#### COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.	C.A. NO. 21-14736
HUI LIN, and BUBOR CHA-CHA	
RESTAURANT, LLC,	)
Plaintiffs,	)
	)
v.	)
	)
ZHICHAO CHANG, LI WANG and	)
QINGWEN TAN,	)
Defendants.	_)

## PLAINTIFF'S VERIFIED COMPLAINT AND DEMAND FOR JURY TRIAL

## **PARTIES**

- 1. The Plaintiff, Hui Lin ("the Plaintiff" or "Lin") is a resident of Quincy, Massachusetts.
- 2. The Nominal Plaintiff, Bubor Cha-Cha Restaurant, LLC ("Bubor") is a Massachusetts limited liability company with a principal place of business located in Boston, Massachusetts.
- 3. The Defendant, Zhichao Chang ("Chang"), is a resident of Allston, Massachusetts.
- 4. The Defendant Li Wang ("Wang"), is a resident of Boston, Massachusetts.
- 5. The Defendant, Qingwen Tan ("Tan"), is a resident of Boston, Massachusetts.

## **FACTUAL BACKGROUND**

- 6. The Plaintiff, Lin, and the named Defendants all are members of Bubor, which holds and operates the Bubor Cha-Cha Hunan cuisine restaurant located at 45 Beech Street, Boston, Massachusetts ("the Restaurant").
- 7. Ownership interests in Bubor are as follows: Lin: thirty percent (30%); Chang: twenty percent (20%); Wang: twenty percent (20%); Tan thirty percent (30%). See Bubor Cha-

- Cha Restaurant, LLC Purchase Rights and Restrictions Agreement Relating To All Membership Interests, attached hereto as Exhibit 1.
- 8. Bubor was formerly operated by its previous owners, Gloria Chin and Chester Wu.
- Lin and the named Defendants purchased the membership interests of Chin and Wu on November 15, 2019.
- 10. Lin has contributed \$270,000 to Bubor since November 15, 2019.
- 11. The Defendant, Chang, has contributed \$180,000.

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- 12. The Defendant, Wang, has contributed \$180,000.
- 13. The Defendant, Tan, has contributed \$270,000.
- 14. The understanding between the Plaintiff and the Defendants was that the Plaintiff was to conduct the day-to-day operations of the Restaurant, while the Defendants were to contribute only capital.
- 15. Since late 2019, and through the Covid-19 pandemic, Lin has in fact run the business on a day-to-day business, and is responsible for all facets of business management.
- 16. The Restaurant has six employees working in the kitchen and four or five waitstaff. It has no other managers except Lin.
- 17. The Restaurant is open from 11:00A.M. to 10:00P.M. on weekdays and 11:00A.M. to 11:00P.M. on weekends. Lin works most if not all of those hours at the Restaurant. The Defendants do not.
- 18. Since taking over the Restaurant, Lin has called regular members' meetings, and has provided the Defendants with all financial information that they have requested, including profit and loss statements. The Defendants were sent wage payment records every month.

19. The last members' meeting was held on September, 2020, and the Defendants all viewed Bubor bank statements and credit card statements.

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- 20. Due largely to the Covid-19 crisis, no dividends have been issued to Bubor members.
- 21. On April 13, 2021, Chang informed Lin that he would be coming to the Restaurant on April 14 to review Bubor books and records.
- 22. Instead, on April 14, Wang's boyfriend, Pengju Li, arrived at the restaurant when Lin happened not to be there, and demanded to view sensitive and confidential Bubor records.
- 23. Restaurant employees who did not know who Mr. Li was denied him access to those records.
- 24. Mr. Li is neither an employee of the Restaurant, nor a member of or employee of Bubor in any way. Mr. Li had no right to access confidential Bubor financial information.
- 25. On May 3, the Defendants placed a pad lock on the Restaurant's exterior doors, and signs on the Restaurant's windows entitled "NOTICE OF CLOSURE".
- 26. The so-called "Notice of Closure" claims that Bubor "voted to close the restaurant until an audit can be conducted on the financial and business records of the LLC. Members of Restaurant Bubor Cha-Cha, LLC voted to remove Hui Lin as Manager. Hui Lin shall enjoy no rights as an officer of Restaurant Bubor Cha-Cha, LLC." See Notice of Closure attached hereto as Exhibit 2.
- 27. The Notice of Closure directs employee questions concerning these statements to <a href="mailto:contact@mybostonlawfirm.com">contact@mybostonlawfirm.com</a> "for wages and new working schedules during the temporary shut down."
- 28. Lin removed the lock and re-opened the store.

- 29. At no point was Lin made aware of any members' meeting, nor was she ever consulted by the Defendants concerning her "removal" as manager.
- 30. Lin never has refused any of the Defendants access to Bubor financial records.
- 31. Upon information and belief, the Defendant Chang, has ownership interests in other competing food service entities.
- 32. On May 6, the Defendants again visited the Restaurant, and changed the locks on the front and back door, removed security camera systems, took cash from the Restaurant, and redirected funds from Bubor accounts into new bank accounts.
- 33. Lin's sole source of income is from the approximately \$60,000 annual salary she has received from Bubor for her work at the Restaurant.

## <u>COUNT I</u> (Injunctive Relief)

- 34. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.
- 35. The Plaintiff seeks a temporary restraining order, and, thereafter, a preliminary injunction prohibiting the Defendants from transferring Bubor funds from its accounts, canceling vendor accounts, or interfering in any way with Lin's daily operation of the Restaurant.
- 36. Based on the facts set forth above, the plaintiff has a reasonable likelihood of success on the merits of her claims at trial. There is a substantial risk that the Plaintiff will suffer irreparable harm if the injunction is not granted because the Defendant already has alienated income from the Restaurant and has interfered with its operations. The balance of equity demonstrates that injunctive relief is appropriate because the Plaintiff will stand to suffer irreparable harm if the requested relief is not granted, whereas the Defendants will suffer no harm if the relief is granted and the former status quo that existed for 18 months is achieved.

#### <u>COUNT II</u>

(Breach of Fiduciary Duty - Lin v. All Defendants)

- 37. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.
- 38. Lin is a 30% member, and was Manager of, Bubor, which is a close corporation. By reasons of these and other functions, the Defendants all owed to Lin fiduciary obligations including the obligations of good faith, fair dealing, loyalty and care.
- 39. As a result of the actions described above, the Defendants breached their fiduciary duty toward Lin by effectively freezing her out of Bubor, by denying her the fruits of her labors, usurping her investment and denying her employment, all for their own gain.

#### **COUNT III**

(Breach of Fiduciary Duty - Bubor v. All Defendants)

- 40. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.
- 41. The Defendants owe to Bubor fiduciary obligations, inclusive of the obligations of good faith, fair dealing, loyalty and care.
- 42. As a result of the actions described above, the Defendants have breached their duties to Bubor through siphoning of Bubor funds, canceling vendors, and physically closing the restaurant, and operating other ventures in direct competition with Bubor.

# COUNT IV

- (Accounting)
- 43. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.
- 44. The Plaintiffs are entitled to an accounting of all proceeds and assets of Bubor from the Defendants, and request that this Court Order such an accounting.

#### **COUNT V**

(Constructive Trust – Bubor v. All Defendants)

45. Plaintiff incorporates the preceding paragraphs as if fully set forth herein.

- 46. The Defendants have improperly taken Bubor funds from the Restaurant, and have diverted income from the Restaurant into new bank accounts.
- 47. The imposition of a constructive trust is necessary to protect income and assets that properly belong to Bubor.

WHEREFORE, the Plaintiffs request that this Honorable Court enter the following relief:

- That judgment enter for the Plaintiff on her claims against the Defendants for damages, interest, costs, and attorneys' fees;
- 2.) Order that the Defendants provide to the Plaintiff an accounting for Bubor for any funds that they receive after diverting them;
- 3.) Order that a constructive trust be imposed on the Property in favor of the Plaintiff, Bubor;
- 4.) Enter judgment in the Plaintiff's favor in Counts II and III in an amount necessary to invoke this Court's jurisdiction;
- 5.) Enter an order enjoining the Defendants from interfering with the Restaurant's operation and the Plaintiff's employment there;
- 6.) Such other relief as this Court deems just and proper.

## **DEMAND FOR JURY TRIAL**

Plaintiff hereby requests a trial by jury.

The Plaintiffs, HUI LIN, and BUBOR CHA-CHA RESTAURANT, LLC,, By their Attorneys,

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## **VERIFICATION**

I, Hui Lin, do hereby declare that I have read the foregoing Complaint and know the contents thereof. The same is true to my knowledge except to those matters that are alleged on information and belief; as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on this <u>21st</u> day of June, 2021.

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