real property including, but not limited to, the real and personal properties named as Defendants *in rem*.

THE SCHEME AND PREDICATE ACTS

9.

Beginning no later than 2007 and continuing through to the present, Richardson individually and with others established a RICO Enterprise for the purpose of obtaining United States currency and property through a pattern of racketeering activity in an illegal theft operation in violation of Georgia law.

10.

At all relevant times Richardson was a FCBE employee working in its maintenance department.

11.

At all relevant times Richardson had the authority to submit purchase orders on behalf of FCBE.

12.

At all relevant times Richardson and others did submit fraudulent inflated invoices on behalf of FCBE whereby Richardson would receive cash and merchandise from others in return.

13.

Richardson and the other participants in the RICO Enterprise (collectively referred to as "Participants") would receive payments from FCBE to which they were not entitled and would thereafter divide the fraudulently obtained funds among themselves.

14.

The Participants, in furtherance of the RICO Enterprise, submitted fraudulent Purchase Orders ostensibly for the benefit of FCBE when in fact the items purchased were for the benefit of Richardson and others. For example, Richardson submitted fraudulent FCBE purchase orders for such things as chandeliers and Viking kitchen appliances that where delivered to him personally and are now present and being used at Richardson's home located at 241 Riverbluff Drive, Summerville, Georgia.

15.

On information and belief, the total theft from the FCBE as described herein exceeds Six Hundred Thousand Dollars ($600,000.00). Said funds were stolen from the FCBE through a pattern of racketeering activity and to the detriment of the Floyd County students.

16.

Richardson purchased, used and maintained Defendants the Real and Personal Property located at 241 Riverbluff Drive, Summerville, Georgia with the stolen money and items he obtained by defrauding the FCBE.

17.

The illegal acts committed by Defendants constitute predicate acts under the Georgia RICO Act.

COUNT ONE

Violation of the Georgia Racketeer Influenced and Corrupt Organizations Act (RICO), O.C.G.A § 16-14-1 *et seq.* (Relief Pursuant to O.C.G.A. § 16-14-6)

18.

Plaintiff realleges and incorporates by reference herein the allegations of Paragraphs 1 through 17 of this Complaint as if the same were fully set forth herein.

19.

Defendant *in personam* and the other participants are "persons" for purposes of O.C.G.A. § 16-14-4.

20.

The association in fact of the Defendant *in personam* and other participants with one another constitutes an "enterprise" pursuant to O.C.G.A. § 16-14-3(6).

21.

Beginning no later than 2007 and continuing to the present, the Defendant *in personam* and others unlawfully and through a pattern of racketeering activity and from the proceeds derived therefrom, acquired and maintained, directly and indirectly, interest in and control of real property, personal property and money in violation of O.C.G.A. § 16-14-4(a).

22.

The Defendant *in personam* and others conducted and participated in the affairs of the RICO Enterprise through a pattern of racketeering activity as that term is defined in O.C.G.A. § 16-14-3(8). Specifically, the "racketeering activity" committed by the RICO enterprise consists of multiple violations of the following:

(a) Article 2 of Chapter 13 of Title 16 of the Official Code of Georgia Annotated relating to theft, said offense constituting racketeering activity under O.C.G.A. §§ 16-14-3(ix); and

(b) The Participants in furtherance of the RICO Enterprise, did in Floyd County knowingly conduct or attempt to conduct financial transactions involving proceeds of a specified unlawful activity with the intent to conceal or disguise the nature, location, source, ownership, or control of the proceeds of specified unlawful activity in violation of 18 U.S.C. § 1956 (a)(1)(B)(i), said offense constituting racketeering activity under O.C.G.A. §§ 16-14-3(8)A) and (9)(A)(xxix).

23.

Through the pattern of racketeering activity and the proceeds derived therefrom as described hereinabove, the RICO enterprise has acquired and maintained, both directly and indirectly, interests in and control of property including, but not limited to, United States currency and other properties.

24.

As a direct and proximate result of the violations of O.C.G.A. § 16-14-4(a) through (c) committed by Defendant *in personam* and others Plaintiff is also entitled to the relief provided for in O.C.G.A. § 16-14-6-(a).

COUNT TWO

Violation of the Georgia Racketeer Influenced and Corrupt Organizations Act (RICO), O.C.G.A § 16-14-1 *et seq.* (Injunctive Relief Pursuant to O.C.G.A. §§16-14-6(b), 16-14-9, and 9-11-65 as to all Defendants)

25.

Plaintiff realleges and incorporates by reference the allegations of Paragraphs 1 through 24 of this Complaint as if the same were fully set forth herein.

26.

Richardson has in his possession, custody, and control property, including money, stolen from the FCBE in addition to the real and personal property named as Defendants *in rem* which was used to further, or which was obtained, and derived through the unlawful acts, practices and transactions more particularly described in this Complaint.

27.

Unless restrained and enjoined by the Court, the Defendant *in personam* will conceal and dispose of such property, including money.

28.

This Court should temporarily and permanently enjoin the Defendant *in personam* from disposing, conveying, transferring, assigning or otherwise alienating properties which were used to further, obtained and derived through unlawful acts as well as property named hereinabove until further order of this Court.

29.

This Court has the authority to grant the injunctive relief sought by Plaintiff pursuant to O.C.G.A. §§ 16-14-6(b), 16-14-9 and 9-11-65.

COUNT THREE

Violation of the Georgia Racketeer Influenced and Corrupt Organizations Act (RICO), O.C.G.A § 16-14-1 *et seq.*
(Appointment of a Receiver as to All Defendants *In Rem*

30.

Plaintiff realleges and incorporates by reference the allegations of Paragraphs 1 through 29 of this Complaint as if the same were fully set forth herein.

31.

As a consequence of the unlawful acts, practices, and transactions, as more fully set forth hereinabove, the Defendant *in personam* have directly and indirectly, acquired and accumulated property and assets, including property belonging to FCBE in addition to properties named in this Complaint, and other monies and funds directly traceable to and derived from a pattern of racketeering activity.

32.

Plaintiff is entitled to the appointment of a receiver with all the power and authority generally exercisable by receivers under the laws of this State, including, without limitation, the power and authority:

(a) to take immediate custody, control, and possession of the assets of the Defendant subject to this complaint including the properties named herein as Defendants *in rem*;

(b) to marshal and account to this Court for the assets seized;

(c) to preserve and protect such assets pending further order of this Court; and

(d) to take such action as may be directed by the Court to insure the availability of such assets to respond to any judgment the Court may enter in this action.

COUNT FOUR

Violation of the Georgia Racketeer Influenced and Corrupt Organizations Act (RICO), O.C.G.A § 16-14-1 *et seq.*

(Relief as to all Defendants)

33.

Plaintiff realleges and incorporates by reference the allegations of Paragraphs 1 through 32 of this Complaint as if the same were fully set forth herein.

34.

Pursuant to O.C.G.A. § 16-14-9, Plaintiff is entitled to such other and further remedies against all the Defendants under the Georgia RICO Act or any other provision of law that may be appropriate and proper.

WHEREFORE, Plaintiff prays for relief against all the Defendants as follows:

(1) Under Count One:

(a) that the Court, pursuant to O.C.G.A.§ 16-14-6(a)(1), order the Defendant to divest himself of any interests in any enterprise, real property, and personal property acquired by him directly or indirectly, as a result of the acts, practices and transactions in which he has engaged through his violations of the Georgia RICO Act regardless of whether title to such property and assets is held by him legally, equitably or beneficially and that the Defendant *in personam* provide a full and complete accounting of all monies obtained by them as well as an accounting of the expenditure of the proceeds to purchase, acquire, and obtain all property of whatever kind and description and wherever located:

(b) that the Court, pursuant to O.C.G.A.§ 16-14-6(a)(2), impose reasonable restrictions upon the future activities and investments of the Defendant *in personam* including, but not limited to, prohibiting him from engaging in the same type of endeavors as the enterprise alleged hereinabove;

(c) that the Court, pursuant to O.C.G.A.§ 16-14-6(a)(3), order the dissolution of any RICO enterprise controlled, owned or operated by any of the Defendant; and

(d) that the Court issue such additional appropriate orders and judgments as may be proper to effectuate the relief sought under this Count One.

(3) Under Count Two:

(a) the Court temporarily and permanently enjoin the Defendant *in personam* from disposing, conveying, transferring, assigning, or otherwise alienating property, both personal and real, including money, belonging to FCBE, properties listed as a Defendant *in rem*, and other properties which were used to further, obtained and/or derived through unlawful acts until further Order of this Court;

(4) Under Count Three:

(a) the Court appoint a receiver over all property of Defendant *in personam*, property listed as Defendant *in rem*, as well as or other properties which were used to further, obtained and/or derived through unlawful acts and that such receiver be vested with all the power and authority generally exercisable by receivers under the laws of this State, including, without limitation, the power and authority:

(i) to take immediate custody, control, and possession of the assets of the subject to this action, any property listed as Defendant *in rem*, as well as other properties which were used to further, obtained and/or derived through unlawful acts

(ii) to marshal and account to this Court for the assets seized;

(iii) to preserve and protect such assets pending further order of this Court; and

(iv) to take such action as may be directed by this Court to insure the availability of such assets to respond to any judgment the Court may enter in this action;

(5) Under Count Four:

(a) the Court order any other relief that it deems appropriate and proper pursuant to O.C.G.A § 16-14-9; and

(6) that the Court grant to Plaintiff such other and further relief as the Court deems just and equitable.

Respectfully submitted this 14th day of April, 2014.

LEIGH E. PATTERSON
District Attorney
Georgia Bar No. 566620

MICHAEL G. LAMBROS
Georgia Bar No. 432113
Special Assistant District Attorney

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FLOYD COUNTY

STATE OF GEORGIA

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VERIFICATION

PERSONALLY APPEARED before me, the undersigned officer duly authorized by law to administer oaths, Major Mark Wallace with the Floyd County Police Department, who, after being duly sworn, states that he has read the foregoing Complaint and that the information contained therein is true and correct to the best of his knowledge and belief.

This 14th day of April, 2015.

MAJOR MARK WALLACE

Sworn to and subscribed

before me this 14 day of

April, 2015.

Shanna D Boatner

NOTARY PUBLIC

My Commission Expires: 8-1-2017