

# 15-3294-CV

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## United States Court of Appeals *for the* Second Circuit

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RITCHIE CAPITAL MANAGEMENT, L.L.C., RITCHIE CAPITAL  
MANAGEMENT, LTD., RITCHIE SPECIAL CREDIT INVESTMENTS, LTD.,  
*Plaintiffs-Appellants,*

– v. –

COSTCO WHOLESALE CORPORATION,  
*Defendant-Appellee.*

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ON APPEAL FROM THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

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### **JOINT APPENDIX Volume 2 of 2 (Pages A-166 to A-314)**

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# EXHIBIT D

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11/11/2014

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### LLC FILE DETAIL REPORT

<b>Entity Name</b>	RITCHIE CAPITAL MANAGEMENT, L.L.C.	<b>File Number</b>	00236497
<b>Status</b>	ACTIVE	<b>On</b>	10/10/2014
<b>Entity Type</b>	LLC	<b>Type of LLC</b>	Foreign
<b>File Date</b>	11/17/1998	<b>Jurisdiction</b>	DE
<b>Agent Name</b>	C T CORPORATION SYSTEM	<b>Agent Change Date</b>	05/31/2013
<b>Agent Street Address</b>	208 SO LASALLE ST, SUITE 814	<b>Principal Office</b>	120 N HALE STREET STE 300 WHEATON, IL 60187
<b>Agent City</b>	CHICAGO	<b>Management Type</b>	MGR <a href="#">View</a>
<b>Agent Zip</b>	60604	<b>Duration</b>	12/31/2027
<b>Annual Report Filing Date</b>	10/10/2014	<b>For Year</b>	2014
<b>Series Name</b>	NOT AUTHORIZED TO ESTABLISH SERIES		

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# EXHIBIT E

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MINNESOTA

RITCHIE CAPITAL MANAGEMENT, L.L.C.,
as administrative and collateral agent,
RITCHIE SPECIAL CREDIT
INVESTMENTS, LTD., RHONE HOLDINGS
II. LTD., YORKVILLE INVESTMENTS I,
LLC, and RITCHIE CAPITAL STRUCTURE
ARBITRAGE TRADING, LTD.,

Plaintiffs,

v.

DEANNA COLEMAN, an individual,
MICHAEL O'SHAUGHNESSY, an individual,
THOMAS PETTERS, an individual, DAVID A.
BAER, an individual, SIMON ROOT, an
individual, and FREDRIKSON & BYRON, a
Minnesota Professional Association.

Defendants.

Case Number:

JURY TRIAL DEMANDED

COMPLAINT FOR VIOLATIONS OF
RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT (RICO),
COMMON LAW FRAUD AND TORTIOUS INTERFERENCE

Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments, Ltd.;
Rhone Holdings II. Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage
Trading, Ltd.; by their undersigned counsel, state as follows for their complaint against Deanna
Coleman, Thomas Petters, Michael O'Shaughnessy, David A. Baer, Simon Root and Fredrickson
& Byron:

1. This case arises out of the long-running criminal racketeering enterprise operated
by Defendant Thomas Petters ("Petters") and his associates, which most notoriously operated a
Ponzi scheme based on false electronic and other product invoices. Separately, however, Petters
and his associates schemed to develop legitimate businesses that could be sold or leveraged to

raise funds. The fraudulent scheme in this case concerns Petters and his associates' use of those business activities to defraud Plaintiffs, investment funds and their manager, out of the benefits of valuable security interests in one of the world's most-recognized companies, Polaroid Corporation ("Polaroid"). Plaintiffs loaned over \$150 million to Polaroid's parent company, Petters Group Worldwide, LLC ("PGW"), in exchange for security interests in Polaroid, which Petters' associates represented to Plaintiffs on February 3, 2008 had an estimated value of \$779 million. After Plaintiffs made the loans, however, Petters and his associates schemed to defraud Plaintiffs out of the benefit of these security interests through various unlawful acts, including wire fraud and perjury. The unlawful acts of the conspiracy continued even though Petters, Coleman and others involved have been convicted or pled guilty for their participation in a Ponzi scheme involving another Petters' entity, Petters Company, Inc. ("PCI").<sup>1</sup>

2. From the first call on January 31, 2008 from an investment banker employed by PGW to the CEO of Plaintiff Ritchie Capital Management, L.L.C. ("RCM"), Petters and his associates promised Plaintiffs a security interest in Polaroid. In fact, Polaroid's operations and prospects were emphasized in most, if not all, of the numerous telephone calls and meetings between RCM's CEO and Petters and his associates.

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<sup>1</sup> Plaintiffs observe that this complaint names individuals who may fall within the terms of the December 8, 2008 Receivership Order in the case, *US v. Thomas Joseph Petters, et al.*, No. 08-5348. That Order, among other things, precludes the initiation of litigation against certain Receivership Defendants "except that such actions may be commenced if necessary to toll any applicable statute of limitations." See Receivership Order at 19. Plaintiffs respectfully submit that filing this action may be necessary for tolling any applicable statute of limitations and is, thus, explicitly permitted by the Receivership Order.

Second, Plaintiffs note that this case is filed as a related case to a pending case that names two different defendants not covered by the Receivership Order. See *Ritchie Capital Management, L.L.C. et al. v. Mary Jeffries et al.*, 10-CV-00668. Plaintiffs contemplate seeking consolidation of the actions at the appropriate time.

3. Petters and his associates promised to grant Plaintiffs the security interests in Polaroid and its capital stock on February 1, 2008, when Plaintiffs loaned PGW \$31 million to enable Polaroid, PGW's wholly-owned subsidiary, to repay an existing loan from JPMorgan Chase & Co. ("JPMorgan"), which existing loan was secured by a lien over Polaroid's stock and assets. Petters and his associates, purportedly acting on behalf of PGW, promised that after the JPMorgan loan was repaid and its liens released, Plaintiffs would step into the shoes of JPMorgan as Polaroid's senior lienholder. Petters and his associates agreed to provide additional security by providing Petters' personal guarantee of payment of the loans made by Plaintiffs to PGW. Petters and his associates specifically represented that Petters' personal guarantee was to remain in place only until JPMorgan's lien on Polaroid was released and Polaroid's stock certificates were delivered to Plaintiffs. Based on these representations by Defendants and their co-conspirators, one of the Plaintiff investment funds wired \$31 million on February 1, 2008.

4. After one of Plaintiffs' funds wired the initial \$31 million to pay JPMorgan, Petters and his associates initiated a scheme to deprive Plaintiffs of the benefits of their security interests in Polaroid. From the inception of that scheme through September 2008, Petters and his associates staged a series of meetings, telephone conferences, presentations and other conduct designed to mislead Plaintiffs into believing that their loans continued to be amply secured by Polaroid. At the same time, however, Petters and his associates were also pledging Polaroid's assets to third parties in connection with other obligations of various Petters companies. On September 19, 2008, over seven months after promising Plaintiffs their security interest in Polaroid, PGW and Polaroid finally executed documents memorializing the grant to Plaintiffs of security interests in a portion of Polaroid's assets.

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5. Just five days later, on September 24, 2008, federal authorities executed a search warrant at Petters' office and elsewhere based on an affidavit accusing Petters and others of operating a nationwide Ponzi scheme through Petters' other company, PCI. On September 29, 2008, Petters resigned from his companies, and Plaintiffs obtained from the Circuit Court of Cook County, Illinois a temporary restraining order freezing the assets of Petters, PGW and PCI. On October 3, 2008, Plaintiffs obtained an amended order from the Illinois court appointing a receiver over the assets of Petters, PGW and PCI.

6. Meanwhile in Minnesota, on or about September 27, 2008, Petters retained an attorney, Douglas Kelley ("Kelley"), to represent his companies. Thereafter and continuing during the week of September 29, 2008, Kelley, acting as Petters' chief legal counsel, assumed complete control over PGW and Petters' other companies. In this position, Kelley intentionally ignored the orders Plaintiffs had previously obtained in Illinois and, *inter alia*, refused to recognize the receiver appointed by the Illinois court, even barring this receiver from PGW's offices, and obtained from Petters a proxy transferring Petters' rights as sole shareholder in PGW and his other companies to Kelley's law partner, Steven Wolter. On October 6, 2008, the United States District Court in Minnesota issued an Order that placed Petters' companies into receivership and named Kelley as receiver of Petters, PGW and PCI. On information and belief, the district court granted Kelley's receivership motion without Kelley having disclosed that the Cook County Court had already appointed a receiver.

7. As Receiver, Kelley placed PGW and PCI into bankruptcy and became Trustee over those companies' bankruptcy estates, creating irreconcilable conflicts of interest arising from his obligations as the attorney, Receiver and Trustee for PCI and PGW. For example,

rather than act on behalf of PGW's bankruptcy estate as Trustee, Kelley has taken steps to assure that PGW's assets are forfeited over to the Government in a forfeiture action.

8. In his capacity as attorney, Receiver and/or Trustee, Kelley terminated many of the individuals employed by Petters' companies. Kelley, however, retained PGW's Chief Operating Officer, Mary L. Jeffries, as Polaroid's Chief Executive Officer. This decision enabled Jeffries' to permanently deprive Plaintiffs of the benefits of their security interests in Polaroid, by causing the Polaroid bankruptcy estate to sell Polaroid's assets in a fire sale at a fraction of their true value.

## **II. Jurisdiction and Venue**

9. This Court has subject matter jurisdiction over this action pursuant to 18 U.S.C. § 1964 and 28 U.S.C. § 1331.

10. Venue is proper under 28 U.S.C. § 1391(b) because Minnesota is where a substantial part of the relevant events occurred.

11. The conduct of the Defendants and their co-conspirators described herein was in or affected interstate commerce.

## **III. The Parties**

12. Plaintiff Ritchie Capital Management, L.L.C. ("RCM") is a Delaware limited liability company with its principal office in Wheaton, Illinois.

13. Co-Plaintiffs, Ritchie Special Credit Investments, Ltd., Rhone Holdings II. Ltd., and Ritchie Capital Structure Arbitrage Trading, Ltd., are Cayman Island exempted companies that invest in securities of for-profit corporations operating in the United States and abroad. Yorkville Investments I, L.L.C. is a Delaware limited liability company that invests in securities

of for-profit companies operating in the United States and abroad and has its principal U.S. place of business in Illinois. Ritchie Special Credit Investments, Ltd., Rhone Holdings II. Ltd., Yorkville Investments I, L.L.C., and Ritchie Capital Structure Arbitrage Trading, Ltd. (collectively, the “Plaintiff Funds”) have appointed RCM as their administrative agent in connection with such parties’ loans to PGW. The Plaintiff Funds and RCM are, collectively, referred to herein as “Ritchie” or “Plaintiffs.”

14. Defendant Thomas J. Petters is an individual who resided in Minnesota during the relevant time period. He is now held in custody in the federal penitentiary in Leavenworth, Kansas serving a 50-year prison sentence after his conviction for fraud, conspiracy and money laundering. Prior to his arrest, conviction and incarceration, Petters was the sole owner and CEO of PCI, PGW, Petters Capital, LLC, Thomas Petters, Inc. and all of their respective direct and indirect subsidiaries. Prior to forming PCI and PGW, Petters was convicted of one or more felonies in state court. Petters succeeded in expunging his criminal record, thereby concealing his prior illegal conduct. Petters’ criminal conduct was unknown to Plaintiffs until after Petters was arrested in 2008 and his prior criminal activity was made public.

15. Defendant Deanna Coleman (“Coleman”) is an individual residing within the State of Minnesota. Coleman’s office at PGW/PCI was next to Jeffries and across the hall from the offices of Petters and Baer. As a principal player in the Petters criminal enterprise, Coleman participated in and provided material assistance in the scheme to defraud Ritchie. Coleman eventually provided material assistance and cooperation to the Government in prosecutions arising out the Petters Ponzi scheme. She pled guilty to charges and was sentenced to one year and a day in prison.

16. Defendant Michael O'Shaughnessy ("O'Shaughnessy") is a resident of the State of Minnesota. During the relevant time period, O'Shaughnessy was an advisor to Petters, Polaroid and/or PGW who participated in negotiations over Plaintiffs' loans.

17. Defendant David A. Baer is a resident of the State of Minnesota. During the relevant time period, Baer was PGW's Chief Legal Officer. Baer also participated in negotiating the Plaintiffs' loans and took part in the scheme to deprive Plaintiffs of their security interests in Polaroid for which Plaintiffs bargained in good faith and for which Plaintiffs paid valuable consideration.

18. Defendant Fredrikson & Byron ("F&B"), a Minnesota Professional Association, is a law firm with offices located in Minneapolis, Minnesota. Attorneys with F&B provide legal services as agents of the firm. From approximately 1998 through 2008, various F&B attorneys provided professional legal services as outside counsel for PCI and PGW, including John Koneck and David Marshall, who were Petters' personal friends and who provided or arranged for legal services to Petters' companies in connection with FBI interviews of Petters company executives in 2003.

19. Defendant, Simon Root ("Root"), provided professional legal services related to various transactions entered into by multiple entities owned by Petters over a 10-year period from 1998 through 2008. Root participated in and provided material assistance in the scheme to defraud Plaintiffs by participating in the negotiation of the Plaintiffs' loans to PGW. Other F&B attorneys also provided professional legal services to Petters and his organizations over the same 10-year period that materially aided Petters' criminal enterprise.

**IV.  
Co-Conspirators and Other Persons**

20. Mary Jeffries, a co-conspirator (“Jeffries”), is a resident of the State of Minnesota. Jeffries became associated with Petters’ unlawful enterprise when she joined PGW in 2004 as Chief Operating Officer. From 2006 until October 2008, she was PGW’s President and Chief Operating Officer. In April 2005, Jeffries submitted an affidavit in another case in which she swore she was Chief Operating Officer of PCI, the vehicle through which Petters operated the PCI Ponzi scheme. Beginning in at least February 2008 and continuing thereafter, Jeffries conspired with Petters and his associates in the scheme to deprive Plaintiffs of their security interests in Polaroid for which Plaintiffs bargained in good faith and for which Plaintiffs paid valuable consideration. In or about April 2008, Jeffries was named as Polaroid’s Chief Executive Officer. Jeffries used her position to continue the scheme to deprive Plaintiffs of their security interests in Polaroid. Jeffries also is an indirect shareholder and executive of Zink Imaging, Inc., a former Polaroid division that was spun-off through a buyout in January of 2006. Zink is an integrated design, development and manufacturing center with expertise in digital photo printing and is an important supplier of products to Polaroid.

21. Camille Chee-Awai, a co-conspirator (“Chee-Awai”), is a resident of the State of Florida. During the relevant time period, Chee-Awai was associated with Petters’ unlawful enterprise and served as the CEO of Petters Capital, LLC, another entity owned and controlled by Petters. She participated in negotiating the substantial loans extended to PGW by Plaintiffs and took part in the scheme to deprive Plaintiffs of their security interests in Polaroid for which Plaintiffs bargained in good faith and for which Plaintiffs paid valuable consideration.

22. Douglas A. Kelley, is a Minnesota lawyer and principal at the law firm of Kelley & Wolter, PC located in Minneapolis, Minnesota. Kelley, a former Assistant U.S. Attorney who

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unsuccessfully ran in the Republican primary for Governor of the State of Minnesota in 1990, is the Receiver over the assets of Petters, PGW, PCI and other related companies. He also serves as the Trustee in the PGW and PCI bankruptcy proceedings.

23. Steven Wolter (“Wolter”), is a Minnesota lawyer and another principal at Kelley & Wolter, PC. Wolter holds an Irrevocable Proxy from Petters, dated October 5, 2008, giving Wolter control over the equity capital of all Petters-owned companies, including Polaroid.

24. PCI is a Minnesota corporation with offices in Minnetonka, Minnesota. Petters used PCI to sell the promissory notes at the heart of his fraudulent activities. The offices of Petters, PGW and PCI were located in the same suite in a Minnetonka, Minnesota office building. On October 6, 2008, PCI was placed into receivership in United States District Court for the District of Minnesota (the “Receivership Action”). At Kelley’s direction, PCI filed for bankruptcy protection in the United States Bankruptcy Court for the District of Minnesota on October 11, 2008.

25. PGW is a Delaware limited liability company with its principal place of business in Minnetonka, Minnesota. PGW served as an umbrella company used by Petters to oversee a group of approximately 60 companies in which Petters invested. On October 6, 2008, the Receivership Action was expanded to include PGW, and PGW was placed into receivership in the United States District Court for the District of Minnesota. Five days later, on October 11, 2008, Kelley caused PGW to file for bankruptcy protection in the United States Bankruptcy Court for the District of Minnesota.

26. Polaroid Corporation and Polaroid Consumer Electronics LLC, co-conspirators, are Delaware limited liability companies with their principal place of business in Minnetonka, Minnesota (collectively, “Polaroid”). PGW acquired control of 100% of the outstanding shares

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of Polaroid in or about April, 2005. On December 18, 2008, at the direction of Kelley, Polaroid filed for bankruptcy protection in the United States Bankruptcy Court for the District of Minnesota.

27. Polaroid Holding Company (“PHC”) is a Delaware corporation that is owned by PGW and serves as the holding company for Polaroid. PHC was included in the Polaroid bankruptcy filing.

28. JPMorgan Chase & Co. is a global financial services firm with assets of \$2 trillion and operations in more than 60 countries. In 2002, JPMorgan’s private equity unit, One Equity Partners LLC (“OEP”), acquired control of Polaroid, helping it to emerge from its earlier bankruptcy. OEP and the other owners of Polaroid sold 100% of Polaroid to PGW in April 2005 for \$426 million. PGW borrowed a portion of the funds used to purchase Polaroid from JPMorgan. At or about that time, JPMorgan also provided Polaroid with an asset-based loan credit facility secured by Polaroid’s stock and assets.

29. Petters, Coleman, Baer, O’Shaughnessy, Root and Fredrikson & Byron are referred to, collectively, as “Defendants.” Defendants and other co-conspirators are also referred to as “Petters and his associates.”

30. The Defendants herein acted in their individual capacities and for their own personal gain in agreeing with Petters to achieve an unlawful purpose and committing acts in furtherance of their objectives. The automatic stay provisions of section 362 of the Bankruptcy Code do not apply to the officers or employees of PCI, PGW or Polaroid. The relief sought in this complaint seeks no relief against any of those debtors and, therefore, will not result in any harm to them.

V.

Factual Allegations Common to All Claims

A. *Plaintiffs' \$31 million loan to PGW.*

31. In January 2008, Petters and his associates sought to induce Plaintiffs to loan PGW funds to bridge Polaroid's capital requirements in anticipation of a sale of certain Polaroid assets then being negotiated. To identify potential lenders, one or more of the conspirators contacted and sought the assistance of a number of investment bankers and investment funds about this "opportunity."

32. On Thursday, January 31, 2008 at 4:34 PM, RCM's Thane Ritchie received an email from George Johnson, Senior Vice President/Sales of Capital Financial Advisors, LLC, a Chicago-based investment banking firm raising money for Petters, which stated:

Hi Thane,

I have an opportunity that you might have interest in . . . do you guys participate in short term secured financing deals? ***The note would be secured by the assets of a company with value far exceeding the value of the note.***

Let me know ASAP.

George [Emphasis added]

A copy of this email is attached as Exhibit A.

33. Later that day, at 8:08 PM, Thane Ritchie responded by email to Mr. Johnson expressing his interest and inquired "what kind of assets? Company?"(Exhibit A.)

34. Mr. Johnson responded to Mr. Ritchie the next day Friday, February 1, 2008, at 1:27 PM with an email stating:

We have to move fast . . . I will send you a term sheet . . . 90 day loan (20% interest . . . 80% annualized . . . backed by the entire Polaroid corporation. (Exhibit A.)

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35. Later that same Friday February 1, 2008, Johnson initiated a conference call between Thane Ritchie and Petters, Jeffries and Baer. On this call, Petters prefaced PGW's urgent need for cash by stating that PGW was seeking a short-term loan of approximately \$120 million, secured by Polaroid assets, to bridge the sale of certain Polaroid North American trademarks and licenses. Petters, Jeffries and Baer stated unequivocally that PGW was seeking the loans for the benefit of Polaroid, PGW's wholly-owned subsidiary.

36. Petters stressed that the value of Polaroid's North American trademarks and licenses alone exceeded \$330 million and represented that the proposed purchaser of those assets was a well-known publicly traded brand management company that licensed and marketed a portfolio of consumer brands.

37. Petters stated that he would not normally have a problem obtaining financing for a valuable asset like Polaroid but that JPMorgan held a lien on Polaroid's assets and stock as security for an asset-based loan that provided Polaroid with a line of revolving credit. Petters and Jeffries stated that PGW needed \$31 million that day to pay off JPMorgan so that JPMorgan would release its liens, permitting PGW to cause Polaroid to pledge its assets to Plaintiffs as collateral for the requested loans. Jeffries and Defendant Baer participated in the conference call and did not contradict Petters' statements made during the call.

38. Thane Ritchie expressed interest in lending the \$31 million to PGW, but only on the condition that Polaroid was pledged. Petters already knew that Thane Ritchie would not agree to loan the funds unless Polaroid was pledged. That was the collateral Thane Ritchie required when Petters approached him in or about 2005 seeking financing from Plaintiffs for PGW's Polaroid acquisition.<sup>2</sup> As he had done in or about 2005, Thane Ritchie insisted to Petters

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<sup>2</sup> Although Mr. Ritchie and Petters had in 2005 discussed the possibility of a loan to Petters

and Jeffries that any loan must be secured by Polaroid. During this February 1, 2008 conference call, Petters offered to be available at any time to discuss the deal, and he put Jeffries and Baer at Thane Ritchie's disposal to assist in Plaintiffs' due diligence efforts.

39. RCM's President, John Kermath, understood Thane Ritchie's insistence to Petters that the loans were contingent on the grant of a security interest in Polaroid. Mr. Kermath states that:

3. In connection with RCM's funds' loans to PGW, I can attest that RCM and its funds were interested exclusively in Polaroid Corporation (Polaroid). As President of RCM, I understood at all times that the loans to PGW were about Polaroid. Specifically, in discussing how the original \$31 million would be secured, the discussion was always about Polaroid and, in effect, that the loan would be secured by Polaroid.

4. In making the various loans to PGW in February 2008 and after, my colleagues and I worked with Tom Petters and his team, including Mary Jeffries ("Jeffries"), Camille Chee-Awai ("Chee-Awai") and David Baer ("Baer").

5. RCM was shown documents – dated January 30, 2008 -- by Petters and his team that Polaroid was valued in excess of \$700 million and that, in February 2008 when Ritchie first began providing substantial loans, that Ritchie was in fact over-collateralized because Polaroid was valued for far more than the sum of the loans made by Ritchie's funds. Indeed, as President of RCM, I continued to monitor Polaroid's value after February 2008.

6. At no time until the FBI raid on Petters and his companies in or around September 2008 was I aware that Petters allegedly operated a Ponzi scheme in PCI.

Affidavit of John Kermath, attached hereto as Exhibit B.

40. As promised by Petters in the conference call, from February 1, 2008 through February 19, 2008, Defendants and their co-conspirators transmitted documents and information

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to finance PGW's acquisition of Polaroid, no such loans were made and, prior to the loans made in February 2008, no transaction had ever occurred between any Petters company and Mr. Ritchie or any of his affiliated investment funds.

in interstate commerce, including by email and telephone, calculated to induce and did in fact induce Plaintiffs to loan PGW \$31 million and other substantial sums of money.

41. At 4:37 PM on Friday, February 1, 2008, PGW's Chee-Awai sent an email at Jeffries's direction with the subject "Petters POL Due Diligence Info" to Thane Ritchie, with copies to Jeffries, Baer and Petters, as well as to two individuals at an investment banking firm Calibrax, LLP, stating:

Thane,

Subsequent to [Calibrax's] Mike Clofine's request, please see the attached information on Polaroid. The information includes the following:

- A) Draft of Polaroid's 2006 audited financial statements
- B) Last financial report sent to JPM[organ] reflection financial performance as of Nov 30 2007
- C) Brand valuation prepared by Duff and Phelps
- D) Summary of historical financials and capital structure of Polaroid. . . .

Let me know if you need additional information.

Thanks for your support.

Camille

A copy of Chee-Awai's February 1, 2008 email with attachments is attached hereto Exhibit C to this Complaint.

42. Based on and in reliance upon the representations of the Petters team that (i) Polaroid and its capital stock would be pledged as security for the \$31 million loan, (ii) Polaroid had more than sufficient value as collateral and (iii) the \$31 million loan would be used to pay off in full JPMorgan's loans to Polaroid, on February 1, 2008, one of the Plaintiff Funds agreed to loan PGW \$31 million. As it was already late on Friday, Petters said that he was unable to arrange the pay off of the JPMorgan loan and obtain a release of JPMorgan's liens on that day.

Therefore, Petters agreed to personally guarantee Plaintiffs' loan until JPMorgan was paid off and released its liens on Polaroid's stock and assets. Based on wire transfer information supplied by Coleman, on February 1, 2008, Plaintiffs wired the \$31 million for the use of PGW to an M&I Bank account specified in writing by PGW.

43. At Jeffries's direction, Chee-Awai sent RCM additional information concerning Polaroid's capital structure in two emails dated February 3, 2008, at 9:28 AM and 10:30 AM, stating that JPMorgan's liens were "over collateralized." Based on this information, Jeffries urged Thane Ritchie to release Petters' personal guaranties, implying that even with JPMorgan's lien securing the approximately \$31 million of indebtedness remaining outstanding, Plaintiffs' loans were secured by Polaroid and its stock which provided ample collateral. Plaintiffs, however, relying on Petters' promise that the Plaintiffs would essentially step into JPMorgan's shoes with security interests in Polaroid, refused to release Petters' personal guarantee until Plaintiffs received formal documentation (i) indicating that the JPMorgan loan had been paid off in full and (ii) reflecting Plaintiffs' liens on Polaroid.

44. Under Illinois law, oral agreements to create a security interest are valid where documents relating to the transaction evidence the intent of the parties to create such an interest. The oral promises of the Defendants and their conspirators, as well as the documents surrounding the transactions provided to Plaintiffs at the time the \$31 million loan was made, evidenced an intent to create a security interest in Polaroid's stock and assets in exchange for Plaintiffs' \$31 million loan to PGW, and in fact Plaintiffs relied on such promise when making such loan.

**B. *Petters' Respected Reputation in the Business Community.***

45. Based upon the apparent success of Petters' business empire, Plaintiffs had good reason to feel secured by the Polaroid collateral that had been promised by Petters. Beginning in or about 1988, Petters launched his career as a "diverter," a middleman that locates hard-to-get consumer goods and resells them at a profit to retailers. By at least 1995, Petters' diverting business was purportedly operated through PCI. In or about 1999, Petters formed two separate companies, PGW and Thomas Petters, Inc. ("TPI"), which served as the holding companies for the various valuable and legitimate businesses Petters acquired over the years. Petters enjoyed a stellar reputation as a businessman and philanthropist. Petters' PCI business appeared to be highly successful, and PGW was recognized as "a leader in creating, developing and investing in companies that manufacture, procure and market merchandising solutions in key growth markets." Petters', PGW's, and TPI's global portfolio of companies grew to include Polaroid, Master Craft, Sun Country Airlines, Petters Aviation, Petters Real Estate, as well as holding major stakes in companies like Fingerhut and uBid.com. PGW also had licensing agreements with companies such as Emerson and Sunbeam.

46. Petters used his wealth to buy influence in social and political circles, frequently contributing to local political campaigns. Petters contributed millions of dollars to educational institutions, including donating \$10 million to Miami University (Ohio).

47. Petters was highly regarded for his business and philanthropic activities. On February 8, 2008, a Private Banker at Northern Trust Company wrote a letter "To Whom It May Concern" stating, in pertinent part, that Petters "has and continues to maintain his banking relationship with Northern Trust at the highest standard." Indeed, on September 24, 2008, the

same day the federal Search Warrant was executed, a Minneapolis television station KTSP posted on its website the following information extolling the virtues of Tom Petters:

**Activities:** Board of Trustees at the College of St. Benedict, St. Joseph; Board of Trustees at Rollins College in Winter Park, Florida; and Business Advisory Council and Board of Visitors for Miami University in Oxford, Ohio.

**Awards:** Corporate Leader of the Year in 2001 by the Juvenile Diabetes Research Foundation, Distinguished Humanitarian Award in 2003 by B'nai B'rith, and Big Brothers and Big Sisters Odyssey Awards 2005.

**Achievements:** Establishing the John T. Petters Foundation and providing endowments at select universities, allowing Petters to take a tragic situation of losing his son and creating a positive experience for students around the country which he hopes will live on beyond his life and the life of his companies. Endowments at universities throughout the United States: College of St. Benedict, \$5.3 million to create the Thomas J. Petters Center for Global Education; College of St. Benedict, \$2 million for the Petters Auditorium; St. John's University, \$1.5 million for the Retreat Center; Miami University, \$10 million to establish the John T. Petters Center for Leadership, Ethics and Skills development in the Richard T. Farmer School of Business; Miami University, \$4 million to create the Jennifer Petters Chair in Asian Business; and Rollins, \$12 million to create two new faculty chairs in International Business.

48. As described herein, Petters and others were later indicted and charged with using PCI to orchestrate a massive Ponzi scheme. Petters' criminal trial on these charges began on October 26, 2009.

49. Prior to September 24, 2008, the date on which the FBI search warrants were executed, Plaintiffs had no reason to suspect that any of the monies loaned to PGW were used to support a Ponzi scheme being conducted at PCI.

50. On information and belief, while the Plaintiffs' funds were used to repay JPMorgan and release the liens on Polaroid, other proceeds of Plaintiffs' loans were comingled with and used in connection with PCI's Ponzi scheme.

**C. *The Conspiracy to Deprive Plaintiffs of the Benefits of Polaroid's Stock and Assets.***

51. In early 2008, the global credit crisis caused Petters and the defendants to experience difficulty in obtaining additional financing. By early February 2008, this lack of new capital led Petters to use Polaroid to attract additional money. Knowing that Polaroid had been pledged to Plaintiffs, Defendants engaged in an elaborate scheme to delay and deprive Plaintiffs of the benefits flowing from their bargained-for security interests in Polaroid so that they might obtain additional funds from other lenders by fraudulently re-pledging the Polaroid assets.

52. PGW's efforts to raise money purportedly using Polaroid's stock and assets as collateral was summarized in an email dated February 3, 2008 sent by Chee-Awai to Jeffries, subject: "FW: Amount So Far...", which set forth the amounts "potentially tabled after my discussion with Mike Clofine." It shows nine separate sources of funds for Petters' enterprises with a "low" total of \$190 million and "high" total of \$290 million. An executive of one of the funding sources listed in Chee-Awai's email, Interlachen Capital Group, testified about this fundraising effort at Petters' criminal trial. According to the witness, Interlachen believed that if it had provided the funding to PGW, Interlachen would have been secured by Polaroid intellectual property.

53. After the initial \$31 million loan made on February 1, 2008, Plaintiffs made additional loans in reliance on the value of Polaroid as represented by the Defendants and their co-conspirators, and on the Defendants' and their co-conspirators' assurances that Plaintiffs' loans were more than adequately collateralized by Polaroid. By February 19, 2008, the Plaintiffs and related funds had loaned PGW over \$100 million. Jeffries, based on the representations of Polaroid's value, continued to urge Plaintiffs to release Petters from his personal guarantees.

Petters and his associates, however, stonewalled Plaintiffs about JPMorgan's release of its liens over Polaroid.

54. On Saturday February 9, 2008 at 3:46 PM, Kenneth A. Rosenblum, an attorney for Plaintiffs, sent an email to Root and Baer, with copies to other Plaintiffs and PGW representatives, stating:

At your earliest convenience, please forward the following (soft copies preferable to the extent they exist):

1. All closing documents for the recently paid down JPM[organ]/Polaroid loan.
2. Petters/Polaroid subordinated notes.

Also, have you conducted a lien search on the Polaroid entities recently?

Thanks in advance.

A copy of this email is attached as Exhibit D.

55. Later on February 9, 2008, Root sent an email at 4:57 PM to Baer, Chee-Awai and O'Shaughnessy asking "Was the JPM[organ] loan paid off on Friday?" Baer forwarded this email to Jeffries at 7:29 PM that night. At 9:48 PM that evening Jeffries emailed Robert McDonough at Polaroid and Thomas Beaudoin asking "Did the loan get paid off. I know we have till Tues. Thanks. Mary."

56. McDonough replied on Sunday, February 10, 2008 at 21:08 GMT stating as follows:

The JPM[organ] revolver has not been paid off yet. We are still waiting for direction from PGW that Tom's additional financing has been received and is available to fund Polaroid before we notify JPM[organ].

57. Petters' team later admitted that the JPMorgan loan had been repaid. On February 15, 2008 at 12:02 PM, O'Shaughnessy sent an email to Michael J. Legamaro, an attorney for the

Plaintiffs, and Root, with copies to Baer, Chee-Awai and certain other Plaintiffs' representatives, stating that:

To this point I can say with certainty that *the PG* [Petters' personal guaranty] *was intended to only serve as a bridge* until we could legally make available "Polaroid" *as JPMorgan held a lien. As this is no longer the case*, the PG is no longer required. [Emphasis added]

A copy of O'Shaughnessy's email is attached hereto as Exhibit E. Thus, the \$31 million Plaintiffs loaned to PGW on February was used to repay the \$31 million obligation by Polaroid to JPMorgan.

58. Moreover, on information and belief, on February 14, 2008, JPMorgan sent a "payoff letter" to PGW confirming that, upon receipt by JPMorgan of the amount specified in such letter, JPMorgan's liens on the Polaroid stock and assets would be automatically released. On information and belief, the specified payoff amount was delivered to JPMorgan on or about February 14, 2008, and JPMorgan's liens on Polaroid were accordingly released. Additionally, also on information and belief, JPMorgan returned Polaroid's stock certificates on or about February 15, 2008. The stock was returned to Polaroid Holding Company, a wholly owned subsidiary of PGW that was the registered holder of 100% of the capital stock of Polaroid. Thus, as of at least February 15, 2008, JPMorgan's lien on the Polaroid stock should have been subrogated to Plaintiffs' interest.

59. Almost immediately thereafter, Defendants began a game of "keep away" in connection with the Plaintiffs' bargained-for interests. On February 19, 2008, Plaintiffs entered into the Note Purchase Agreement with Petters and PGW covering Plaintiffs' \$31 million loan and other loans made by Plaintiffs and related investment funds. Although the JPMorgan lien on the Polaroid stock and assets had been released, Petters remained personally obligated on the loans. In addition to PGW's promise to grant a security interest in Polaroid as collateral for

Plaintiffs' loans, the note evidencing Plaintiffs' \$31 million loan to PGW also contained the following clause:

This Note is guaranteed personally by Thomas J. Petters, the owner of all of the issued and outstanding stock of the Borrower; provided, however, that the parties shall endeavor, as soon as reasonably practicable, to secure this Note (along with all other Notes of this tranche, *pari passu*) by a pledge of 100% of the capital stock of Polaroid Holding Company, LLC and the capital stock of its one hundred percent subsidiary the Polaroid Corporation (collectively, the "Polaroid Companies").

60. Unbeknownst to Plaintiffs, Petters and his associates had no intention to "endeavor" to pledge to Plaintiffs the capital stock of Polaroid Holding Company, LLC or Polaroid Corporation.

**D. Defendants Execute their Scheme to Defraud Plaintiffs.**

61. Having delayed perfection of Plaintiffs' security interest in Polaroid, Petters and his Associates were able to, in effect, fraudulently re-pledge those assets to raise additional capital or stave off other creditors. One example of Petters' and Defendants' fraud is the so-called Acorn security interest. Unknown to Plaintiffs, PGW granted another entity, Acorn Capital Group LLC ("Acorn"), a lien on many of Polaroid's assets on or about February 29, 2008 as security for a loan Acorn made to another of Petters' companies. On information and belief, on or about May 12, 2008, PGW granted Acorn a security interest in additional Polaroid assets, including the North American trademarks. This grant of security to Acorn demonstrates Petters' and Defendants' fraud; they used Plaintiffs' funds to release JPMorgan's liens against Polaroid and then re-pledged Polaroid assets to different lenders.

62. In or about April 2008, Jeffries knew that PGW's financial condition was deteriorating rapidly. On Sunday, April 13, 2008 at 1:47 PM, Jeffries sent the following email to Petters outlining the disastrous conditions at Polaroid:

Subject: Messages with Mike re Polaroid.

Goal is to stop the Chaos, reunite the team, stabilize Polaroid, secure financing and monetize (get some of TJP money off the table!)

STOP THE LOSSES by continuation of the restructuring, cutting cost and change the LCD strategy to a TRUE direct with factory or retailer

TABLE BMA MIGRATION. We were driving to a business model that was not effective, split the teams in a senseless way, was too expensive, was not accomplishing goal of a true direct model (up to 55 people and we still had much of risk)

SLOW [the earlier transaction to sell Polaroid's North American trademarks] (DONE)

GET the business financed...need ABL

ENGAGE WORLD CLASS ASSISTANCE in creative monetization strategies QUICKLY-working with Tissman at Rothschild this week-driving to a meeting with broader group following week when Philippe in town and also biased to supporting Mike if there is a deal to be had

Finalize organization and responsibilities/accountabilities and drive toward hiring a CEO and a Licensing Expert.

EXECUTE

Hope that helps, this is what I will be driving.

Thanks

Mary

63. Jeffries, of course, did not convey her dire warnings to Plaintiffs, despite being fully aware that the Plaintiffs were relying on the value of Polaroid for repayment of their loans to PGW made in February 2008, all of which were due in full in May 2008. Further, although Jeffries's email shows that PGW "slowed" the original sale of Polaroid's North American trademarks, in a telephone call on or about May 1, 2008, Petters intentionally mislead Plaintiffs by stating to Thane Ritchie that the brand management company wanted to withdraw from the transaction due to the growing global credit crisis.

64. Approximately two weeks later, on Thursday, April 24, 2008, Baer sent an email to Petters, Coleman, Chee-Awai, and certain other PGW and Polaroid employees. Baer's email stated:

I just wanted to remind you all that the first Ritchie Note becomes due one week from today – NEXT THURSDAY, May 1, 2008 for \$31M and notes follow quickly after that on a daily basis. A detailed schedule with interest calculation is attached.

[Another investor] has stated very clearly that they want their \$25M plus interest and Ritchie, I understand, expects another \$25M - \$50M repaid.

Are we prepared to handle these repayments? Should we be working on these matters now? How would you like me to assist?

David

65. Although Defendants and their co-conspirators were acutely aware of PGW's precarious financial situation, they continued to represent that the Polaroid assets had enormous value.

66. Specifically, in or about May 2008, Jeffries and Chee-Awai began to oversee a massive effort to demonstrate the value of Polaroid. Jeffries began working with the Dean of the School of Business at Miami University (Ohio), to develop innovative methodologies to show Polaroid's value. In June and July 2008, Jeffries and Chee-Awai worked with investment managers and financial analysts to prepare a presentation package for potential investors in Polaroid. Jeffries proposed that the collateral to be offered in those presentations would include Polaroid's assets. Documents produced by Jeffries for this presentation package demonstrated that Polaroid's value exceeded \$1 billion.

67. The material for this presentation also emphasized pending plans to use the Polaroid trademarks in connection with a new "zero ink" printing technology owned by Zink, as well as the potential to license Polaroid's trademarks. Zink, the former Polaroid division that

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was subsequently spun-off through a buyout in January of 2006, is an integrated design, development and manufacturing center with expertise in digital photo printing and is an important supplier of products to Polaroid. Zink and Polaroid operated under an exclusive agreement for the sale and delivery of Zink's products and technology to, and for use by, Polaroid.

68. In addition to having a valuable business partnership, Polaroid also held a valuable interest in Zink. Polaroid had sold Zink certain intellectual property around the Zink technology for \$8 million, taking a note and security interest in the transferred IP (the "IP Note"). To secure the exclusivity for the 3x4 format technology being developed by Zink for upcoming Polaroid products, Polaroid and Zink entered into an exclusivity agreement whereby Polaroid maintained exclusive rights to the Zink 3x4 technology and in exchange \$7 million of the IP Note was converted into shares of Zink stock. Because competitors of Polaroid were also Zink customers, these customers did not want the shares held by Polaroid so they were issued to PGW Holdings, Inc. ("PGW Holdings"), a non-debtor affiliate of Polaroid subject to a court ordered receivership, and Polaroid recorded an inter-company receivable from PGW Holdings in the same amount. PGW Holdings currently controls approximately only 8% of the outstanding voting shares of Zink.

69. The material prepared by Jeffries also reflect the potential sale of Polaroid's trademarks in India to a group of investors referred to by Defendants as the "Spice Group," another topic Defendants and their co-conspirators also discussed with Plaintiffs.

70. Based on the representations of the value of Polaroid's assets, in May 2008 Plaintiffs agreed to extend the due dates on the Notes to late July/early August and PGW succeeded in obtaining additional loans from two of the Plaintiff Funds. Most importantly,

Jeffries, Chee-Awai and others confirmed that the additional loans obtained in May 2008 would be used for PGW's ongoing working capital needs.

71. On June 20, 2008, Defendants and their co-conspirators made or assisted in a series of presentations to Plaintiffs' representatives at PGW's headquarters in Minneapolis, Minnesota. These presentations included discussions about Polaroid's international trademark licensing and the launch of a Polaroid/Zink strategy. These presentations were made to give Plaintiffs further assurances as to the adequacy of the Plaintiffs' interest in Polaroid as security for their loans and Plaintiffs relied on such representations in subsequent negotiations with Petters and PGW over extensions of the due dates of Plaintiffs' loans to PGW.

72. In late July 2008, Jeffries continued to prepare presentations seeking funds using Polaroid's assets and had already contacted several potential lenders. On July 29, 2008, Jeffries emailed the investment banking group assisting her with the presentations, explaining that the purpose of the fundraising was to benefit PGW and touting the prospects of licensing Polaroid's trademarks. Jeffries's email states, in part, as follows:

Tom Petters has \$400M+ invested (equity, debt and accrued interest) in Polaroid Holding Company and wants to free up some of this capital as quickly as possible for other PGW business needs.

\* \* \*

We just returned from India and had successful discussions with a group from India to license the Polaroid brand and pay \$200M upfront fee and 3% royalty above \$1B in sales. KPMG was hired while we were in India to complete a review of the transaction and also to lay out a timetable to close on a deal.

**E. Plaintiffs Exercised Due Diligence to Assure the Protection of Their Investments.**

73. By mid-July 2008, the India trademark deal and other deals being discussed by Petters had not been completed, and Petters asked Plaintiffs for additional extensions on the loans. Before agreeing to any further extensions, Plaintiffs made further efforts to confirm that

Polaroid's assets provided ample additional collateral and they continued to conduct extensive due diligence.

74. Petters and Jeffries failed to finalize the sale of the Indian trademark to the Spice Group as promised, and in late July 2008, RCM sent one of its employees to PGW's office to verify the security of Plaintiffs' loans.

75. While at PGW's offices, RCM's employee met with Coleman and others concerning the security of Plaintiffs' loans. In the course of his meetings, RCM's employee asked these executives what turned out to be embarrassing questions regarding, among other things, certain spreadsheets provided by one of Petters' executives purporting to show that Plaintiffs' loans could be secured by PCI's receivables in addition to the Polaroid security interests they had already acquired.

76. As a result of the RCM employee's interviews, Petters sent an email on August 1, 2008 to the RCM employee, Coleman, Baer, Jim Wehmhoff and Thane Ritchie stating

I spoke to Deanna this morning we asked that she not send any information on PCI transactions since you [i.e. Plaintiffs] are not using this as a form of collateral.

77. Petters made this statement to further assure Plaintiffs that Plaintiffs' loans collateralized by Polaroid had nothing to do with PCI.

78. On August 12, 2008, Acorn filed suit to foreclose on a Petters' personal guarantee securing the obligation to Acorn, alleging that Petters' companies had defaulted on their obligations to Acorn. The suit alleged that Acorn held security interests in Polaroid. When Thane Ritchie learned of the Acorn suit, he immediately demanded to know why Acorn was alleging an interest in Polaroid when Petters and Defendants had repeatedly told Thane Ritchie that no one other than the Plaintiffs would be secured by Polaroid. In response, Petters denied that Acorn had any legitimate security interest in Polaroid.

79. In early August 2008, as the extended maturity date on the notes evidencing PGW's obligations to Plaintiffs (the "Notes") approached, Petters asked Plaintiffs for another extension. In response, Plaintiffs demanded that PGW and Polaroid memorialize that Plaintiffs' loans to PGW were secured by Polaroid and conducted additional due diligence and investigations to confirm the adequacy of the collateral for their loans.<sup>3</sup> For several weeks Plaintiffs negotiated over terms with Petters, Jeffries, Baer, and Root. Jeffries made the presentation on Polaroid's value and urged that there be a reduction in the interest rate on the Notes to emphasize the fact that such Notes were over-collateralized and adequately secured.

80. On September 19, 2008, Plaintiffs finally agreed to extend the maturity dates on the Notes and the parties executed an Extension and Amendment Agreement. This agreement extended the maturity dates on the Notes in exchange for an agreement that memorialized Plaintiffs' interests in some of Polaroid's assets and also provided for the pledge to Plaintiffs of certain intercompany notes made by Polaroid in favor of Petters Capital, LLC, Thomas Petters, Inc. and PCI.

81. The logic of the September 19, 2008 Polaroid trademark agreement is simple: despite the clear intention of the parties months earlier to secure Plaintiffs' loans with Polaroid stock and assets, and upon learning that Petters and his associates may have nonetheless "shopped" Polaroid to Acorn and other prospective lenders even after Ritchie had provided the funds to pay off the JPMorgan indebtedness, Plaintiffs chose the most prudent path to protect their investment. In addition to taking security interests in some notes issued by Polaroid, Ritchie, based on the enormous value of Polaroid, agreed to retain as security a prized portion of

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<sup>3</sup> Plaintiffs submit that RCM's investigation into their security interests in the summer of 2008 prompted Deanna Coleman to become an informant to the FBI. Thus, the due diligence exercised by Plaintiffs' employees directly led to the collapse and exposure of Petters' fraudulent activities at PCI.

Polaroid's assets—its trademarks in Brazil, India and China—and thereby formally memorialized the valuable collateral security interests for Plaintiffs' loans while avoiding any costly confrontation with Acorn or other lenders who believed they had a lien on other Polaroid assets.

82. The Extension Agreement extended the maturity date of the Notes to December 19, 2008, and amended a variety of the terms of the note purchase agreement governing those Notes. The Trademark Security Agreement and one of the intercompany note pledge agreements were executed simultaneously with the execution of the Extension Agreement, and the parties agreed to execute (and did execute on September 26, 2008) a second intercompany note pledge agreement (the terms of which had been agreed to on September 19, 2008) was executed on September 26, 2008. These agreements resulted in the perfection of security interests, in favor of Plaintiffs, in the following collateral, as security for the Notes: (a) Polaroid's Brazil, China and India trademarks; and (b) intercompany promissory notes, in an aggregate principal exceeding \$170 million, issued by Polaroid and Polaroid Consumer Electronics LLC in favor of Petters Capital, LLC, PCI and Thomas Petters, Inc.

83. Polaroid received ample benefit in exchange for its grant of security interests from the moment in February 2008 when the Plaintiffs wired the first \$31 million to PGW. Such benefits continued through September 2008, and those benefits constituted reasonably equivalent value for the granted security interests. Without limitation, those benefits included: (i) providing the funds used to repay the JPMorgan loan in February 2008; (ii) providing funds to, on information and belief, repay some or all of Polaroid's obligation to Acorn; and (iii) maintaining the stability of Petters and PGW, the sole owners of Polaroid, which was essential for the stability of Polaroid. For example, PGW was an important source of financing for Polaroid.

84. From February 2008 through September 2008, Plaintiffs believed, based on the data and information provided by Defendants and their co-conspirators, that Polaroid was solvent, and had no reason to believe it was insolvent at any time. Indeed, in her sworn testimony given at the hearing to approve the fire-sale of Polaroid, Jeffries conceded that during the summer of 2008, Polaroid had received an offer of \$200 million for its India trademarks, and that the offered amount reflected the fair value of those assets at that time.

**F. *Petters and His PCI Business Are Implicated in a Massive Fraud Scheme.***

85. Unbeknownst to Plaintiffs at the time, on September 19, 2008, Judge Ann D. Montgomery, United States District Judge for the District of Minnesota, authorized the issuance of a Search Warrant for Petters, PCI and others.

86. On September 24, 2008, federal authorities executed these Search Warrants on Petters and others. On October 2, 2008 a federal warrant was issued for Petters' arrest. Petters was arrested on October 3, 2008 and charged with operating a massive fraud and Ponzi scheme at PCI, the second largest such scheme uncovered to date in United States history, second only to that of Bernard Madoff. Petters was considered a flight risk and was therefore denied bail and remains in custody today.

87. On December 1, 2008 the Grand Jury indicted Thomas J. Petters, PCI and PGW (a copy of the Indictment is attached as Exhibit F) in connection with the PCI Ponzi scheme. It is clear from the facts alleged in the Indictment that the fraud alleged in this instant Complaint constitutes a scheme separate and apart from the alleged PCI Ponzi scheme outlined in the Indictment.

88. According to the Indictment, funds obtained by Petters and his companies to purportedly make wholesale purchases of merchandise were instead used to: (i) make "lulling payments" to investors; (ii) reward individuals who participated in the scheme; (iii) fund other

Petters businesses; and, (iv) fund “Petters’ extravagant lifestyle.”<sup>4</sup> While the indictment names PGW as a defendant, it does not allege that any of the legitimate companies owned by PGW, such as Polaroid, were involved in Petters’ criminal activities. Petters’ criminal trial began on October 27, 2009.

**G. *Petters Engages Kelley as Corporate Counsel and Petters’ Empire is Placed Into Receivership and Bankruptcy.***

89. On Wednesday, September 24, 2008, members of Plaintiffs’ business team traveled to Minneapolis to meet with PGW’s management to discuss strategies to monetize Polaroid’s and other PGW companies’ assets, which they had been led to believe had significant value. Upon their arrival, Plaintiffs’ team learned that the FBI had executed the Search Warrant on PCI earlier that morning, and they reported the raid to Thane Ritchie. Thane Ritchie contacted Petters that day. Petters told Ritchie that there had been no wrongdoing, that the authorities would find no evidence of wrongdoing and that he was confident about the future of the companies. Thane Ritchie was concerned about the protection of PGW’s companies and Plaintiffs’ creditors’ rights and continued to communicate with Petters during the remainder of the week. Thane Ritchie became increasingly concerned that Petters was so distracted by the investigation that his companies were not being effectively managed. On or about September 27, 2008, Thane Ritchie proposed that Petters engage William Procida (“Procida”), an experienced workout specialist, to manage PGW to protect the value of PGW and Polaroid. Petters agreed to hire Procida.

90. Petters had good reason to be distracted by the events as they unfolded following the FBI raid. On or about September 25, 2008, Baer resigned as PGW’s general counsel. Baer’s

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<sup>4</sup>The FBI’s affidavit supporting this search warrant states that Petters’ lifestyle costs are estimated as \$266,000 a month; \$3,192,000 a year.

assistant, as well as defendant Fredrikson & Byron, also resigned. With the flight of corporate counsel in the midst of his legal crisis, Petters needed new counsel to represent his companies. Petters was referred to Kelley. On Friday, September 26, 2008, Petters and his personal attorney met with Kelley for an hour and a half over lunch to discuss retaining Kelley to represent Petters' companies. Kelley accepted the engagement.

91. The next day, Saturday, September 27, 2008, Kelley entered into negotiations with the U.S. Attorney over the disposition of the assets of Petters' companies. According to Kelley, the Government stated that it would delay a forfeiture action against Petters' companies if Kelley could assure the Government that Kelley would have substantial control of those companies. Later that same Saturday, Kelley met with Petters and his personal attorney to discuss turning control of Petters' companies over to Kelley. Petters tentatively agreed and Kelley informed the U.S. Attorney of Petters' agreement.

92. The following day, Sunday September 28, 2008, Kelley again met with Petters and his lawyer. At that meeting Petters agreed to relinquish control of his companies to Kelley.

93. On September 29, 2008, Petters resigned his positions with PCI and PGW, and Kelley assumed control over Petters' companies as corporate counsel. At around the same time, the Plaintiffs filed an action in the State of Illinois Circuit Court of Cook County (the "Illinois Action") to enforce their rights against PCI and PGW. Thane Ritchie and Procida promptly flew to Minnesota and met that day with Kelley to advise Kelley of the filing of the Illinois Action and discuss a process to preserve the assets of PCI and PGW for the benefit of their creditors. Plaintiffs obtained an order in the Illinois Action freezing the assets of PCI and PGW. Although a copy of this Order was served on Kelley on September 30, 2008 but he ignored it.

94. On October 2, 2008, federal authorities filed a Complaint for Permanent Injunction and Other Equitable Relief against the following individuals and entities:

1. Thomas Joseph Petters dba Petters Company Inc., PCI;
2. Deanna Coleman aka Deanna Munson;
3. Robert White;
4. James Wehmhoff;
5. Larry Reynolds dba  
Nationwide International Resources  
aka NIR;
6. Michael Catain dba Enchanted Buying Company;
7. Frank E. Vennes Jr. dba Metro Gem Finance,  
Metro Gem Inc.,  
Grace Offerings of Florida LLC,  
Metro Property Financing LLC,  
38 E. Robinson, LLC,  
55 E. Pine LLC,  
Orlando Rental Pool, LLC,  
100 Pine Street Property, LLC,  
Orange Street Tower, LLC,  
2 South Orange Avenue, LLC,  
Hope Commons, LLC,  
Metro Gold, Inc.,

Notably, this Complaint did not name or seek any relief against PGW or Polaroid.

95. With its Complaint for Permanent Injunction and Other Equitable Relief, the Government filed an *ex parte* Motion for Temporary Restraining Order, which was granted in an order dated October 3, 2008 (the “October 3, 2008 Order”) and which froze all of Petters’ and PCI’s assets.

96. The October 3, 2008 Order expressly excluded from its scope Polaroid and other PGW-operated companies by stating:

IT IS FURTHER ORDERED THAT nothing in this Temporary Restraining Order shall be construed to restrain the assets of Polaroid Corporation and its subsidiaries, Polaroid Holding Company and its subsidiaries, Zink Imaging, Inc., Zink Imaging, LLC, MN Airlines LLC dba Sun Country Airlines, Petters Aviation, LLC, MN Airline Holdings, Inc., Petters Aircraft Leasing, LLC, and/or Southwest Aviation, Inc. [at p 5].

The October 3, 2008 Order set a hearing for October 10, 2008 to consider the *ex parte* TRO affecting PCI.

97. On October 3, 2008, an order was entered in the Illinois Action appointing Procida as Receiver over PCI's and PGW's assets (the "Illinois Receivership Order").

98. After learning of Procida's appointment as Receiver by the Illinois Court, Kelley immediately moved to block Plaintiffs and assert undisputed control over the most-valuable assets of PGW and its operating companies, primarily Polaroid. Over the weekend of October 4 and 5, 2008, Petters and Kelley ignored the Illinois Receivership Order and engineered (i) Petters' transfer of control over all of Petters' companies to Kelley's law partner, Steven Wolter, by an Irrevocable Proxy, dated October 5, 2008; (ii) the filing of a First and Second Amended Complaint in the Federal Receivership Action, which now added to its scope PGW and its affiliates and their assets; and (iii) a Stipulation purportedly signed by the U.S. Attorney and Petters' attorney on October 5, 2008, authorizing the entry of a Preliminary Injunction freezing all of Petters', PGW's and PCI's assets as well as Kelley's appointment as Receiver.

99. Despite the existence of the Illinois Court's asset-freeze order and the Illinois Receivership Order, the Government's Amended Complaints filed on October 6, 2008 asserted that *ex parte* relief was necessary to secure assets in the hands of "Defendants" in order to prevent irreparable harm, but failed to disclose that a Receiver had already been appointed in the Illinois Action, that Petters was in jail, and that Petters' assets, including PCI and PGW, were already under Kelley's control.

100. On October 6, 2008, the Government and Petters' personal lawyer presented a Stipulation to the United States District Court Judge in the federal receivership action entering a preliminary injunction freezing PGW's assets and appointing Kelley Receiver over PCI and

PGW. The Stipulation, which approved the form of the receivership order authorizing Kelley to file a petition for bankruptcy relief for PGW, was not signed by PGW or any of the other Petters entities. There is no evidence that the Amended Complaint or Stipulation were served on PGW or any of its operating companies before the receiver was appointed. The October 6, 2008 order approving the Stipulation was apparently obtained *ex parte* without a written motion or a supporting affidavit and without the Court being informed that, on October 3, 2008, Procida had been appointed by an Illinois State Court as Receiver for PGW and PCI.

101. PCI and PGW filed voluntary bankruptcy petitions in the United States Bankruptcy Court in Minnesota on October 11, 2008. Kelley was later named trustee over PCI's and PGW's bankruptcy estates.

102. The Bankruptcy Court then allowed an auction sale of Polaroid's assets and refused to recognize Plaintiffs' security interest in Polaroid. Because of such refusal, Plaintiffs were not permitted to "credit bid" at the sale. The Bankruptcy Court overseeing the Polaroid estate permitted the fire sale of Polaroid's assets in April 2009, free and clear of Plaintiffs' liens, for approximately \$88 million, even though the Defendants represented to the Ritchie executives in February 2008 that Polaroid was worth between \$779 million and \$2 billion.

**COUNT I**  
**RICO Section 1962(a)**

103. Plaintiffs re-allege each and every allegation set forth in paragraphs 1 – 102 above, and hereby incorporates same by reference, as if all were set forth fully herein.

104. This Count is against Defendants Petters, Coleman, Baer and O'Shaughnessy.

105. The Petters' business organizations constitute an enterprise engaged in and whose activities affect interstate commerce. The Petters companies, and PGW in particular, constitute

or constituted legitimate businesses that have been infiltrated by criminal activity through a pattern of racketeering activity.

106. Defendants Petters, Coleman, Baer and O'Shaughnessy and others used and laundered money from a pattern of racketeering activity in an interstate enterprise. As alleged in this Complaint, Defendants Petters, Coleman, Baer and O'Shaughnessy and others used the representation that Plaintiffs' loans would be adequately secured with Polaroid as collateral and would be used for legitimate business activities of PGW and its operating companies, including Polaroid, to fraudulently raise funds for PGW, PCI and unknown other entities under the Petters' company umbrella.

107. Defendants Petters, Coleman, Baer and O'Shaughnessy and others committed the following acts as part of a pattern of racketeering activity in violation of 18 U.S.C. § 1961(5) to facilitate their conspiracy as follows:

(a) Transmitted or caused to be transmitted by telephone and email in interstate commerce in violation of 18 U.S.C § 1343 (wire fraud) the following information and documents in furtherance of the RICO conspiracy:

1. Information soliciting interest in loaning funds to PGW secured by Polaroid in emails dated January 31, 2008 and February 1, 2008 from Johnson to Thane Ritchie.
2. Wire transfer information directing Ritchie to deposit funds in accounts other than PGW accounts sent by facsimile on February 1, 2008 or communicated by telephone on or about that date.
3. Information related to the solicitation of funds from Plaintiffs during the February 1, 2008 telephone conference between Ritchie, Petters and Jeffries.
4. Information related to the value of Polaroid assets in emails from Chee-Awai to Thane Ritchie on February 1 and 3, 2008.
5. Multiple additional interstate telephone and email communications concerning the Defendants' representations of

value of Polaroid as collateral for Plaintiffs' loans and the use of Plaintiffs' loans made through September 2008.

(b) Violated 18 U.S.C. § 1956 by conducting or attempting to conduct a financial transaction involving the funds received from Ritchie knowing that such funds were the proceeds of their unlawful activity (i) with the intent to promote the carrying on specified unlawful activity; or (ii) with the intent to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity.

108. Plaintiffs loaned millions of dollars to the enterprise and extended the maturity dates of such loans based on said Defendants' representations. Defendants and their co-conspirators used and invested funds obtained from Plaintiffs through Defendants' racketeering activity in the operations of the Petters companies enterprise and denied Plaintiffs the benefits of the interests granted Plaintiffs in Polaroid.

109. As a direct and proximate result of Defendants' racketeering activities and violations of 18 U.S.C. § 1962(a), Plaintiffs have been injured in their business and property in that the Defendants conduct caused Plaintiffs to lose the valuable Polaroid security interests for which they bargained in good faith and for which ample consideration was paid.

WHEREFORE, Plaintiffs request that this Court enter judgment against Defendants as follows:

- a. That the Court enter a judgment in favor of the Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments, Ltd.; Rhone Holdings II, Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage Trading, Ltd., and against the Defendants, Petters, Coleman, Baer and O'Shaughnessy;
- b. That the Court award the Plaintiffs an amount equal to three times their damages pursuant to RICO laws;
- c. That the Court award Plaintiffs their attorneys' fees and costs in bringing this action; and
- d. For such other and further relief as the Court deems just.

**COUNT II**  
**RICO Section 1962(c)**

110. Plaintiffs re-allege each and every allegation set forth in paragraphs 1 – 102 above, and hereby incorporates same by reference, as if all were set forth fully herein.

111. This Count is against Defendants Petters, Coleman, Baer and O’Shaughnessy.

112. The Petters’ business organizations constitute an enterprise engaged in and whose activities affect interstate commerce. The Petters companies, and PGW in particular, constitute or constituted legitimate businesses that have been infiltrated by criminal activity through a pattern of racketeering activity. Defendants were employed by or associated with the enterprise.

113. Defendants Petters, Coleman, Baer, O’Shaughnessy and others agreed to and did conduct and participate in the conduct of the enterprise’s affairs through a pattern of racketeering activity and for the unlawful purpose of intentionally defrauding Plaintiff. As alleged in this Complaint, Defendants Petters, Coleman, Baer, O’Shaughnessy and others used the representation that Plaintiffs’ loans would be adequately secured with Polaroid as collateral and would be used for legitimate business activities of PGW and its operating companies, including Polaroid, to fraudulently raise funds for PGW, PCI and unknown other entities under the Petters’ company umbrella.

114. Pursuant to and in furtherance of their fraudulent scheme, Defendants committed multiple acts of fraud as part of a pattern of racketeering activity in violation of 18 U.S.C. § 1961(5) to facilitate the unlawful scheme described in this Complaint and the PCI Ponzi scheme, including the following:

- (a) Transmitted or caused to be transmitted by telephone and email in interstate commerce in violation of 18 U.S.C § 1343 (wire fraud) the following information and documents in furtherance of the RICO conspiracy:

1. Information soliciting interest in loaning funds to PGW secured by Polaroid in emails dated January 31, 2008 and February 1, 2008 from Johnson to Thane Ritchie.
2. Wire transfer information directing Ritchie to deposit funds in accounts other than PGW accounts sent by facsimile on February 1, 2008 or communicated by telephone on or about that date.
3. Information related to the solicitation of funds from Plaintiffs during the February 1, 2008 telephone conference between Ritchie, Petters and Jeffries.
4. Information related to the value of Polaroid assets in emails from Chee-Awai to Thane Ritchie on February 1 and 3, 2008.
5. Multiple additional interstate telephone and email communications concerning the Defendants' representations of value of Polaroid as collateral for Plaintiffs' loans and the use of Plaintiffs' loans made through September 2008.

(b) Violated 18 U.S.C. § 1956 by conducting or attempting to conduct a financial transaction involving the funds received from Ritchie knowing that such funds were the proceeds of their unlawful activity (i) with the intent to promote the carrying on specified unlawful activity; or (ii) with the intent to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity.

115. Plaintiffs loaned millions of dollars to the enterprise and extended the maturity dates of such loans based on Defendants' representations.

116. Defendants have directly and indirectly conducted and participated in the conduct of the enterprise's affairs through the pattern of racketeering and activity described above, in violation of 18 U.S.C. § 1962(c).

117. As a direct and proximate result of Defendants' racketeering activities and violations of 18 U.S.C. § 1962(c), Plaintiffs have been injured in their business and property in that the Defendants conduct caused Plaintiffs to lose the valuable security interests in Polaroid's assets for which they bargained in good faith and for which ample consideration was paid.

**WHEREFORE**, Plaintiffs request that this Court enter judgment against Defendants as follows:

- a. That the Court enter a judgment in favor of the Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments, Ltd.; Rhone Holdings II. Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage Trading, Ltd., and against the Defendants, Petters, Coleman, Baer and O'Shaughnessy;
- b. That the Court award the Plaintiffs an amount equal to three times their damages pursuant to RICO laws;
- c. That the Court award Plaintiffs their attorneys' fees and costs in bringing this action; and
- d. For such other and further relief as the Court deems just.

**COUNT III**  
**RICO Section 1962(d)**

118. Plaintiffs re-allege each and every allegation set forth in paragraphs 1 – 102 above, and hereby incorporates same by reference, as if all were set forth fully herein.

119. This Count is against Defendants Petters, Coleman, Baer and O'Shaughnessy.

120. As set forth above, the Count III Defendants agreed and conspired to violate 18 U.S.C. §§ 1962(a) (b) and (c).

121. Defendants have intentionally conspired with each other and their co-conspirators and agreed to directly and indirectly use or invest income that is derived from a pattern of racketeering activity in an interstate enterprise, acquire or maintain interests in the enterprise through a pattern of racketeering activity, and conduct and participated in the conduct of the affairs of the enterprise through a pattern of racketeering activity.

122. Defendants knew that each of the following predicate acts were part of a pattern of racketeering activity and agreed to the commission of those acts to further the schemes described above:

(a) Transmitted or caused to be transmitted by telephone and email in interstate commerce in violation of 18 U.S.C § 1343 (wire fraud) the following information and documents in furtherance of the RICO conspiracy:

1. Information soliciting interest in loaning funds to PGW secured by Polaroid in emails dated January 31, 2008 and February 1, 2008 from Johnson to Thane Ritchie.
2. Wire transfer information directing Ritchie to deposit funds in accounts other than PGW accounts sent by facsimile on February 1, 2008 or communicated by telephone on or about that date.
3. Information related to the solicitation of funds from Plaintiffs during the February 1, 2008 telephone conference between Ritchie, Petters and Jeffries.
4. Information related to the value of Polaroid assets in emails from Chee-Awai to Thane Ritchie on February 1 and 3, 2008.
5. Multiple additional interstate telephone and email communications concerning the Defendants' representations of value of Polaroid as collateral for Plaintiffs' loans and the use of Plaintiffs' loans made through September 2008.

(b) Violated 18 U.S.C. § 1956 by conducting or attempting to conduct a financial transaction involving the funds received from Ritchie knowing that such funds were the proceeds of their unlawful activity (i) with the intent to promote the carrying on specified unlawful activity; or (ii) with the intent to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity.

123. That conduct constitutes a conspiracy to violate 18 U.S.C. §§ 1962(a) and (c), in violation of 18 U.S.C. § 1962(d).

124. Plaintiffs loaned millions of dollars to the enterprise and extended the maturity dates of such loans based on Defendants' representations. As a direct and proximate result of Defendants' conspiracy, the overt acts taken in furtherance of that conspiracy, and violations of 18 U.S.C. § 1962(d), Plaintiffs have been injured in their business and property in that the

Defendants conduct caused Plaintiffs to lose the valuable Polaroid security interests for which they bargained in good faith and for which ample consideration was paid.

**WHEREFORE**, Plaintiffs request that this Court enter judgment against Defendants as follows:

- a. That the Court enter a judgment in favor of the Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments, Ltd.; Rhone Holdings II. Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage Trading, Ltd., and against the Defendants, Petters, Coleman, Baer and O'Shaughnessy;
- b. That the Court award the Plaintiffs an amount equal to three times their damages pursuant to RICO laws;
- c. That the Court award Plaintiffs their attorneys' fees and costs in bringing this action; and
- d. For such other and further relief as the Court deems just.

**COUNT IV**  
**Common law fraud**

125. Plaintiffs re-allege each and every allegation set forth in paragraphs 1 – 107 above, and hereby incorporates same by reference, as if all were set forth fully herein.

126. This Count is against Defendants Petters, Coleman, Baer and O'Shaughnessy.

127. During the course of the conduct described herein Defendants Petters, Coleman, Baer and O'Shaughnessy agreed to grant Plaintiffs a senior security interest in Polaroid in exchange for loans to benefit Polaroid. Plaintiffs relied on such Defendants' representations in loaning PGW substantial amounts of money. Notwithstanding these agreements, Defendants' and their co-conspirators' schemed to deprive Plaintiffs of the benefits of those security interests in Polaroid by fraudulently concealing (i) the release of JPMorgan's liens and the return of Polaroid's stock certificates from JPMorgan; (ii) Defendants' and their co-conspirators' plans to pledge and the pledge of Polaroid as collateral to obtain from third parties funds and other

benefits for Polaroid, PGW and/or PCI; and (iii) the use of any of the proceeds of Plaintiffs' loans to PGW in connection with the PCI Ponzi Scheme.

128. Despite this unlawful scheme and additional pledges of Polaroid as collateral to third parties, Defendants and their co-conspirators continued to represent to the Plaintiffs that the Plaintiffs' loans were adequately secured by Polaroid.

129. If Defendants had revealed that Polaroid was being encumbered by additional third-party liens Plaintiffs would have declared their loans to PGW in default and foreclosed on their security interests in Polaroid. However, in reliance on Defendants' and their co-conspirators' representations to the Plaintiffs that the Plaintiffs' loans were adequately secured by Polaroid, Plaintiffs granted additional extensions on the loans.

130. As a direct and proximate result of Defendants' fraudulent conduct, Plaintiffs have suffered injury by being denied the benefits of their security interests in Polaroid by, *inter alia*, being prevented from foreclosing on their security interests in Polaroid and being prevented from using their security interests in Polaroid to "credit bid" for Polaroid in the Polaroid bankruptcy proceeding auction.

**WHEREFORE**, Plaintiffs request that this Court enter judgment against Defendants as follows:

- a. That the Court enter a judgment in favor of the Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments, Ltd.; Rhone Holdings II, Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage Trading, Ltd., and against the Defendants, Petters, Coleman, Baer and O'Shaughnessy;
- b. That the Court award the Plaintiffs compensatory damages in an amount to be established at trial;
- c. That the Court award the Plaintiffs reasonable punitive damages in an amount to be determined at trial;

- d. That the Court award Plaintiffs their attorneys' fees and costs in bringing this action; and
- e. For such other and further relief as the Court deems just.

**COUNT V**  
**Tortious Interference With Contract**

131. Plaintiffs re-allege each and every allegation set forth in paragraphs 1 – 107 above, and hereby incorporates same by reference, as if all were set forth fully herein.

132. This Count is against Defendants Petters, Coleman, Baer and O'Shaughnessy.

133. Plaintiffs entered into a valid and enforceable contract with Petters to invest millions into PGW in exchange for a security interest in PGW's most valuable asset, Polaroid.

134. Defendants were aware of the contractual relations between Plaintiffs and Petters and PGW.

135. Defendants intentionally and unjustifiably induced a breach of the contract by Petters and PGW. Indeed, these defendants acted outside any qualified privilege and acted solely for their own gain and to harm the Plaintiffs' interests. Defendants' conduct was not undertaken to further PGW's interests.

136. The wrongful conduct of Defendants caused a subsequent breach of the contract by Petters and PGW.

137. As a direct and proximate result of Defendants' tortious interference with Plaintiffs' contract with Petters, Plaintiffs have been injured in their business and property in that the Defendants conduct caused Plaintiffs to lose the valuable security interests in Polaroid's assets for which they bargained in good faith and for which ample consideration was paid.

**WHEREFORE**, Plaintiffs request that this Court enter judgment against Defendants as follows:

- a. That the Court enter a judgment in favor of the Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments, Ltd.; Rhone Holdings II. Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage Trading, Ltd., and against the Defendants, Petters, Coleman, Baer and O'Shaughnessy;
- b. That the Court award the Plaintiffs compensatory damages in an amount to be established at trial;
- c. That the Court award the Plaintiffs reasonable punitive damages in an amount to be determined at trial;
- d. That the Court award Plaintiffs their attorneys' fees and costs in bringing this action; and
- e. For such other and further relief as the Court deems just.

**COUNT VI**  
**Aiding And Abetting Fraud**

138. Plaintiffs re-allege each and every allegation set forth in paragraphs 1 – 107 above, and hereby incorporates same by reference, as if all were set forth fully herein.

139. This Count is against Defendants Root and Fredrikson & Byron.

140. During the course of the conduct described herein Defendants Petters, Coleman, Baer and O'Shaughnessy agreed to grant Plaintiffs a senior security interest in Polaroid in exchange for loans to benefit Polaroid. Plaintiffs relied on such Defendants' representations in loaning PGW substantial amounts of money. Notwithstanding these agreements, Defendants' and their co-conspirators' schemed to defraud Plaintiffs of the benefits of those security interests in Polaroid by fraudulently concealing (i) the release of JPMorgan's liens and the return of Polaroid's stock certificates from JPMorgan; (ii) Defendants' and their co-conspirators' plans to pledge and the pledge of Polaroid as collateral to obtain from third parties funds and other benefits for Polaroid, PGW and/or PCI; and (iii) the use of any of the proceeds of Plaintiffs' loans to PGW in connection with the PCI Ponzi Scheme.

141. Defendant Fredrikson & Byron knew or acted in reckless disregard of the truth that Defendants Petters, Coleman, Baer and O'Shaughnessy's conduct constituted fraudulent conduct.

142. Despite having such knowledge or in reckless disregard for the truth, Defendant Fredrikson & Byron substantially assisted or encouraged Defendants Petters, Coleman, Baer and O'Shaughnessy in achieving the objectives of their fraud.

143. As a direct and proximate result of Defendants' assistance and encouragement Plaintiffs have been injured in their business and property in that the Defendants conduct caused Plaintiffs to lose the valuable security interests in Polaroid's assets for which they bargained in good faith and for which ample consideration was paid.

**WHEREFORE**, Plaintiffs requests that this Court enter judgment against Defendants as follows:

- a. That the Court enter a judgment in favor of the Plaintiffs, Ritchie Capital Management, L.L.C.; Ritchie Special Credit Investments Ltd.; Rhone Holdings II, Ltd.; Yorkville Investments I, LLC; and Ritchie Capital Structure Arbitrage Trading, Ltd., and against the Defendants, Root and Fredrikson & Byron;
- b. That the Court award the Plaintiffs compensatory damages in an amount to be established at trial;
- c. That the Court award the Plaintiffs reasonable punitive damages in an amount to be determined at trial;
- d. That the Court award Plaintiffs their attorneys' fees and costs in bringing this action; and
- e. For such other and further relief as the Court deems just.

**JURY DEMAND**

144. Plaintiffs demand trial by jury on all claims so triable.

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CASE 1:12-cv-00870-ASM-JDG Document 1 Filed 02/02/12 Page 46 of 46

Dated: February 1, 2012

RITCHIE CAPITAL MANAGEMENT, L.L.C.,  
ET AL,

/s/ Philip G. Villaume

Philip G. Villaume  
Jeffrey D. Schiek  
Villaume & Schiek, P.A.  
2051 Killebrew Drive, Suite 611  
Bloomington, MN 55425  
Phone: 952-232-1886

A-215

# EXHIBIT F

Warrant alleges fraud by Petters | Minnesota Public Radio News

[http://www.mprnews.org/story/2008/09/26/petters\\_fraud](http://www.mprnews.org/story/2008/09/26/petters_fraud)

Case 1:14-cv-04819-VSB Document 25-6 Filed 11/13/14 Page 2 of 3



## Warrant alleges fraud by Petters

Martin Moylan · Minneapolis · Sep 26, 2008

Business



Petters World Headquarters *MPR Photo/Brandt Williams*

Late Friday afternoon the federal government revealed what FBI, IRS and other federal agents were looking for Wednesday when they raided the Petters Group headquarters and Tom Petters' home.



Tom Petters *Photo courtesy of Petters Group Worldwide*

They were seeking evidence of a scheme to lure investors into funding a company based on tens of millions of dollars in purchases and sales that never occurred.

The unsealed documents say a witness, a woman, associated with Petters and his company came forward with documents and other information. She later wore a wire and recorded several conversations involving Petters and

Warrant alleges fraud by Petters | Minnesota Public Radio News

[http://www.mprnews.org/story/2008/09/26/petters\\_fraud](http://www.mprnews.org/story/2008/09/26/petters_fraud)

others who allegedly were involved in the fraud. [Case 1:14-cv-04819-VSB Document 25-6 Filed 11/13/14 Page 3 of 3](#)

The affidavit alleges Petters is caught on tape repeatedly admitting to the fraud scheme by providing false information to investors. He allegedly talks about fleeing the country if the scheme is discovered. The affidavit also said Petters admits to cheating on his taxes.

One alleged participant estimates the total fraud on investors exceeds \$2 billion.



Special agent Paul McCabe *MPR Photo/Brandt Williams*

The goal of the alleged scheme was to get the investors to provide money and financing for Petters Co. Inc.

That's the venture capital arm for several Petters enterprises. PCI is one of some 60 companies that are part of the Petters Group.

The filing said Petters used money raised through PCI for other business ventures and to support an extravagant lifestyle.

According to the affidavit, investors were given false documents that showed PCI was purchasing electronics and other merchandise from suppliers. Meanwhile, fake purchase orders showed the same merchandise was sold to stores such as Sam's Club.

Petters attorney Jon Hopeman said Petters maintains he is not guilty, and he intends to fight any charges.

An FBI spokesman said Friday night that his agency and other law enforcement authorities had no comment on the case. No arrests or charges had been filed as of last night.

Sun Country Airlines said after the raid that the investigation would have no effect on the carriers' operations.

A-218

# EXHIBIT G

Petters warrant alleges investor fraud - TwinCities.com

[http://www.twincities.com/ci\\_10569088](http://www.twincities.com/ci_10569088)

## Case 1:14-cv-01818-VSB Document 25-7 Filed 11/13/14 Page 2 of 3

# Petters warrant alleges investor fraud

**\$100M scammed on false documents, purchase orders**

*By Amy Forliti*

*Associated Press*

POSTED: 09/27/2008 12:01:00 AM CDT

The chairman and CEO of Petters Group Worldwide and several associates allegedly schemed to defraud investors of \$100 million or more since the 1990s, according to a search warrant unsealed Friday in U.S. District Court.

The search warrant, executed Wednesday at the company's Minnetonka headquarters, contains an affidavit alleging that Tom Petters, some employees of Petters Co. Inc. and associates created fictitious documents for current and potential investors.

The affidavit said the scheme tricked more than 20 investors and investment groups that had provided more than \$100 million and perhaps "substantially more." It said a person associated with Petters and PCI had approached authorities with documents and evidence of fraud.

Jon Hopeman, an attorney for Petters, said he would not comment in detail until he read the search warrant, which was unsealed shortly before the courts closed.

"Mr. Petters denies that he did anything wrong and intends to fight," Hopeman said.

Petters did not return phone messages left at his homes in Minnesota and Colorado.

According to the affidavit, Petters lured potential investors by telling them funds would be secured by certain transactions that were actually fictitious.

Investors were given false documents that PCI was purchasing merchandise from vendors such as Nationwide International Resource, based in Los Angeles, and Enchanted Family Buying Co., based in Excelsior.

Additional purchase orders falsely said that PCI sold the same merchandise to stores such as BJ's Wholesale Club and Sam's Club.

"The purchase orders and other documents in support of the transactions are entirely fabricated," the affidavit said. "PCI does not buy merchandise from NIR or Enchanted. Nor does PCI sell merchandise as described ... Petters uses these documents to induce investors to invest money."

The affidavit said that on occasion, investors wanted to wire funds directly to NIR or Enchanted as payment for the false purchase

orders provided by Petters. The affidavit said that in those cases, officials at NIR and Enchanted had agreements with Petters to receive the funds, then send them back to Petters, minus a percentage as their compensation for their part of the scheme.

Petters Group Worldwide comprises several companies, including Sun Country Airlines, Fingerhut and Polaroid. Company spokeswoman Andrea Miller declined to comment on the contents of the warrant.

Federal officials executed search warrants for nine properties and two vehicles.

Only one search warrant, for the office of Robert White, was made public as U.S. District Court was closing Friday. White is listed in the warrant as a former PCI officer who still consults for the company.

The affidavit accuses White of making false purchase orders related to the fictitious sale of merchandise to BJ's, Sam's Club, Costco and Boscov's. Authorities also searched White's residence and two of his vehicles.

Attempts to reach White at home on Friday were unsuccessful, and his voicemail box was full.

An FBI affidavit says the witness who came forward was part of the scheme and agreed to cooperate with investigators and plead guilty to a single count of conspiracy.

The witness told investigators PCI is used by Petters for his other business ventures and "to support his extravagant lifestyle," the affidavit said.

The witness, who is not identified in the document, gave investigators a balance sheet for PCI and

Petters warrant alleges investor fraud - TwinCities.com

[http://www.twincities.com/ci\\_10569088](http://www.twincities.com/ci_10569088)

its affiliates that listed Credit Limit of \$4 billion as accounts receivable, about \$1 billion, according to the warrant. The witness said the accounts-receivable figure was based on false documents, and the actual figure was "substantially less."

Through their investigation, authorities corroborated the witness's evidence, finding fictitious purchase orders for Wal-Mart stores or Sam's Club totaling more than \$10 million. The investigation also found \$11.6 billion in wire transfers in and out of an NIR account from January 2003 through March 2006. Specifically, from Jan. 4, 2006, through Jan 10, 2006, NIR received \$51.3 million in eight incoming wires, and the day after receiving each wire, NIR transferred the funds, less a 0.05 percent commission, to PCI, the affidavit said.

The warrant, signed by Judge Ann Montgomery, was issued on Sept. 19.

The warrant sought documents ranging from 1995 through the present.

The items seized from White's office include BlackBerrys, thumb drives, bank and other financial records, purchase orders, an \$8.5 million check from NIR to PCI and a \$1 million check from PCI to White.

The case is a joint investigation by the FBI, the IRS Criminal Investigation Division and the U.S. Postal Inspection Service.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

RITCHIE CAPITAL MANAGEMENT, L.L.C.,  
RITCHIE CAPITAL MANAGEMENT, LTD., and  
RITCHIE SPECIAL CREDIT INVESTMENTS,  
LTD.,

Plaintiffs,

v.

COSTCO WHOLESALE CORPORATION,

Defendant.

Civil Action No. 14-cv-4819 (VSB)

**DECLARATION OF LEO V. LEYVA,  
ESQ. IN OPPOSITION TO COSTCO  
WHOLESALE CORPORATION'S  
MOTION TO DISMISS**

**LEO V. LEYVA, ESQ.**, of full age, hereby declares as follows:

1. I am an attorney-at-law in the State of New York and a member of the firm Cole, Schotz, Meisel, Forman & Leonard, P.A., counsel for plaintiffs, Ritchie Capital Management, L.L.C., Ritchie Capital Management, Ltd., and Ritchie Special Credit Investments, Ltd. (collectively "Ritchie"). I am fully familiar with the facts set forth herein, and respectfully submit this declaration in opposition to the motion to dismiss filed by Defendant Costco Wholesale Corporation ("Costco").

2. Attached hereto as **Exhibit A** is a true copy of a page from Costco's website.
3. Attached hereto as **Exhibit B** is a true copy of Costco's company profile.
4. Attached hereto as **Exhibit C** is a true copy of Ritchie's Complaint, filed on April 9, 2014, in the Supreme Court of the State of New York, County of New York.

I declare under penalties of perjury that the foregoing information is true and accurate.

/s/ Leo V. Leyva

Leo V. Leyva, Esq.

DATED: December 19, 2014  
New York, New York

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## EXHIBIT A

A-223

12/18/2014

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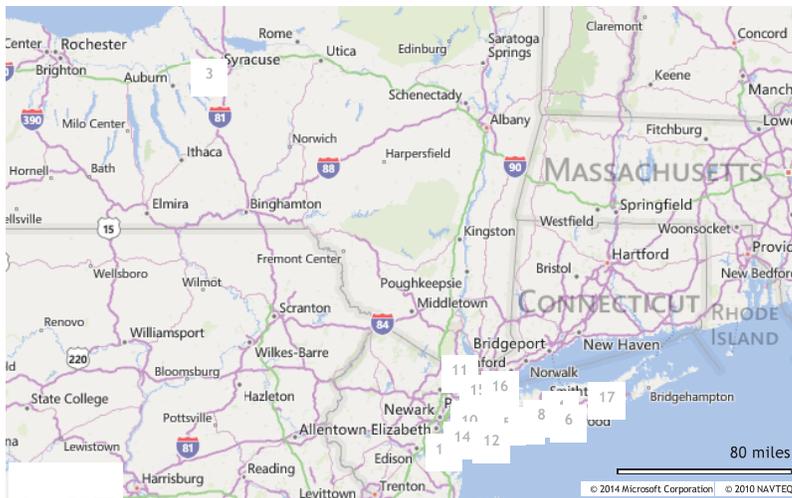
Country United States

Search Province (State) New York

GO

### Warehouse Locations

Search for a Costco Warehouse Print



- 1 [Manhattan](#)  
517 E 117th St  
New York, NY 10035-4409  
(212) 896-5873  
[Store Details](#) | [Get Directions](#)
- 2 [Rego Park](#)  
61-35 Junction Boulevard  
Rego Park, NY 11374-2772  
(718) 760-6470  
[Store Details](#) | [Get Directions](#)
- 3 [Syracuse](#)  
120 Township Blvd  
Camillus, NY 13031-1659  
(315) 883-2361  
[Store Details](#) | [Get Directions](#)
- 4 [Nesconset](#)  
3000 Middle Country Road  
Nesconset, NY 11767-1072  
(631) 366-1504  
[Store Details](#) | [Get Directions](#)
- 5 [Westbury](#)  
1250 Old Country Road  
Westbury, NY 11590-5641  
(516) 683-8300  
[Store Details](#) | [Get Directions](#)
- 6 [Holbrook](#)  
125 Beacon Dr  
Holbrook, NY 11741-4309  
(631) 244-0292



12/18/2014

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[Store Details](#) | [Get Directions](#)

7 [Melville](#) 

625 Broadhollow Road  
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9 [New Rochelle](#) 

1 Industrial Ln  
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10 [Queens](#) 

3250 Vernon Blvd  
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11 [Nanuet](#) 

50 Overlook Blvd  
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12 [Lawrence](#) 

605 Rockaway Tpke  
Lawrence, NY 11559-1029  
(516) 371-2017

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13 [Staten Island](#) 

2975 Richmond Avenue  
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(718) 982-9525

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14 [Brooklyn](#) 

976 3rd Ave  
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(718) 965-7603

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15 [Yonkers](#) 

20 Stew Leonard Dr  
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(914) 595-1003

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16 [Port Chester](#) 

1 Westchester Ave  
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[Riverhead](#)

1768 Old Country Rd  
Riverhead, NY 11901-3146  
(631) 655-0110

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## EXHIBIT B

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## Investor Relations

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### company profile

Costco Wholesale Corporation operates an international chain of membership warehouses, mainly under the "Costco Wholesale" name, that carry quality, brand name merchandise at substantially lower prices than are typically found at conventional wholesale or retail sources. The warehouses are designed to help small-to-medium-sized businesses reduce costs in purchasing for resale and for everyday business use. Individuals may also purchase for their personal needs.

Costco's warehouses present one of the largest and most exclusive product category selections to be found under a single roof. Categories include groceries, candy, appliances, television and media, automotive supplies, tires, toys, hardware, sporting goods, jewelry, watches, cameras, books, housewares, apparel, health and beauty aids, tobacco, furniture, office supplies and office equipment. Costco is known for carrying top quality national and regional brands, with 100% satisfaction guaranteed, at prices consistently below traditional wholesale or retail outlets.

Members can also shop for private label Kirkland Signature products, designed to be of equal or better quality than national brands, including juice, cookies, coffee, housewares, luggage, clothing and detergent. The Company also operates self-service gasoline stations at a number of its U.S. and Canadian locations.

Additionally, Costco Wholesale Industries, a division of the Company, operates manufacturing businesses, including special food packaging, optical laboratories, meat processing and jewelry distribution. These businesses have a common goal of providing members with high quality products at substantially lower prices.

According to Jim Sinegal, the Company's Co-Founder and Director, "Costco is able to offer lower prices and better values by eliminating virtually all the frills and costs historically associated with conventional wholesalers and retailers, including salespeople, fancy buildings, delivery, billing and accounts receivable. We run a tight operation with extremely low overhead which enables us to pass on dramatic savings to our members."

Costco is open only to members and offers three types of membership: Business, Gold Star (individual) and the Executive membership. Business members qualify by owning or operating a business, and pay an annual fee (\$55 in the U.S.) to shop for resale, business and personal use. This fee includes a household card. Business members may purchase up to six additional membership cards (\$55 each) for partners or associates in the business.

Gold Star members pay a \$55 annual fee (in the U.S.), and is available to those individuals that do not own a business. This fee includes a free household membership.

The Company also has a third membership level, called the Executive Membership. In addition to offering all of the usual benefits, it allows members to purchase a variety of discounted consumer services (auto and homeowner insurance, auto buying, mortgage, refinancing, boat and RV loans, identity protection, personal check printing, and/or business services (business phone services, merchant credit card processing, health and dental insurance, payroll services, business check and forms printing, small-business 401(k) plans, small-business web sites ) at substantially reduced rates. Executive Members also receive a 2% annual reward (up to \$750 beginning January 1, 2012) on most of their warehouse purchases. Executive Members pay an annual fee of \$110.

Costco warehouses generally are open seven days per week for all members.

Costco is a Washington corporation, publicly traded under the Nasdaq ticker symbol "COST", with its home office in Issaquah, Washington.

A more complete description of the Company and its business is contained in the Company's periodic filings with the Securities and Exchange Commission.

#### Key Information

Number of warehouses:	671 (as of 11/21/14)
Areas of operation:	474 locations in 43 U.S. States & Puerto Rico; 88 locations in nine Canadian provinces; 26 locations in the United Kingdom;

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Costco Company Profile

10 locations in Taiwan;  
11 locations in Korea;  
20 locations in Japan;  
7 locations in Australia;  
34 locations in 18 Mexican states;  
1 location in Spain

Membership Data (as of 8/31/14):	76.4 million cardholders 41.9 million households 31.6 million Gold Star 6.9 million Business 3.5 million Business add ons
Warehouse sizes:	73,000 to 205,000 square feet (average 143,700 square feet)
Annual revenues (FY14 - Ended 8/31/14):	\$112.6 billion
Fiscal year end:	Sunday closest to August 31
Number of U.S. employees:	129,000 full and part-time
Number of employees (worldwide):	189,000 full and part-time

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# EXHIBIT C

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NYSCEF DOC. NO. 4

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RECEIVED NYSCEF: 04/09/2014

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK**

RITCHIE CAPITAL MANAGEMENT, L.L.C.,  
RITCHIE CAPITAL MANAGEMENT, LTD. and  
RITCHIE SPECIAL CREDIT INVESTMENTS,  
LTD.,

Index No.: 650382/2014

**COMPLAINT**

Plaintiffs,

v.

COSTCO WHOLESALE CORPORATION,

Defendant.

Plaintiffs, Ritchie Capital Management, L.L.C., Ritchie Capital Management, Ltd. and Ritchie Special Credit Investments, Ltd. (collectively, “Plaintiffs” or “Ritchie”), by their attorneys, complain against defendant, Costco Wholesale Corporation (“Defendant” or “Costco”), as follows:

**I. INTRODUCTION**

1. Plaintiffs bring this action against Costco for damages arising from Costco’s civil conspiracy with convicted felon Thomas Petters (“Petters”) to support a decade-long criminal enterprise operated by Petters and his companies. Petters and his criminal associates, including Deanna Coleman, Bob White and others, through a host of business entities including Petters Company, Inc. (“PCI”), operated one of the largest fraud schemes in history, spanning more than a decade resulting in unpaid debts to PCI’s creditors of over \$3 billion. In December 2009, following a jury trial that lasted several weeks, Petters was convicted on twenty counts of fraud, money laundering and related offenses. In April 2010, Petters was sentenced to 50 years in prison and substantially all of his assets were forfeited to the United States pursuant to a forfeiture judgment in excess of \$3.5 billion.

2. Petters' fraud scheme was based on intentional misrepresentations that Petters was engaged in the lawful and profitable "diverting" business. With the purpose of inducing lenders to loan money to him or his companies, Petters represented that he was able to buy brand name consumer electronics at below wholesale prices and sell those goods at substantial profits to discount retailers like Costco that were otherwise unable to purchase brand name merchandise directly from major manufactures like Sony. Petters typically promised prospective lenders high interest rates and in some cases profit-sharing in consideration for short-term purchase-money loans to enable PCI to buy merchandise that had supposedly been pre-sold to an affiliate of Costco named National Distributors f/k/a National Clothing ("National Distributors"), which would in turn sell and/or deliver the goods to Costco.

3. Between 1992 and early 1998, Costco entered into a substantial business relationship with Petters which was mutually beneficial and profitable to both parties. Costco relied on Petters to obtain access to Sony and certain brand name consumer electronics from manufacturers and/or suppliers that would not normally sell to discounted warehouse retailers like Costco. Through Petters' relationship with certain manufacturers and suppliers, Petters was able to acquire thousands of units of popular consumer electronics, at below regular wholesale prices, to deliver to Costco. Petters provided significant benefits to Costco in its rise to becoming a nationally recognized big-box retailer.

4. By October 2000, however, Costco acquired actual knowledge of Petters' fraudulent use of counterfeit National Distributors purchase orders to induce lenders to loan money to PCI or other entities controlled by Petters. On October 24, 2000, General Electric Capital Corporation ("GECC") wrote a letter to Costco requesting verification that 14 purchase orders purportedly issued by National Distributors between June 1, 2000 and October 1, 2000,

were valid purchase orders and that the amounts stated therein (which exceeded \$45 million) were then actually due and owing to PCI by National Distributors and/or Costco. Rather than responding truthfully to GECC's request and informing GECC that the purchase orders were not valid, or reporting PCI to the appropriate law enforcement authorities, Costco decided not to respond and instead joined Petters' conspiracy to defraud GECC and Petters' other lenders.

5. To further advance the parties' agreement and to assist Petters in refinancing approximately \$50 million owed to GECC, Costco agreed, at the request of Petters, to issue "guaranty letters" to certain of Petters' lenders. Beginning in early 2001, Costco issued guaranty letters to prospective lenders to Petters' companies that stated that Costco would guaranty payment of National Distributor's obligations to Petters' companies under outstanding purchase orders. Those guaranty letters included, without limitation, a guaranty letter dated July 2001 delivered to investment funds managed by Epsilon Investment Management LLC and Westford Investment Management LLC ("Epsilon-Westford"), that induced lenders associated with those funds to lend hundreds of millions of dollars to Petters and his companies purportedly to finance the purchase of inventory that was to be sold to Costco. But for Costco's guaranty letters that were provided to Petters' lenders, Petters and PCI would not have been able to obtain billions of dollars of purchase-order financing loans from investment funds between January 2001 and September 2008.

6. On or about March 21, 2008, Plaintiffs were fraudulently induced to lend \$31 million to Petters and PCI in reliance on Petters' and PCI's false representations that the loan proceeds would be used by PCI to purchase Sony Playstation video game consoles that had been pre-sold to Costco for approximately \$79 million, that would be paid by Costco within 115 days of March 21, 2008.

7. At Petters' criminal trial in November 2009, the entire March 2008 Playstation purchase-order financing transaction was exposed as a complete fabrication. There were no Sony Playstations that were being purchased by PCI and resold to Costco. The testimony and documents received into evidence at Petters trial demonstrated that from as early as October 24, 2000 until at least March 2007, Costco knowingly and substantially assisted Petters in creating and perpetuating PCI's fraudulent purchase-order financing scheme, as well as providing PCI with the appearance of being a legitimate consumer electronics business through systematic misrepresentations that Petters had a long-standing and profitable business relationship with Costco in order to enable Petters to repeatedly refinance his fraudulent purchase order financing debts. As a foreseeable and direct consequence of Costco's corrupt agreement with Petters and its knowing and substantial acts in furtherance of Petters' and PCI's fraudulent purchase-order financing scheme, Plaintiffs were defrauded by Petters and PCI and have suffered damages in excess of \$31 million.

## **II. JURISDICTION AND VENUE**

8. Venue is proper in this county because at all relevant times Costco conducted substantial business operations in New York County and because one or more of the events that gave rise to the claims set forth herein occurred in New York County.

9. Plaintiffs also maintained an office in New York City during the time the relevant acts and events giving rise to Plaintiffs' causes of action occurred.

## **III. PARTIES**

10. Plaintiff Ritchie Capital Management, L.L.C. ("RCM") is a Delaware limited liability company with an office in New York, New York.

11. Plaintiff Ritchie Capital Management, Ltd. (“RCM Ltd.”) is a Cayman Islands exempt company with an office in the Cayman Islands.

12. Ritchie Special Credit Investments, Ltd. (“RSCI”) is a Cayman Islands exempted company that invests in securities of for-profit corporations operating in the United States and abroad. RSCI and RCM Ltd. are collectively, the “Ritchie Lenders.”

13. Defendant Costco is, upon information and belief, a Washington corporation with its headquarters located at 999 Lake Drive, Issaquah, Washington 98027.

#### **IV. FACTUAL ALLEGATIONS**

##### **A. *Costco Learns of Petters’ Misconduct as Early as 2000.***

14. During all relevant times, Petters and his companies were based in Minnesota and conducted their operations in Minnesota. In or around March 1998, Petters and Petters Capital, Inc. (“Petters Capital”) obtained a \$50 million credit line from General Electric Capital Corporation (“GECC”). That line of credit was used, on a deal by deal basis, to finance the purported purchase of consumer electronics. Petters and Petters Capital falsely represented to GECC that those goods had been sold to National Distributors, which resold the goods to Costco. Petters Capital granted GECC a security interest in the alleged National Distributors purchase orders.

15. Upon information and belief, with respect to each deal, Petters Capital furnished GECC with a copy of a purchase order issued by National Distributors and granted GECC a security interest in the National Distributors purchase order and proceeds, to secure its obligation to repay the amount of the purchase-money loan. Upon information and belief, Costco agreed to guaranty payment of National Distributors’ obligations under the purchase orders that were subject to a security interest in favor of GECC.

16. In a series of 14 separate purchase-order financing transactions that occurred between June and August 2000, Petters Capital induced GECC to make a series of loans totaling approximately \$50 million in consideration for Petters Capital's promise to make certain payments and grant GECC a security interest in each of the 14 separate National Distributors' purchase orders and their proceeds to secure the loans made by GECC. In connection with each of these separate loan transactions, Petters and his criminal associates provided GECC with fourteen (14) purchase orders issued by National Distributors, each with a specific purchase order, and a corresponding invoice from Petters Capital to National Distributors as representation of the fact that Petters Capital had a right to receive payment of approximately \$50 million from National Distributors and/or Costco on account of those purchase orders.

17. As the criminal prosecutions of Petters, Coleman, White and others revealed, the National Distributors' purchase orders that Petters and PCI had provided to GECC between June and October 2000, did not reflect actual sales of goods by PCI or Petters Capital to National Distributors. Rather, those purchase orders were counterfeits that had been created by Petters and his co-conspirators, for the purpose of fraudulently inducing lenders, including GECC, to make loans to Petters' companies in reliance on Petters' false representations that the National Distributors purchase orders were genuine and that Petters Capital had an enforceable right to payment from National Distributors (which was guaranteed by Costco) which would provide the source of funds required to repay the debts Petters Capital owed to GECC.

18. On October 23, 2000, GECC sent a letter to Costco requesting: (i) information regarding 14 separate purchase orders purportedly issued by National Distributors between June 1, 2000 and August 9, 2000, totaling over \$50 million; and (ii) verification that the stated

accounts were currently “open” on Costco’s accounts payable system. (A true copy of the October 23, 2000, letter from GECC to Costco is attached as Exhibit A.)

19. On or about October 23, 2000, after Costco employee Eric Hulseley discovered that the only legitimate information regarding the 14 purchase orders identified by GECC were the purchase order numbers (which were specific numbers that had been used by National Distributors on purchase orders that were actually issued to other vendors), Costco contacted Petters and obtained actual knowledge from him that someone associated with Petters Capital had somehow obtained and used valid National Distributors purchase order numbers to intentionally misrepresent to GECC that: (i) National Distributors had issued to Petters Capital the purchase orders identified in the letter from GECC; and (ii) as of October 23, 2000, National Distributors and/or Costco owed Petters Capital approximately \$50 million dollars on account of those purchase orders.

20. Instead of responding truthfully to GECC’s request for verification of those purchase orders and informing GECC that it had been defrauded by Petters Capital, Costco employees instead immediately contacted Petters and entered into an agreement with Petters under which Costco agreed to assist Petters in deceiving GECC and covering up the truth concerning the National Distributors purchase orders, as well as to assist Petters with refinancing the substantial debts owed to GECC. As part of the consideration for entering into this agreement for an unlawful purpose with Petters, Costco required that it be relieved of its potential liability to GECC as the guarantor of National Distributors’ obligations under those purchase orders. Petter agreed, and further acknowledged that he and his companies would not reveal Costco’s role in assisting Petters with refinancing the substantial debts owed to GECC.

21. At Costco's request, Petters send a letter dated October 24, 2000, addressed to Scott Haggbloom of Costco/National, stating as follows:

The Purchase Orders listed below, I realize were never issued to Petters Company from you or from Costco/National. I deeply apologize Scott that this happened.

(A true copy of the letter dated October 24, 2000, from Petters to Costco is attached as Exhibit B.)

22. When asked at the Petters trial why he requested this letter from Petters, Costco's employee Erik Hulseby testified that he wanted confirmation that Costco would not be exposed to potential liability to GECC.

23. In furtherance of the corrupt agreement between Petters and Costco and to assist Petters in his efforts to obtain additional loans from GECC for a Petters Capital affiliate known as RedTag.Biz, sometime between November 2, 2000 and December 20, 2000, agents of Costco and/or National Distributors provided Petters with the check numbers and dates of 11 checks that had been drawn on an account in the name of National Clothing Company, Inc. ("National Clothing") in the total amount of approximately \$48 million. Each of the check numbers corresponded to checks that had actually been drawn on National Clothing's account that had cleared before December 20, 2000.

24. As of December 20, 2000, no one from Costco had informed GECC that the purchase orders identified in its October 23, 2000 letter to Costco were phony.

25. With the intent to deceiving GECC as to the legitimacy of the purchase orders that were the subject of GECC's October 23, 2000 letter to Costco and to fraudulently induce GECC to make additional loans to one of Petters companies, Petters represented to GECC that PCI had received the 11 checks from National Clothing (described in paragraph 23 above) in satisfaction

of the account receivables from National Distributors that were the subject of GECC's October 24, 2000 request to Costco for verification of those accounts. On December 20, 2000, Petters sent copies of those 11 checks to GECC by facsimile.

26. On October 29, 2009, Costco employee Erik Hulseley testified at the Petters trial and was asked about payments that National Distributors had made to PCI or Petters Capital in 2000. Eric Hulseley testified that there was only one check issued to PCI or Petters Capital in the entire year of 2000, and that was a check in the amount of \$81,418.70 that had been issued on January 27, 2000.

27. Upon information and belief, all 11 of the National Clothing checks that Petters transmitted to GECC on December 20, 2000, had actually been issued to payees other than PCI and that the actual checks that had cleared the bank were issued in amounts much smaller than the amounts set forth in the altered National Clothing checks that Petters transmitted to GECC on December 20, 2000.

28. Petters could not have obtained copies of 11 National Clothing checks with authentic, sequential check numbers and corresponding dates of checks that had actually cleared the bank identified on the checks in November and December 2000, that were required to fabricate the 11 counterfeit National Clothing checks Petters transmitted to GECC on December 20, 2000, without the knowing and substantial assistance of Costco and/or National Distributors employees who had access to those authentic checks and check numbers.

29. Between March 2001 and March 2008, Petters, with the knowing and substantial assistance of Costco in accordance with the agreement he made with Costco in October 2000, repeatedly refinanced the \$50 million debt that was originally owed to GECC, using National

Distributors purchase orders and Costco guaranty letters to fraudulently induce new lenders to provide loans to continually refinance this ever increasing debt.

30. The National Distributors purchase orders used to defraud lenders were explicitly identified in numerous UCC-1 financing statements that were publicly filed with the Secretary of State of the State of Minnesota between 2001 and 2008, and which were used to corroborate Petters' false representations that PCI was selling hundreds of millions of dollars of goods to National Distributors as indicated by the purchase orders described in UCC-1 financing statements including actual, valid National Distributors purchase order numbers.

31. Upon information and belief, Costco and National Distributors assisted Petters and his co-conspirators in obtaining actual National Distributors purchase order numbers, which Petters use to defraud PCI's lenders.

32. Upon information and belief, Costco continued to provide PCI with guaranty letters until at least 2006. By email dated February 14, 2007, PCI's general counsel wrote to Costco's general counsel, John Sullivan, and stated as follows:

John: I hope the new year is treating you well. It is time again to renew the Costco guaranty letter to Petters Company. I have prepared a draft of this document, which is the same as last year, with the date adjusted. Can you arrange for this to be put on Costco letterhead, executed and returned to me at the contact below.

(A true copy of the email dated February 14, 2007, is attached as Exhibit C.)

33. After being informed that Costco employee, Erik Hulsey, had requested a list of the open purchase order that would be the subject of the Costco guaranty letter, Petters sent Erik Hulsey an email on March 22, 2007 (which was copied to Costco's corporate counsel, John Sullivan), in which Petters reminded Mr. Hulsey and Mr. Sullivan of the agreement that had been made in October 2000, under which Costco had been relieved of any potential liability to GECC.

(A true copy of Erik Hulseley's email dated March 22, 2007, in response to Petter's email dated February 14, 2007, is attached as Exhibit C.) Petters' email dated March 22, 2007, stated in pertinent part, as follows:

The issue is we finance many people from time to time in the business of diverting. If you are unaware of the issues of fraud in the past I would be happy to enlighten you directly. We suffered serious financial losses due to us taking the path that we would allow Costco to be relieved from damages they were actually liable for. You can discuss the details with John Sullivan if you are unaware.

To make a long story short, if you are not going to issue a mere guaranty letter to us, which allows us to have assurance that when we hold paper that is financing goods for National, simply tell us.

Beyond that, please give David Baer an answer today and we will act according to your decision. It is most troubling for us at this stage in a long relationship, that this letter is an issue.

(See Exhibit C.)

34. Upon information and belief, between March 22, 2007 and March 21, 2008, Costco continued to perform as agreed under its corrupt October 2000 agreement with Petters and allowed Petters to hold his companies out as having a long-standing and substantial business relationship with Costco that involved Petters' companies routinely selling millions of dollars of consumer electronic goods to Costco, even though this was very far from the truth.

**B. *Relying on False Representations Regarding Costco Related Purchase Orders, Ritchie Lenders Loan Petters \$31 million in March 2008.***

35. On March 21, 2008, with the intent to induce Plaintiffs to make a \$31 million purchase order financing loan to Petters and PCI, Petters represented that PCI was engaged in the lawful business of supplying Sony merchandise to Costco and that PCI had an opportunity to buy a large quantity of Sony Playstation video game consoles from one of its suppliers for about \$52

million and re-sell them to Costco for approximately \$79 million. Unbeknownst to Plaintiffs, all of Petters' representations were false when they were made to Plaintiffs.

36. In reliance on Petters' representations regarding his long-standing and profitable relationship with Costco and his representation that the sale of the Sony Playstations to Costco would generate a gross profit of approximately \$27 million in 115 days, Plaintiffs agreed to loan \$31 million to Petters and PCI to enable PCI to pay the balance of the purchase price payable to the vendor that was purportedly selling the goods to PCI that would be resold to Costco.

37. During the period from 2000 through early 2008, Costco's issuance of the guaranty letters and other knowing and substantial assistance to PCI's fraudulent purchase-order loan scheme were a major reason that PCI's diverting business appeared to have achieved significant scale and success, and it was this scale and success, along with Petters' representations regarding the sale of Sony Playstations to Costco, that the Ritchie Lenders relied upon in determining to advance the \$31 million loan to PCI and Petters. Without the knowingly fraudulent conduct of Costco, PCI's diverting business could not have succeeded for almost a decade, during which time hundreds of millions of dollars of fraudulent transactions were conducted and hundreds of millions (including at least \$31 million of the Ritchie Lenders' money) were lost by unknowing and unsuspecting lenders who relied upon PCI's purported (and fictitious) business relationship with Costco.

38. In or around March 21, 2008, the Ritchie Lenders were fraudulently induced to lend \$31 million to Petters and PCI in order to enable PCI to purchase 232,500 Sony Playstations that were (or so Ritchie was told) to be purchased by PCI, then sold to uBid (a Chicago-based company in which Petters held a substantial ownership interest and which served as an on-line auctioneer of electronic merchandise) and then finally sold by uBid to Costco.

39. Petters and his associates provided Ritchie with a fraudulent purchase order and a related invoice for PCI's \$52 million purchase of the Sony Playstations from Nationwide International Resources ("Nationwide"), the shell company controlled by Larry Reynolds that was used for over a decade as part of Petters' fraud. uBid provided another purchase order corroborating Petters false representation that uBid would then buy the Sony Playstations from PCI for over \$79 million in conjunction with the ultimate sale to Costco, purportedly generating a \$27 million profit.

40. As it turns out, there were no Sony Playstations and both the PCI and uBid purchase orders were fakes. Those documents had been prepared solely to induce the Ritchie Lenders to loan \$31 million to PCI and Petters and to convince the Ritchie Lenders (who with their affiliates had loaned over \$146 million to Petters and another of his entities) that Petters' businesses including PCI's diverting business were thriving and profitable. Under the terms of the executed transaction documents, PCI and Petters agreed that: (i) PCI would contribute \$21 million of the purchase price for the initial purchase of the Sony Playstations from Nationwide; (ii) all purchasers of the Playstations, including Costco, would be instructed to make their payments for the Playstations into a new, separate bank account (the "Playstations Account") at a mutually satisfactory bank ("Bank"); and (iii) PCI, the Ritchie Lenders and the Bank would enter into a customary deposit account control agreement pursuant to which the Playstations Account, and the funds contained therein, would be subject to a perfected security interest in favor of the Ritchie Lenders.

41. Between October 2002 and March 2008, affiliates of Ritchie invested an aggregate of approximately \$75 million in Colossus Capital Fund, Ltd. and Lancelot Investors Fund, Ltd. (collectively, "Lancelot") which entities made hundreds of millions of dollars of

purchase-order financing loans to companies owned or controlled by Petters including, but not limited to, Thousand Lakes, LLC (“Thousand Lakes”).

42. During the years 2003 through March 2008, Petters continuously represented to the managers of Lancelot, and indirectly to Lancelot’s investors including Ritchie and its affiliates, that Petters and his companies were engaged in considerable business with Costco and that Petters obtained millions of dollars of purchase order financing (secured by Costco purchase orders and accounts receivable) from Lancelot. Upon information and belief, Costco provided Lancelot with guaranty letters to support Petters’ representations to lenders that he and his companies were conducting substantial business with Costco.

43. By October 2007, approximately 95% of the Petters purchase order financing loans made by Lancelot were secured by National Distributors purchase orders and from time to time before October 2007, Lancelot was loaning Petters-controlled companies between \$30 and \$40 million per week which Petters had represented would enable Thousand Lakes to purchase consumer electronics for resale to National Distributors under purchase orders that were guaranteed by Costco. As an investor in Lancelot, Ritchie received and relied on copies of National Distributors purchase orders.

44. In loaning \$31 million to PCI and Petters on or about March 21, 2008, in connection with the Playstations purchase order financing transaction, the Ritchie Lenders reasonably relied on Petters’ representations to Lancelot and Ritchie regarding his long-standing and profitable diverting business relationship with Costco. Ritchie relied on the materials it received from Lancelot in connection with its decision to provide loans to Petters and PCI. But for Costco’s substantial assistance in furtherance of Petters’ fraudulent scheme which allowed Petters to expand his criminal enterprise and induce more lenders to provide substantial loans to

Petters' companies through 2008, the Ritchie Lenders would not have advanced the loans to PCI and Petters in March 2008.

**C. *Petters' Diverting Business is Exposed as a Fraudulent Ponzi Scheme.***

45. On or about September 24, 2008, agents from the FBI, the IRS and other federal agencies, along with local law enforcement agencies, executed search warrants on the headquarters of PCI and on Petters' personal residence.

46. To obtain the search warrants, the FBI filed an affidavit ("FBI Affidavit") detailing the information that their then on-going investigation of Petters and the Conspirators had revealed. The FBI Affidavit revealed the following information:

- a. "PCI is the venture capital arm of numerous PETERS enterprises. The money raised by PETERS through PCI is used by PETERS for his other business ventures and to support his extravagant lifestyle." (FBI Affidavit, ¶ 7(a).)
- b. "PETERS solicited investors to invest substantial sums in PCI. To induce investors to invest, the investors were advised funds would be secured by transactions (which were fictitious). Investors were then provided with false documents relating to purchase and resale of merchandise. The fraudulent documents purport to evidence PCI purchasing merchandise from vendors... Additional purchase orders falsely detail PCI's sale of the same merchandise to [retail] stores..." (*Id.*, ¶ 7(c).)
- c. The purchase orders and other documents in support of the transactions are entirely fabricated. PCI does not buy any merchandise from [the

vendors]. Nor does PCI sell merchandise as described in the purchase orders [to retailers]. PETTERS uses these documents to induce investors to invest money.” (*Id.*, ¶ 7(d).)

47. The FBI Affidavit also sets forth information gathered from recordings of conversations among the participants in Petters’ fraudulent scheme. “In September 2008, the government obtained consensually monitored conversations involving PETTERS, DEANNA COLEMAN, ROBERT WHITE ... and other persons.” (FBI Aff’d., ¶ 12.) As set forth below, those conversations revealed, among other things, that Petters was fully aware of, and was conducting, the fraud, and indicated an intent to flee the country if the fraud were revealed:

- a. “In these recordings, PETTERS readily admits executing he fraud scheme by providing fraudulent information to investors. PETTERS repeatedly discusses the stressed financial condition of the company, as well as the need for more capital. PETTERS continues to ask [COLEMAN] to prepare false documents, noting that he doesn’t know what choice they have. PETTERS talks about fleeing the country and creating fabricated defenses if the fraud is discovered.” (*Id.*, ¶ 12(a).)
- b. “PETTERS states that [one Conspirator] told PETTERS that they are ‘a little paper manufacturing plant.’ On one occasion, PETTERS states that he and [that participant] would be jointly implicated in a scheme to defraud investors out of \$130 million.” (*Id.*, ¶ 12(b).)
- c. Another participant “describes the scheme as a ‘Ponzi scheme,’ and estimates that at least \$100 million of PCI’s debt is fraudulent.” (*Id.*, ¶ 12(c).)

- d. A participant “asks that COLEMAN prepare purchase orders to be submitted to investors so that the investors will extend the due dates on debt.” (*Id.*, ¶ 12(d).)
- e. A participant “admits that PETTERS told him about the fake purchase orders, and that [the participant] has known about this for many years. [The participant] estimates the amount of the fraud as in excess of \$2 billion.” (*Id.*, ¶12(f).)

48. Petters could not have perpetrated his multi-billion dollar fraudulent purchase order financing scheme for over a decade without Costco’s knowing and substantial assistance and agreement to provide purchase order numbers and guaranty letters when requested by Petters to support his representations to lenders that he and his companies were conducting substantial diverting business with Costco. Many sophisticated commercial lenders including GECC, Epsilon-Westford, Lancelot and Ritchie relied on Petters’ representations that he had a long-standing business relationship with Costco.

49. From at least 1998, through 2004, Petters had a long-standing business relationship with Robert Pugmire (“Pugmire”), Executive Vice President and General Merchandise Manager of Costco. Pugmire often attended the annual Consumer Electronics Show (“CES”) in Las Vegas, Nevada and would spend substantial time with Petters at the CES where he would visit Petters’ hospitality suite.

50. Pugmire knew that Petters was making representations to GECC and other lenders that he was doing millions of dollars worth of diverting business with Costco. By early March 1998, Costco relied on Petters to obtain access to certain brand name consumer electronics from

manufacturers and/or suppliers that would not normally sell their products to discount warehouse retailers like Costco.

51. Despite having the opportunity to reveal Petters' fraudulent scheme to GECC and other lenders that were relying on Petters' representations, Costco agreed, in consideration for being relieved of contingent liability of almost \$50 million that may have been asserted by GECC against Costco as the guarantor of National Distributor's obligations under those purchase orders, not to respond truthfully to GECC's October 23, 2000 request for accounts receivable verification.

52. Despite gaining actual knowledge of Petters' fraud scheme in October 2000, while knowing that it was doing minimal business with Petters, Costco continued for at least seven (7) years after its discovery of the fraud to issue guaranty letters and allowed Petters to use the Costco name and Petters' long-standing relationship with Costco and National Distributors as wrongful means of fraudulently inducing lenders, including Lancelot, to lend billions of dollars to Petters and his entities.

53. But for Costco's decision to enter into a corrupt agreement with Petters and Costco's agreement to provide guaranty letters to perpetuate his criminal enterprise, when Costco knew that Petters was exaggerating and/or fabricating the amount of business that PCI was doing with Costco, Petters would not have been able to exponentially expand his fraud and money-laundering scheme.

54. As a proximate consequence of Costco's aiding and abetting and its substantial assistance in furtherance of Petters' fraudulent scheme, Plaintiffs have suffered substantial damages in excess of \$31 million.

**COUNT I**  
**(Aiding and Abetting Fraud)**

55. Plaintiffs restate each and every allegation set forth in the preceding paragraphs, and hereby incorporate same by reference, as if all were set forth fully herein.

56. By October 2000, Costco was well aware of Petters' fraudulent purchase-order financing scheme. Specifically, Costco had actual knowledge that Petters was representing to lenders that he and his companies were conducting many millions of dollars of business with Costco, contrary to the reality that Costco had conducted a total of only approximately \$80,000 of business with Petters in 2000. Costco also knew that Petters needed to make these false representations to those lenders that agreed to provide Petters with the financing necessary to repay amounts owed under Petters Capital's \$50 million credit line with GECC.

57. In fact, when Costco told Petters on October 24, 2000, that GECC had contacted Costco to verify Costco's purchase orders to PCI, Petters admitted that the purchase orders were phony and requested Costco to stand down and to allow Petters to address the purchase order issues directly with GECC. In consideration for receiving a secret letter from Petters acknowledging that those purchase orders did not exist, Costco granted Petters' request not to respond to GECC's letter and allowed Petters to communicate directly with GECC in order to deceive GECC as to the facts regarding Petters Capital's purported right to receive payment from Costco under certain outstanding National Distributors purchase orders.

58. Rather than exposing the fraudulent purchase-order financing scheme, Costco provided substantial assistance in the advancement and achievement of the fraud. To assist Petters with obtaining loans to refinance Petters Capital's debts to GECC, Costco agreed to issue guaranty letters to certain lenders at the request of Petters and/or his companies. For example, in 2001, Costco issued a guaranty letter to Epsilon-Westford to induce it to loan money to Petters

so that he could use those funds to repay the \$50 million credit line to GECC. Costco continued to issue guaranty letters to various lenders at least through 2007, to support Petters' nefarious conduct with respect to his lenders and to induce those lenders to provide financing to Petters.

59. During the period from 2000 through early 2008, Costco's issuance of the guaranty letters and other knowing and substantial assistance to PCI's fraudulent purchase-order loan scheme were a major reason that PCI's purported diverting business appeared to have achieved significant scale and success, and it was this scale and success, along with Petters' representations regarding the sale of Sony Playstations to Costco, that the Ritchie Lenders relied upon in determining to advance the \$31 million loan to PCI and Petters.

60. Without the knowingly fraudulent conduct of Costco, PCI's diverting business could not have succeeded for almost a decade, during which time hundreds of millions of dollars of fraudulent transactions were conducted and hundreds of millions (including at least \$31 million of the Ritchie Lenders' money) were lost by unknowing and unsuspecting lenders who relied upon PCI's purported (and fictitious) business relationship with Costco.

61. As a proximate cause of Costco's aiding and abetting of Petters' fraudulent scheme, Plaintiffs suffered damages in excess of \$31 million.

**COUNT II**  
**(Civil Conspiracy)**

62. Plaintiffs restate each and every allegation set forth in the preceding paragraphs, and hereby incorporate same by reference, as if all were set forth fully herein.

63. Petters and PCI knowingly communicated false and fraudulent information to Plaintiffs to induce them to fund loans to Petters and PCI. These fraudulent representations, including that Petters' diverting business was a lawful and profitable enterprise which conducted

substantial diverting business with Costco, were made to Plaintiffs in March 2008 in connection with the \$31 million loan transaction.

64. To persuade the Ritchie Lenders to provide \$31 million in financing to Petters and PCI, Petters further represented to Plaintiffs that PCI would use the loan proceeds, together with \$21 million of its own money, to purchase 232,500 Sony Playstations that would (or so Plaintiffs were told) then be sold to uBid, and then finally sold by uBid to Costco as part of a diverting business transaction.

65. By early 2000, Costco and Petters had a diverting business relationship which was mutually beneficial and profitable to both parties. Pursuant to the parties' agreement, Petters agreed to acquire and deliver to Costco certain consumer electronics requested by Costco which it could not obtain from manufacturers and suppliers.

66. Upon information and belief, Costco often provided a "shopping list" to Petters of those products (and the number of units) that Costco could not directly obtain from manufacturers and/or suppliers. Costco agreed to pay Petters a negotiated price for those products that Petters acquired from manufacturers and/or suppliers to deliver to Costco. In the ordinary course of its diverting business activity, Costco used a wholly owned affiliate known as National Distributors, to issue the purchase orders to Petters.

67. By October 2000, Costco was well aware that Petters was representing to lenders that he and his companies were conducting substantial business in excess of \$47 million with Costco during the year 2000, contrary to the reality that Costco had conducted a total of approximately \$80,000 of business with Petters in 2000. Costco knew that Petters needed to make these representations to those lenders that agreed to provide the financing to enable Petters to repay amounts owed under Petters Capital's \$50 million credit line with GECC.

68. In fact, when Costco told Petters on October 24, 2000 that GECC had contacted Costco to verify Costco's purchase orders to PCI, Petters admitted that the purchase orders were phony and requested Costco to stand down and to allow Petters to address the purchase order issues directly with GECC. In consideration for receiving a secret letter from Petters acknowledging that those purchase orders did not exist, Costco granted Petters' request not to respond to GECC's letter and allowed Petters to communicate directly with GECC in order to deceive GECC as to the facts regarding Petters Capital's purported right to receive payment from Costco under certain outstanding National Distributors purchase orders.

69. To further advance the parties' agreement and diverting business relationship, and to assist Petters with obtaining loans to refinance Petters Capital's debts to GECC, Costco agreed that it would issue guaranty letters to certain lenders at the request of Petters and/or his companies. For example, in 2001, Costco issued a guaranty letter to Epsilon-Westford to induce it to loan money to Petters so that he could use those funds to repay the \$50 million credit line to GECC. Costco continued to issue guaranty letter to various lenders at least through 2007, to support Petters' nefarious conduct with respect to his lenders and to induce those lenders to provide financing to Petters.

70. Upon information and belief, in consideration for Costco's agreement to issue guaranty letters and other accommodations and favors requested by Petters to support his criminal enterprise, Petters made substantial cash payments to senior purchasing agents at National Distributors and/or Costco.

71. As a result of the conspiracy perpetrated by Petters and Costco, and the overt acts committed by Costco in furtherance of the conspiracy, Plaintiffs suffered damages in excess of \$31 million.

72. After joining the conspiracy to commit fraud in October 2000, Costco failed to withdraw or abandon, or take any actions to disavow or defeat the conspiratorial objectives.

**WHEREFORE**, Plaintiffs request that this Court enter judgment against defendant Costco Wholesale Corporation, on the First and Second Counts, as follows:

- a. That the Court award Plaintiffs compensatory and consequential damages in an amount to be established at trial;
- b. That the Court award Plaintiffs punitive damages in an amount to be determined at trial;
- c. That the Court award Plaintiffs their attorneys' fees and costs incurred in connection with this action; and
- d. For such other and further relief as the Court deems just and equitable under the circumstances.

DATED: New York, New York  
April 9, 2014

Respectfully submitted,

COLE, SCHOTZ, MEISEL  
FORMAN & LEONARD, P.A.

By: s/ Leo V. Leyva

Leo V. Leyva, Esq.

James T. Kim, Esq.

Attorneys for Plaintiffs,  
RITCHIE CAPITAL MANAGEMENT, L.L.C.,  
RITCHIE CAPITAL MANAGEMENT, LTD.  
and RITCHIE SPECIAL CREDIT  
INVESTMENTS, LTD.

900 Third Avenue, 16th Floor

New York, NY 10022-4728

Telephone: (212) 752-8000

Fax: (212) 752-8393

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EXHIBIT A

A-255



GE Capital

October 23, 2000

Commercial Finance  
A unit of General Electric Capital Corporation  
10 E. LaSalle Street, Suite 2800, Chicago, IL 60603  
312 419-0985

Bob Pugmire  
Executive Vice President - GMM  
National Distributors - Costco Companies, Inc.  
999 Lake Drive  
Issaquah, WA 98027

Dear Mr. Pugmire:

For auditing purposes, please advise whether the items listed below, sold to you by Peters Company, Inc./Peters Capital, Inc. are currently unpaid in your accounts payable system. If any of the items have been settled either partially or fully as of October 23, 2000, please note the date of settlement, the amount of the settlement and the nature of the settlement (whether by check/wire transfer, credit memo, etc.) under the Remarks section below.

When complete, please sign and return promptly via fax to (312) 419-3957.

Purchase Order Number	Purchase Order Date	Invoice Date	Invoice Due Date	Invoice Amount	Remarks
00-198017	6/1/00	6/19/00	8/19/00	\$6,476,885.60	
00-198143	6/2/00	6/28/00	8/28/00	4,976,000.00	
00-198168	6/2/00	6/28/00	8/28/00	3,829,862.00	
00-198210	6/3/00	6/28/00	8/28/00	4,092,135.33	
00-198211	6/3/00	6/28/00	8/28/00	2,483,195.45	
00-198618	6/14/00	7/4/00	9/4/00	2,154,282.00	
00-199303	7/24/00	8/13/00	10/13/00	2,701,627.20	
00-199193	7/18/00	8/6/00	10/6/00	2,809,382.00	
00-199301	7/24/00	8/13/00	10/13/00	6,637,059.00	
00-199392	7/26/00	8/17/00	10/17/00	6,206,200.00	
00-199603	7/26/00	8/20/00	10/20/00	6,249,683.20	
00-199801	8/7/00	8/11/00	10/11/00	1,431,828.00	
00-199882	8/9/00	8/18/00	10/18/00	7,425,749.80	
00-199917	8/9/00	8/18/00	10/18/00	2,148,337.00	

The information above agrees with National Distributors - Costco Companies, Inc.'s records as of October 23, 2000, unless otherwise noted.

Signed By: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

If you have any questions, feel free to call Jack Morrone at (312) 419-5578.

Thank you for your assistance.

Regards,

Jack F. Morrone  
Associate  
GE Capital Commercial Finance, Inc.

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**EXHIBIT B**

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10/24/00 10:57 FAX #129347564

REDTAP

002



THE PETTERS COMPANIES

7585 Equette Drive  
Evanston, WA 98344  
800-666-2602  
JURISDICTION OF U.S.A. & CANADA  
Fax: 5127-734-7564

October 26, 2000

Scott Haggblom  
Costco/National  
999 Lake Drive  
Issaquah, WA 98027

Dear Scott:

The Purchase Orders listed below, I realize were never issued to Petters Company from you or from Costco/National:

- 00-198017
- 00-198143
- 00-198166
- 00-198210
- 00-198211
- 00-198618
- 00-199505
- 00-199193
- 00-199501
- 00-199592
- 00-199603
- 00-199801
- 00-199982
- 00-199917

*letter  
to  
Fred - 11/3*

*11/1 left 11/17  
read very  
petters  
C. J. K.*

*in-hand time...  
11/2 per Tom P  
for 11/19/00 11/3/00*

I deeply apologize Scott that this happened.

Sincerely

*[Signature]*  
Thomas J. Petters  
President/CEO

GOVERNMENT  
EXHIBIT  
299  
080364(RHK/AJB)

001 24 '02 14:59

5129347564

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EXHIBIT C

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From: Petters, Tom  
Sent: Thu, 22 Mar 2007 17:22:31 GMT  
To: Baer, David; 'ehulsey@costco.com'  
CC: Munson, Deanna; 'JSullivan@costco.com'  
Subject: Re: guaranty letter

Erik,  
We have no open purchase orders with National, only Costco Canada and Mexico and that is through a company we own 'Polaroid which is independent' from this business.

The issue is we finance many people from time to time in the business of diverting. If you are unaware of the issues of fraud in the past I would be happy to enlighten you directly. We suffered serious financial losses due to us taking the path that we would allow Costco to be relieved from damages they were actually liable for. You can discuss the details on this with John Sullivan if you are unaware.

To make a long story short, if you are not going to issue us a mere guaranty letter to us, which allows us to have some assurance that when we hold paper that is financing goods for National, simply tell us.

If you are asking for disclosure of deals we are directly holding, "non-existent" however through our lending agreements with others in the case of a default, we are able to use this guaranty as a safety mechanism.

Beyond that, please give David Baer an answer today and we will act according to your decision. Its most troubling for us at this stage in a long relationship, that this letter is an issue.

Thank you for your time.

Tom Petters

----- Original Message -----

From: Baer, David  
To: 'Erik Hulsey' <ehulsey@costco.com>  
Cc: Petters, Tom; Munson, Deanna; John Sullivan (JSullivan@costco.com) <JSullivan@costco.com>  
Sent: Thu Mar 22 11:09:54 2007  
Subject: RE: guaranty letter

Erik:

Please see attached email correspondence for an explanation.

Is there a problem? We really need to get this squared away ASAP.

Thanks very much.

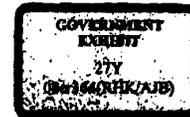
Dave

----- Original Message -----

From: Erik Hulsey (mailto:ehulsey@costco.com)  
Sent: Thursday, March 22, 2007 10:54 AM  
To: Baer, David  
Subject: guaranty letter

David:

1208665 03/22/2007 17:22:31 (GMT -06.00)



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I don't see any open orders for Petters. Please provide me with a list of the open purchase orders.

Thanks

Erik Hulsey  
Manager - National/CWC  
Ph 425-313-6372 / Fax 425-313-2806

-----Original Message-----

From: Baer, David  
Sent: Wednesday, February 14, 2007 1:14 PM  
To: John Sullivan (JSullivan@costco.com)  
Cc: Petters, Tom; Munson, Deanna  
Subject: Costco Guaranty Letter

John:

I hope the new year is treating you well. It is time again to renew the Costco guaranty letter to Petters Company. We have prepared a draft of this document, which is the same as the one executed last year, with the date adjusted for this year.

Can you please arrange for this to be put on Costco letterhead, executed and returned to me at the contact information below.

Please let me know if you have any questions or comments.

Thanks.

Dave

David Baer  
Chief Legal Officer  
Petters Group Worldwide  
4400 Baker Road  
Minnetonka, MN 55343  
Email: david.baer@pettersgroup.com

Erik Hulsey  
Manager - National/CWC  
Ph 425-313-6372 / Fax 425-313-2806

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FRIED, FRANK, HARRIS, SHRIVER  
& JACOBSON LLP  
Gregg L. Weiner  
Adam M. Harris  
One New York Plaza  
New York, New York 10004-1980  
(212) 859-8000

*Attorneys for Defendant*

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

RITCHIE CAPITAL MANAGEMENT, L.L.C.,  
RITCHIECAPITAL MANAGEMENT, LTD., and  
RITCHIE SPECIAL CREDIT INVESTMENTS, LTD.,

Plaintiffs,

- against -

COSTCO WHOLESALE CORPORATION,  
Defendant.

14-cv-4819 (VSB)

**REPLY DECLARATION OF  
ADAM M. HARRIS IN  
FURTHER SUPPORT OF  
COSTCO WHOLESALE  
CORPORATION'S  
MOTION TO DISMISS THE  
FIRST AMENDED  
COMPLAINT**

ADAM M. HARRIS declares pursuant to 28 U.S.C. § 1746 as follows:

1. I am a member of the Bar of this Court and am associated with the law firm Fried, Frank, Harris, Shriver & Jacobson LLP, attorneys for defendant Costco Wholesale Corporation (“Costco”) in the above-captioned action.
2. I submit this declaration in further support of Costco’s motion to dismiss the First Amended Complaint.
3. Attached as **Exhibit A** is a true and correct copy of pages from Costco’s website listing the number and location of Costco stores (as of Jan. 16, 2015) in each of the sixteen U.S. states in which Costco has 10 or more stores, as follows: California (120 stores); Washington (29 stores); Texas (25 stores); Florida (22 stores); Illinois (19 stores); Arizona (18 stores); New York

(17 stores); New Jersey (16 stores); Virginia (16 stores); Colorado (13 stores); Michigan (13 stores); Oregon (13 stores); Georgia (11 stores); Utah (11 stores); Maryland (10 stores); and Pennsylvania (10 stores).

I declare under penalty of perjury that the foregoing is true and correct.

Dated: New York, New York  
January 16, 2015



---

Adam M. Harris  
adam.harris@friedfrank.com

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# Exhibit A

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1/16/2015

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SHOP BUSINESS DELIVERY PHARMACY SERVICES PHOTO TRAVEL



Warehouse Locations Renew Membership Join Costco Email Sign-Up Costco Cash Card Balance Customer Service



Click here for warehouse coupons

Order by Item Number Order Status My Account Sign In or Register

SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

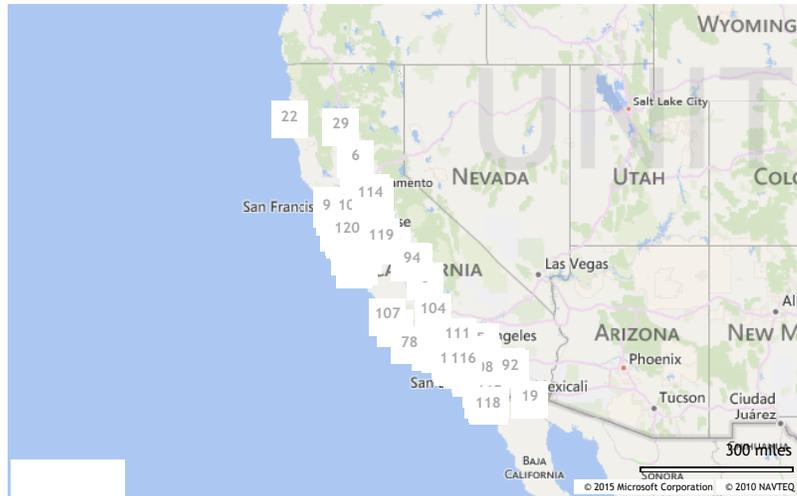
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Tustin](#)  
2700 Park Ave  
Tustin, CA 92782-2708  
(714) 338-1933  
[Store Details](#) | [Get Directions](#)
- 2 [Antioch](#)  
2201 Verne Roberts Circle  
Antioch, CA 94509-7911  
(925) 470-4603  
[Store Details](#) | [Get Directions](#)
- 3 [Woodland](#)  
2299 Bronze Star Drive  
Woodland, CA 95776-5409  
(530) 406-2120  
[Store Details](#) | [Get Directions](#)
- 4 [Ne San Jose](#)  
1709 Automation Parkway  
San Jose, CA 95131-1866  
(408) 678-2150  
[Store Details](#) | [Get Directions](#)
- 5 [Victorville](#)  
14555 Valley Center Dr  
Victorville, CA 92395-4216  
(760) 524-9904  
[Store Details](#) | [Get Directions](#)
- 6 [Chico](#)  
2100 Dr Martin Luther King Pkwy.  
Chico, CA 95928-4422  
(530) 332-1742

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Store Details | Get Directions

7 [San Dimas](#)  
 520 N Lone Hill Ave  
 San Dimas, CA 91773-1725  
 (909) 962-5507  
 Store Details | Get Directions



8 [Visalia](#)  
 1405 W Cameron Ave  
 Visalia, CA 93277-9527  
 (559) 735-2400  
 Store Details | Get Directions



9 [Manteca](#)  
 2440 Daniels St  
 Manteca, CA 95336-6745  
 (209) 825-8200  
 Store Details | Get Directions



10 [Redwood City](#)  
 2300 Middlefield Rd  
 Redwood City, CA 94063-2854  
 (650) 568-4040  
 Store Details | Get Directions



11 [Lakewood](#)  
 340 Lakewood Center Mall  
 Lakewood, CA 90712-2409  
 (562) 295-1508  
 Store Details | Get Directions



12 [Hayward](#)  
 28505 Hesperian Blvd  
 Hayward, CA 94545-5008  
 (510) 921-3126  
 Store Details | Get Directions



13 [Pacoima](#)  
 13550 Paxton St  
 Pacoima, CA 91331-2352  
 (818) 272-2700  
 Store Details | Get Directions



14 [San Marcos](#)  
 725 Center Dr  
 San Marcos, CA 92069  
 (760) 871-6867  
 Store Details | Get Directions



15 [Lodi](#)  
 2680 Reynolds Ranch Parkway  
 Lodi, CA 95240  
 (209) 366-7300  
 Store Details | Get Directions



16 [Huntington Beach](#)  
 7562 Center Ave  
 Huntington Beach, CA 92647  
 (714) 372-7510  
 Store Details | Get Directions



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Find a Costco warehouse

- 17 [Westlake Village](#)  
5700 Lindero Canyon Road  
Westlake Village, CA 91362-4063  
(818) 597-3901  
[Store Details](#) | [Get Directions](#)
- 18 [San Leandro](#)  
1900 Davis Street  
San Leandro, CA 94577-1209  
(510) 562-6708  
[Store Details](#) | [Get Directions](#)
- 19 [El Centro](#)  
2030 N Imperial Ave  
El Centro, CA 92243-1323  
(760) 353-2380  
[Store Details](#) | [Get Directions](#)
- 20 [Tustin Ranch](#)  
2655 El Camino Real  
Tustin, CA 92782-8918  
(714) 838-7895  
[Store Details](#) | [Get Directions](#)
- 21 [Vista](#)  
1755 Hacienda Dr  
Vista, CA 92081-4546  
(760) 631-7255  
[Store Details](#) | [Get Directions](#)
- 22 [Eureka](#)  
1006 West Wabash Avenue  
Eureka, CA 95501-2121  
(707) 441-8750  
[Store Details](#) | [Get Directions](#)
- 23 [Garden Grove](#)  
11000 Garden Grove Blvd  
Garden Grove, CA 92843-1206  
(714) 638-6308  
[Store Details](#) | [Get Directions](#)
- 24 [Simi Valley](#)  
2660 Park Center Drive  
Simi Valley, CA 93065-6207  
(805) 578-3301  
[Store Details](#) | [Get Directions](#)
- 25 [Santa Clara](#)  
1601 Coleman Avenue  
Santa Clara, CA 95050-3100  
(408) 567-9000  
[Store Details](#) | [Get Directions](#)
- 26 [Los Feliz](#)  
2901 Los Feliz Boulevard  
Los Angeles, CA 90039-1502  
(323) 644-5201  
[Store Details](#) | [Get Directions](#)
- 27 [Sand City](#)  
801 Tioga Ave

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SandCity, CA 93955-3051  
(831) 899-1255  
[Store Details](#) | [Get Directions](#)



28 [Vallejo](#)  
198 Plaza Drive  
Vallejo, CA 94591-3702  
(707) 553-6400  
[Store Details](#) | [Get Directions](#)



29 [Redding](#)  
1300 Dana Drive  
Redding, CA 96003-4071  
(530) 222-0199  
[Store Details](#) | [Get Directions](#)



30 [Clovis](#)  
380 West Ashlan Avenue  
Clovis, CA 93612-5611  
(559) 291-3377  
[Store Details](#) | [Get Directions](#)



31 [Novato](#)  
300 Vintage Way  
Novato, CA 94945-5007  
(415) 899-1332  
[Store Details](#) | [Get Directions](#)



32 [Merced](#)  
1445 R Street  
Merced, CA 95340-5850  
(209) 725-5020  
[Store Details](#) | [Get Directions](#)



33 [Mountain View](#)  
1000 N Rengstorff Ave  
Mountain View, CA 94043-1716  
(650) 988-1841  
[Store Details](#) | [Get Directions](#)



34 [San Francisco](#)  
450 10th Street  
San Francisco, CA 94103-4304  
(415) 626-4388  
[Store Details](#) | [Get Directions](#)



35 [Livermore](#)  
2800 Independence Drive  
Livermore, CA 94550-7628  
(925) 443-6306  
[Store Details](#) | [Get Directions](#)



36 [Foster City](#)  
1001 Metro Center Boulevard  
Foster City, CA 94404-2177  
(650) 286-0739  
[Store Details](#) | [Get Directions](#)



37 [San Jose](#)  
2201 Senter Road  
San Jose, CA 95112-2627  
(408) 275-0199



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Store Details | Get Directions

38 [Santa Cruz](#)  
 220 Sylvania Avenue  
 Santa Cruz, CA 95060-2161  
 (831) 469-0961  
[Store Details](#) | [Get Directions](#)



39 [Danville](#)  
 3150 Fostoria Way  
 Danville, CA 94526-5553  
 (925) 277-0407  
[Store Details](#) | [Get Directions](#)



40 [Santa Maria](#)  
 1335 S Bradley Rd  
 Santa Maria, CA 93454-8006  
 (805) 928-8459  
[Store Details](#) | [Get Directions](#)



41 [Laguna Niguel](#)  
 27972 Cabot Road  
 Laguna Niguel, CA 92677-1211  
 (949) 364-0217  
[Store Details](#) | [Get Directions](#)



42 [Roseville Ca](#)  
 6750 Stanford Ranch Road  
 Roseville, CA 95678-1907  
 (916) 789-1485  
[Store Details](#) | [Get Directions](#)



43 [Fresno](#)  
 4500 W Shaw  
 Fresno, CA 93722-6200  
 (559) 271-6511  
[Store Details](#) | [Get Directions](#)



44 [Stockton](#)  
 1616 East Hammer Lane  
 Stockton, CA 95210-4119  
 (209) 478-2040  
[Store Details](#) | [Get Directions](#)



45 [Morena](#)  
 4605 Morena Blvd  
 San Diego, CA 92117-3650  
 (858) 270-6920  
[Store Details](#) | [Get Directions](#)



46 [Santee](#)  
 101 Town Center Pkwy  
 Santee, CA 92071-5899  
 (619) 562-3227  
[Store Details](#) | [Get Directions](#)



47 [Santa Rosa](#)  
 1900 Santa Rosa Avenue  
 Santa Rosa, CA 95407-7636  
 (707) 578-3775  
[Store Details](#) | [Get Directions](#)



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Find a Costco warehouse

- 48 [Norwalk Ca](#)  
12324 Hoxie Avenue  
Norwalk, CA 90650-2266  
(562) 929-0826  
[Store Details](#) | [Get Directions](#)
- 49 [Fountain Valley](#)  
17900 Newhope Street  
Fountain Valley, CA 92708-5404  
(714) 338-2183  
[Store Details](#) | [Get Directions](#)
- 50 [Azusa](#)  
1220 W Foothill Blvd  
Azusa, CA 91702-2819  
(626) 812-7911  
[Store Details](#) | [Get Directions](#)
- 51 [Fullerton](#)  
900 S Harbor Blvd  
Fullerton, CA 92832-3098  
(714) 738-7521  
[Store Details](#) | [Get Directions](#)
- 52 [Oxnard](#)  
2001 East Ventura Boulevard  
Oxnard, CA 93030-1813  
(805) 983-4200  
[Store Details](#) | [Get Directions](#)
- 53 [S San Francisco](#)  
451 South Airport Boulevard  
South San Francisco, CA 94080-6909  
(650) 872-2021  
[Store Details](#) | [Get Directions](#)
- 54 [Sunnyvale](#)  
150 Lawrence Station Rd  
Sunnyvale, CA 94086-5309  
(408) 730-1892  
[Store Details](#) | [Get Directions](#)
- 55 [Signal Hill](#)  
2200 E Willow St  
Signal Hill, CA 90755-2132  
(562) 427-2537  
[Store Details](#) | [Get Directions](#)
- 56 [Alhambra](#)  
2207 West Commonwealth Avenue  
Alhambra, CA 91803-1302  
(626) 289-7164  
[Store Details](#) | [Get Directions](#)
- 57 [San Juan Capistrano](#)  
33961 Doheny Park Road  
San Juan Capistrano, CA 92675-4836  
(949) 240-3558  
[Store Details](#) | [Get Directions](#)

[Corona](#)

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Find a Costco warehouse

- 58 480 N McKinley St  
Corona, CA 92879-1291  
(951) 279-1190  
[Store Details](#) | [Get Directions](#) 
- 59 [Northridge](#)  
8810 Tampa Avenue  
Northridge, CA 91324-3519  
(818) 775-1860  
[Store Details](#) | [Get Directions](#) 
- 60 [Rancho Cordova](#)  
11260 White Rock Road  
Rancho Cordova, CA 95742-6571  
(916) 724-2240  
[Store Details](#) | [Get Directions](#) 
- 61 [Canoga Park](#)  
21300 Roscoe Boulevard  
Canoga Park, CA 91304-4200  
(818) 884-9099  
[Store Details](#) | [Get Directions](#) 
- 62 [Palm Desert](#)  
72-800 Dinah Shore Drive  
Palm Desert, CA 92211-0817  
(760) 770-2810  
[Store Details](#) | [Get Directions](#) 
- 63 [Yorba Linda](#)  
22633 Savi Ranch Pkwy  
Yorba Linda, CA 92887-4664  
(714) 282-6650  
[Store Details](#) | [Get Directions](#) 
- 64 [Santa Clarita](#)  
18649 Via Princessa  
Santa Clarita, CA 91387-4935  
(661) 250-2818  
[Store Details](#) | [Get Directions](#) 
- 65 [Carmel Mountain](#)  
12350 Carmel Mountain Road  
San Diego, CA 92128-4697  
(858) 675-0379  
[Store Details](#) | [Get Directions](#) 
- 66 [Fairfield](#)  
5101 Business Center Dr  
Fairfield, CA 94534-1624  
(707) 864-3816  
[Store Details](#) | [Get Directions](#) 
- 67 [Irvine](#)  
115 Technology West Drive  
Irvine, CA 92618-2408  
(949) 453-0435  
[Store Details](#) | [Get Directions](#) 
- 68 [Moreno Valley](#)  
12700 Day St  
Moreno Valley, CA 92553-7531 

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- (951) 697-8900  
[Store Details](#) | [Get Directions](#) 
- 69 [Montebello](#)  
 1345 North Montebello Boulevard  
 Montebello, CA 90640-2585  
 (323) 890-1904  
[Store Details](#) | [Get Directions](#) 
- 70 [Rancho Del Rey](#)  
 895 E H St  
 Chula Vista, CA 91910-7807  
 (619) 656-0826  
[Store Details](#) | [Get Directions](#) 
- 71 [Carlsbad](#)  
 951 Palomar Airport Road  
 Carlsbad, CA 92011-1110  
 (760) 929-0963  
[Store Details](#) | [Get Directions](#) 
- 72 [South Sacramento](#)  
 7981 East Stockton Boulevard  
 Sacramento, CA 95823-9606  
 (916) 682-3569  
[Store Details](#) | [Get Directions](#) 
- 73 [La Mesa](#)  
 8125 Fletcher Parkway  
 La Mesa, CA 91942-2934  
 (619) 667-8504  
[Store Details](#) | [Get Directions](#) 
- 74 [San Jose \(Almaden\)](#)  
 5301 Almaden Expressway  
 San Jose, CA 95118-3603  
 (408) 723-0964  
[Store Details](#) | [Get Directions](#) 
- 75 [Cal Expo \(Sacramento\)](#)  
 1600 Expo Parkway  
 Sacramento, CA 95815-4228  
 (916) 563-7002  
[Store Details](#) | [Get Directions](#) 
- 76 [Salinas](#)  
 1339 North Davis Road  
 Salinas, CA 93907-1988  
 (831) 424-4242  
[Store Details](#) | [Get Directions](#) 
- 77 [Chino Hills](#)  
 13111 Peyton Drive  
 Chino Hills, CA 91709-6002  
 (909) 464-2900  
[Store Details](#) | [Get Directions](#) 
- 78 [Goleta](#)  
 7095 Market Place Drive 

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Goleta, CA 93117-5905  
(805) 685-3199  
[Store Details](#) | [Get Directions](#)



79 [El Camino](#)  
1600 El Camino Real  
South San Francisco, CA 94080-1206  
(650) 757-3003  
[Store Details](#) | [Get Directions](#)



80 [Torrance](#)  
2751 Skypark Drive  
Torrance, CA 90505-5351  
(310) 891-1020  
[Store Details](#) | [Get Directions](#)



81 [San Bernardino](#)  
1099 E Hospitality Ln  
San Bernardino, CA 92408-2836  
(909) 478-3445  
[Store Details](#) | [Get Directions](#)



82 [Culver City](#)  
13463 Washington Blvd  
Marina Del Rey, CA 90292-5658  
(310) 754-2003  
[Store Details](#) | [Get Directions](#)



83 [Van Nuys](#)  
6100 Sepulveda Boulevard  
Van Nuys, CA 91411-2503  
(818) 464-1480  
[Store Details](#) | [Get Directions](#)



84 [Richmond Ca](#)  
4801 Central Avenue  
Richmond, CA 94804-5878  
(510) 898-2000  
[Store Details](#) | [Get Directions](#)



85 [Se San Diego](#)  
650 Gateway Center Dr  
San Diego, CA 92102-4530  
(619) 358-2303  
[Store Details](#) | [Get Directions](#)



86 [Mission Valley](#)  
2345 Fenton Pkwy  
San Diego, CA 92108-4743  
(619) 358-4000  
[Store Details](#) | [Get Directions](#)



87 [Temecula](#)  
26610 Ynez Rd  
Temecula, CA 92591-4697  
(951) 719-2003  
[Store Details](#) | [Get Directions](#)



88 [Hawthorne Bus Ctr](#)  
12530 Prairie Ave  
Hawthorne, CA 90250-4638

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- (310) 220-8826  
[Store Details](#) | [Get Directions](#)
- 89 [Commerce Bus Ctr](#)   
 6333 Telegraph Rd  
 Commerce, CA 90040-2513  
 (323) 767-2640  
[Store Details](#) | [Get Directions](#)
- 90 [San Diego Bus Ctr](#)   
 7803 Othello Ave  
 San Diego, CA 92111-3709  
 (858) 810-5833  
[Store Details](#) | [Get Directions](#)
- 91 [Fontana](#)   
 16505 Sierra Lakes Pkwy  
 Fontana, CA 92336-1256  
 (909) 770-5639  
[Store Details](#) | [Get Directions](#)
- 92 [La Quinta](#)   
 79795 Hwy 111  
 La Quinta, CA 92253-4756  
 (760) 775-0370  
[Store Details](#) | [Get Directions](#)
- 93 [Sw Bakersfield](#)   
 4900 Panama Ln  
 Bakersfield, CA 93313-3479  
 (661) 398-4740  
[Store Details](#) | [Get Directions](#)
- 94 [N Fresno](#)   
 7100 N. Abby Street  
 Fresno, CA 93720-2920  
 (559) 437-3643  
[Store Details](#) | [Get Directions](#)
- 95 [Tracy](#)   
 3250 W. Grant Line Road  
 Tracy, CA 95377  
 (209) 830-5340  
[Store Details](#) | [Get Directions](#)
- 96 [Rohnert Park](#)   
 5901 Redwood Drive  
 Rohnert Park, CA 94928-2076  
 (707) 540-9113  
[Store Details](#) | [Get Directions](#)
- 97 [Modesto](#)   
 3801 Pelandale Ave.  
 Modesto, CA 95356-8300  
 (209) 342-4903  
[Store Details](#) | [Get Directions](#)
- 98 [Concord](#)   
 2400 Monument Blvd  
 Concord, CA 94520-3105

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(925) 566-4003  
Store Details | Get Directions

99 [Hawthorne](#)  
14501 Hindry Avenue  
Hawthorne, CA 90250-6748  
(310) 727-0403  
Store Details | Get Directions



100 [Burbank](#)  
1051 W Burbank Blvd  
Burbank, CA 91506-1421  
(818) 557-3783  
Store Details | Get Directions



101 [Rancho Cucamonga](#)  
11800 4th Street  
Rancho Cucamonga, CA 91739-9318  
(909) 581-1700  
Store Details | Get Directions



102 [City Of Industry](#)  
17550 Castleton St  
City Of Industry, CA 91748-1701  
(626) 839-3053  
Store Details | Get Directions



103 [Montclair](#)  
9404 Central Avenue  
Montclair, CA 91763-2421  
(909) 575-5004  
Store Details | Get Directions



104 [Bakersfield](#)  
3800 Rosedale Hwy  
Bakersfield, CA 93308-6235  
(661) 852-2643  
Store Details | Get Directions



105 [Laguna Marketplace](#)  
27220 Heather Ridge Road  
Laguna Niguel, CA 92677-3418  
(949) 389-8703  
Store Details | Get Directions



106 [Vacaville](#)  
1051 Hume Way  
Vacaville, CA 95687-5558  
(707) 453-7343  
Store Details | Get Directions



107 [San Luis Obispo](#)  
1540 Froom Ranch Way  
San Luis Obispo, CA 93405-7211  
(805) 541-7000  
Store Details | Get Directions



108 [Lake Elsinore](#)  
29315 Central Ave  
Lake Elsinore, CA 92532-2212  
(951) 253-6032  
Store Details | Get Directions



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Find a Costco warehouse

- 109 [Cypress](#)  
5401 Katella Ave  
Cypress, CA 90720-2809  
(562) 668-5150  
[Store Details](#) | [Get Directions](#)
- 110 [Gilroy](#)  
7251 Camino Arroyo  
Gilroy, CA 95020-7340  
(408) 848-0700  
[Store Details](#) | [Get Directions](#)
- 111 [Lancaster Ca](#)  
1141 W Avenue L  
Lancaster, CA 93534-7077  
(661) 802-4470  
[Store Details](#) | [Get Directions](#)
- 112 [Folsom](#)  
1800 Cavitt Court  
Folsom, CA 95630-6235  
(916) 850-1000  
[Store Details](#) | [Get Directions](#)
- 113 [Inglewood](#)  
3560 West Century Blvd  
Inglewood, CA 90303-1201  
(310) 242-2777  
[Store Details](#) | [Get Directions](#)
- 114 [Citrus Heights](#)  
7000 Auburn Blvd  
Citrus Heights, CA 95621-4342  
(916) 560-4000  
[Store Details](#) | [Get Directions](#)
- 115 [Poway](#)  
12155 Tech Center Drive  
Poway, CA 92064-7156  
(858) 848-2450  
[Store Details](#) | [Get Directions](#)
- 116 [La Habra](#)  
101 N Beach Blvd  
La Habra, CA 90631-4468  
(562) 524-0001  
[Store Details](#) | [Get Directions](#)
- 117 [Fremont](#)  
43621 Pacific Commons Blvd  
Fremont, CA 94538-3809  
(510) 897-1091  
[Store Details](#) | [Get Directions](#)
- 118 [Chula Vista](#)  
1130 Broadway  
Chula Vista, CA 91911-2707  
(619) 205-1501  
[Store Details](#) | [Get Directions](#)
- 119 [Turlock](#)

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2955 North Tegner Road  
Turlock, CA 95380-9401  
(209) 656-5301



[Store Details](#) | [Get Directions](#)

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**Hayward Bus Ctr**

22330 Hathaway Ave  
Hayward, CA 94541-4861  
(510) 259-6600

[Store Details](#) | [Get Directions](#)

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- [Product Info](#)
- [Recalls](#)
- [Rebates](#)
- [Preventing Fraud](#)
- [Export Sales](#)
- [Volume Sales](#)

LOCATIONS & SERVICES

- [Locations](#)
- [Locations Coming Soon](#)
- [Hours & Holiday Closures](#)
- [Author Signings](#)
- [Gasoline](#)
- [Hearing Aid Center](#)
- [Optical](#)
- [Photo Center](#)
- [Costco Services](#)
- [Special Events](#)

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- [Current Issue](#)
- [Recipes The Costco Way](#)
- [Resources](#)

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- [Ethics Hotline for Suppliers](#)
- [Supplier Diversity](#)

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SHOP BUSINESS DELIVERY PHARMACY SERVICES PHOTO TRAVEL

Warehouse Locations Renew Membership Join Costco Email Sign-Up Costco Cash Card Balance Customer Service



Click here for warehouse coupons

Order by Item Number Order Status My Account Sign In or Register

SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

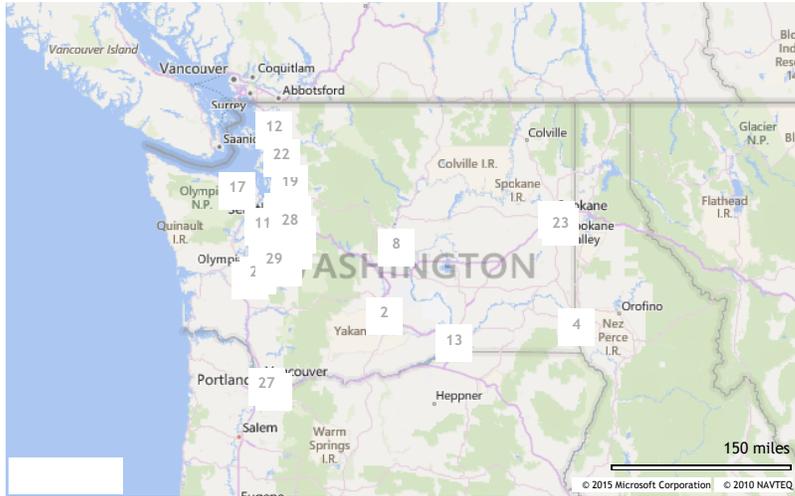
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Seattle](#)  
4401 4th Ave S  
Seattle, WA 98134-2389  
(206) 622-3136  
[Store Details](#) | [Get Directions](#)
- 2 [Union Gap](#)  
2310 Longfibre Rd  
Union Gap, WA 98903-1513  
(509) 454-5240  
[Store Details](#) | [Get Directions](#)
- 3 [Covington](#)  
27520 Covington Way SE  
Covington, WA 98042-9100  
(253) 796-1002  
[Store Details](#) | [Get Directions](#)
- 4 [Clarkston](#)  
301 Fifth Street  
Clarkston, WA 99403-1860  
(509) 758-1800  
[Store Details](#) | [Get Directions](#)
- 5 [Aurora Village](#)  
1175 North 205th Street  
Seattle, WA 98133-3206  
(206) 546-0480  
[Store Details](#) | [Get Directions](#)
- 6 [E Vancouver Wa](#)  
19610 Se 1st St  
Camas, WA 98607-7472  
(360) 258-6221

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Store Details | Get Directions

7 [Issaquah](#)  
 1801 10th Ave Nw  
 Issaquah, WA 98027-5384  
 (425) 313-0965  
[Store Details](#) | [Get Directions](#)



8 [Wenatchee](#)  
 375 Highline Dr  
 East Wenatchee, WA 98802-5344  
 (509) 886-0593  
[Store Details](#) | [Get Directions](#)



9 [Everett Wa](#)  
 10200 19th Avenue SE  
 Everett, WA 98208-4256  
 (425) 379-7451  
[Store Details](#) | [Get Directions](#)



10 [Lynnwood Bus Ctr](#)  
 19105 Highway 99  
 Lynnwood, WA 98036-5228  
 (425) 640-7700  
[Store Details](#) | [Get Directions](#)



11 [Silverdale](#)  
 10000 Mickelberry Rd. NW  
 Silverdale, WA 98383-8302  
 (360) 692-1140  
[Store Details](#) | [Get Directions](#)



12 [Bellingham](#)  
 4299 Meridian St  
 Bellingham, WA 98226-6475  
 (360) 671-6947  
[Store Details](#) | [Get Directions](#)



13 [Kennewick](#)  
 8505A W. Gage Blvd  
 Kennewick, WA 99336-8120  
 (509) 737-8857  
[Store Details](#) | [Get Directions](#)



14 [Tukwila](#)  
 400 Costco Dr Ste 150  
 Tukwila, WA 98188-4808  
 (206) 575-9191  
[Store Details](#) | [Get Directions](#)



15 [Federal Way](#)  
 35100 Enchanted Parkway South  
 Federal Way, WA 98003-8314  
 (253) 874-3652  
[Store Details](#) | [Get Directions](#)



16 [Gig Harbor](#)  
 10990 Harbor Hill Dr  
 Gig Harbor, WA 98335  
 (253) 853-8600  
[Store Details](#) | [Get Directions](#)




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Find a Costco warehouse

- 17 [Sequim](#)  
955 West Washington St  
Sequim, WA 98382-3266  
(360) 406-2023  
[Store Details](#) | [Get Directions](#)
- 18 [Tumwater](#)  
5500 Littlerock Rd Sw  
Tumwater, WA 98512-7363  
(360) 357-6580  
[Store Details](#) | [Get Directions](#)
- 19 [Marysville](#)  
16616 Twin Lakes Ave  
Marysville, WA 98271-4701  
(360) 652-4530  
[Store Details](#) | [Get Directions](#)
- 20 [N Spokane](#)  
7619 North Division Street  
Spokane, WA 99208-5613  
(509) 466-9668  
[Store Details](#) | [Get Directions](#)
- 21 [Puyallup](#)  
1201 39th SW  
Puyallup, WA 98373-3803  
(253) 445-7543  
[Store Details](#) | [Get Directions](#)
- 22 [Burlington Wa](#)  
1725 S Burlington Blvd  
Burlington, WA 98233-3223  
(360) 757-5703  
[Store Details](#) | [Get Directions](#)
- 23 [Spokane](#)  
5601 E Sprague Ave  
Spokane, WA 99212-0826  
(509) 842-0003  
[Store Details](#) | [Get Directions](#)
- 24 [Lacey](#)  
1470 Marvin Rd NE  
Lacey, WA 98516-3870  
(360) 412-3500  
[Store Details](#) | [Get Directions](#)
- 25 [Woodinville](#)  
24008 Snohomish Woodinville Rd  
Woodinville, WA 98072-9743  
(425) 806-7700  
[Store Details](#) | [Get Directions](#)
- 26 [Fife Bus Ctr](#)  
3900 20th St E  
Fife, WA 98424-1818  
(253) 719-1950  
[Store Details](#) | [Get Directions](#)
- 27 [Vancouver Wa](#)  
6720 NE 84th Street

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Vancouver, WA 98665-2016

(360) 828-2262

[Store Details](#) | [Get Directions](#)



28

**[Kirkland](#)**

8629 120th Avenue NE

Kirkland, WA 98033-5865

(425) 827-1693

[Store Details](#) | [Get Directions](#)



29

**[Tacoma](#)**

2219 South 37th Street

Tacoma, WA 98409-7473

(253) 475-5595

[Store Details](#) | [Get Directions](#)



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Warehouse Locations Renew Membership Join Costco Email Sign-Up Costco Cash Card Balance Customer Service



Click here for warehouse coupons

Order by Item Number Order Status My Account Sign In or Register

SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Selma](#)  
15330 Ih-35 North  
Selma, TX 78154-3814  
(210) 332-1072  
[Store Details](#) | [Get Directions](#)
- 2 [Houston](#)  
3836 Richmond Ave  
Houston, TX 77027-5802  
(832) 325-5850  
[Store Details](#) | [Get Directions](#)
- 3 [Rockwall](#)  
1225 State Hwy 276  
Rockwall, TX 75032-9376  
(972) 772-1600  
[Store Details](#) | [Get Directions](#)
- 4 [Frisco](#)  
11220 Dallas Parkway  
Frisco, TX 75033  
(469) 200-7107  
[Store Details](#) | [Get Directions](#)
- 5 [Pharr](#)  
1501 West Kelly Ave.  
Pharr, TX 78577  
(956) 354-3900  
[Store Details](#) | [Get Directions](#)
- 6 [Sugar Land](#)  
17520 Southwest Freeway  
Sugar Land, TX 77479  
(281) 566-6720

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Store Details | Get Directions

7 [Cedar Park-Tx](#)  
 4601 183a Toll Rd.  
 Cedar Park, TX 78613  
 (512) 690-9059  
 Store Details | Get Directions



8 [Lubbock](#)  
 6020 34th Street  
 Lubbock, TX 79407  
 (806) 784-1450  
 Store Details | Get Directions



9 [W Katy](#)  
 23645 KATY FREEWAY  
 Katy, TX 77494  
 (281) 347-9900  
 Store Details | Get Directions



10 [N Fort Worth](#)  
 8900 Tehama Ridge Pkwy  
 Fort Worth, TX 76177  
 (817) 806-9833  
 Store Details | Get Directions



11 [The Woodlands](#)  
 8185 SH 242  
 The Woodlands, TX 77385  
 9367032295  
 Store Details | Get Directions



12 [Fort Worth](#)  
 5300 Overton Ridge Blvd  
 Fort Worth, TX 76132-3301  
 (817) 210-0003  
 Store Details | Get Directions



13 [Duncanville](#)  
 250 West Highway 67  
 Duncanville, TX 75137-4415  
 (469) 221-8111  
 Store Details | Get Directions



14 [S Austin](#)  
 4301 W William Cannon Drive  
 South Austin, TX 78749-1499  
 (512) 382-3011  
 Store Details | Get Directions



15 [E Plano](#)  
 3800 N. Central Expressway  
 Plano, TX 75074-2221  
 (972) 244-0000  
 Store Details | Get Directions



16 [Arlington](#)  
 600 West Arbrook Blvd  
 Arlington, TX 76014-3702  
 (817) 417-1600  
 Store Details | Get Directions



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Find a Costco warehouse

- 17 [Southlake](#)  
2601 E. State Hwy 114  
Southlake, TX 76092-6668  
(817) 749-2800  
[Store Details](#) | [Get Directions](#)
- 18 [Willowbrook](#)  
12405 N Gessner Rd  
Houston, TX 77064-1170  
(832) 912-2353  
[Store Details](#) | [Get Directions](#)
- 19 [Bunker Hill](#)  
1150 Bunker Hill Road  
Houston, TX 77055-6208  
(713) 576-2050  
[Store Details](#) | [Get Directions](#)
- 20 [Austin](#)  
10401 Research Blvd  
Austin, TX 78759-5712  
(512) 634-2250  
[Store Details](#) | [Get Directions](#)
- 21 [Lewisville](#)  
851 State Hwy 121  
Lewisville, TX 75067-4158  
(469) 948-1025  
[Store Details](#) | [Get Directions](#)
- 22 [W Plano](#)  
1701 Dallas Pkwy  
Plano, TX 75093-4520  
(972) 246-2203  
[Store Details](#) | [Get Directions](#)
- 23 [Nw San Antonio](#)  
5611 Utsa Blvd  
San Antonio, TX 78249-1619  
(210) 200-2023  
[Store Details](#) | [Get Directions](#)
- 24 [Sonterra Park](#)  
1201 N. Loop 1604 East  
San Antonio, TX 78232-1322  
(210) 403-4700  
[Store Details](#) | [Get Directions](#)
- 25 [El Paso](#)  
6101 Gateway Blvd W  
El Paso, TX 79925-3430  
(915) 774-5203  
[Store Details](#) | [Get Directions](#)

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Warehouse Locations Renew Membership Join Costco Email Sign-Up Costco Cash Card Balance Customer Service



Click here for warehouse coupons

Order by Item Number Order Status My Account Sign In or Register

SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

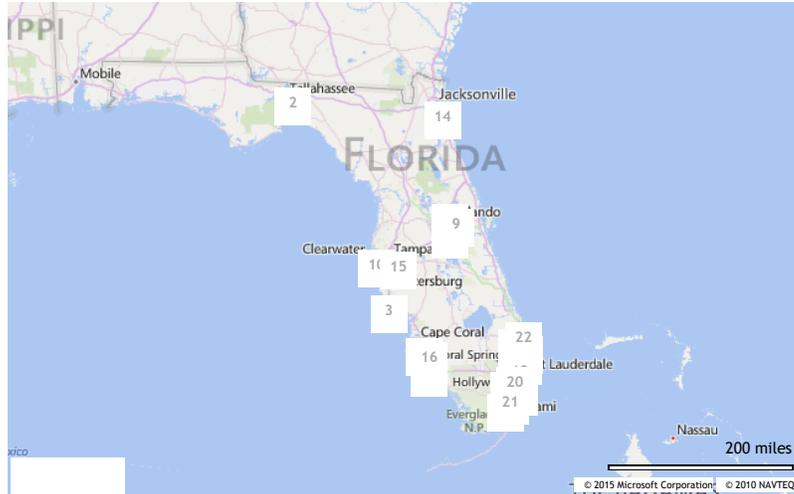
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Kendall](#)  
13450 Sw 120th St  
Miami, FL 33186-7393  
(305) 964-4227  
[Store Details](#) | [Get Directions](#)
- 2 [Tallahassee](#)  
4067 Lagniappe Way  
Tallahassee, FL 32317-1201  
(850) 219-2500  
[Store Details](#) | [Get Directions](#)
- 3 [Sarasota Mall](#)  
8201 S Tamiami Trl Unit 501  
Sarasota, FL 34238-2966  
(941) 554-2800  
[Store Details](#) | [Get Directions](#)
- 4 [Lantana](#)  
1873 Lantana Rd  
Lantana, FL 33462-2698  
(561) 533-0958  
[Store Details](#) | [Get Directions](#)
- 5 [Miami Lakes](#)  
16580 Nw 59th Ave  
Miami Lakes, FL 33014-5611  
(305) 825-9818  
[Store Details](#) | [Get Directions](#)
- 6 [North Miami](#)  
14585 Biscayne Boulevard  
North Miami Beach, FL 33181-1209  
(305) 944-8711



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Find a Costco warehouse

[Store Details](#) | [Get Directions](#)

7 [Altamonte Springs](#)  
 741 Orange Avenue  
 Altamonte Springs, FL 32714-3031  
 (407) 786-7802  
[Store Details](#) | [Get Directions](#)



8 [S Orlando](#)  
 2101 Waterbridge Blvd  
 Orlando, FL 32837-9283  
 (407) 393-1003  
[Store Details](#) | [Get Directions](#)



9 [E Orlando](#)  
 3333 University Blvd  
 Winter Park, FL 32792-7428  
 (407) 681-2119  
[Store Details](#) | [Get Directions](#)



10 [Clearwater](#)  
 2655 Gulf to Bay Blvd.  
 Clearwater, FL 33759-4936  
 (727) 373-1951  
[Store Details](#) | [Get Directions](#)



11 [Boca Raton](#)  
 17800 Congress Avenue  
 Boca Raton, FL 33487-1200  
 (561) 981-5004  
[Store Details](#) | [Get Directions](#)



12 [Fort Myers](#)  
 7171 Cypress Lake Dr  
 Fort Myers, FL 33907-6521  
 (239) 415-3806  
[Store Details](#) | [Get Directions](#)



13 [Naples](#)  
 6275 Naples Boulevard  
 Naples, FL 34109-2030  
 (239) 596-6404  
[Store Details](#) | [Get Directions](#)



14 [E Jacksonville](#)  
 4901 Gate Pkwy  
 Jacksonville, FL 32246-4405  
 (904) 997-7003  
[Store Details](#) | [Get Directions](#)



15 [Brandon](#)  
 10921 Causeway Blvd.  
 Brandon, FL 33511-2903  
 (813) 952-0103  
[Store Details](#) | [Get Directions](#)



16 [Estero](#)  
 10088 Gulf Center Drive  
 Fort Myers, FL 33913-8961  
 (239) 433-7242  
[Store Details](#) | [Get Directions](#)



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Find a Costco warehouse

- 17 [Royal Palm Beach](#)  
11001 Southern Blvd  
Royal Palm Beach, FL 33411-4240  
(561) 803-8822  
[Store Details](#) | [Get Directions](#)
- 18 [Pembroke Pines](#)  
15915 Pines Blvd  
Pembroke Pines, FL 33027-1201  
(954) 266-3460  
[Store Details](#) | [Get Directions](#)
- 19 [Pompano](#)  
1800 W Sample Rd  
Pompano Beach, FL 33064-1324  
(954) 968-7114  
[Store Details](#) | [Get Directions](#)
- 20 [Davie](#)  
1890 S University Dr  
Davie, FL 33324-5847  
(954) 370-8990  
[Store Details](#) | [Get Directions](#)
- 21 [Miami](#)  
8300 Park Blvd  
Doral, FL 33126-3832  
(305) 267-0641  
[Store Details](#) | [Get Directions](#)
- 22 [Palm Beach Garden](#)  
3250 Northlake Boulevard  
Lake Park, FL 33403-1702  
(561) 624-1693  
[Store Details](#) | [Get Directions](#)



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Warehouse Locations Renew Membership Join Costco Email Sign-Up Costco Cash Card Balance Customer Service



Click here for warehouse coupons

Order by Item Number Order Status My Account Sign In or Register

SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

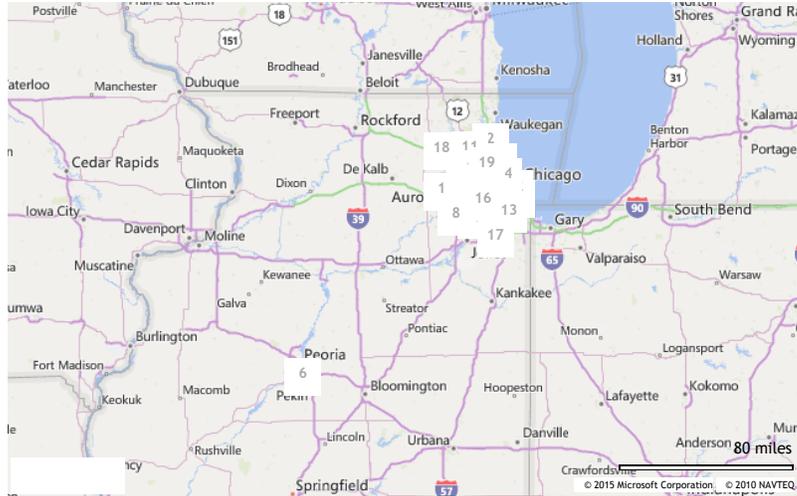
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



1 [St Charles](#)  
 221 S. Randall Rd  
 St. Charles, IL 60174-1524  
 (630) 549-2022  
[Store Details](#) | [Get Directions](#)



2 [Mettawa](#)  
 25901 Riverwoods Rd  
 Mettawa, IL 60045-3403  
 (847) 235-1300  
[Store Details](#) | [Get Directions](#)



3 [Melrose Park](#)  
 8400 W North Ave  
 Melrose Park, IL 60160-1607  
 (708) 397-2905  
[Store Details](#) | [Get Directions](#)



4 [Bolingbrook](#)  
 830 E Boughton Rd  
 Bolingbrook, IL 60440-2355  
 (630) 410-0700  
[Store Details](#) | [Get Directions](#)



5 [Chicago South Loop](#)  
 1430 S Ashland Ave  
 Chicago, IL 60608  
 (312) 492-3600  
[Store Details](#) | [Get Directions](#)



6 [East Peoria](#)  
 301 West Washington  
 East Peoria, IL 61611  
 (309) 427-2930



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Store Details | Get Directions

7 [North Riverside](#)  
 2500 South Harlem Avenue  
 North Riverside, IL 60546  
 (708) 853-1017  
[Store Details](#) | [Get Directions](#)



8 [Naperville](#)  
 1320 S. Route 59  
 Naperville, IL 60564-5944  
 (630) 328-2900  
[Store Details](#) | [Get Directions](#)



9 [Glenview](#)  
 2900 Patriot Blvd  
 Glenview, IL 60026-8046  
 (847) 730-1003  
[Store Details](#) | [Get Directions](#)



10 [Bloomington](#)  
 505 W. Army Trail Road  
 Bloomington, IL 60108-1391  
 (630) 351-3010  
[Store Details](#) | [Get Directions](#)



11 [Lake Zurich](#)  
 680 S Rand Rd  
 Lake Zurich, IL 60047-3409  
 (847) 540-3050  
[Store Details](#) | [Get Directions](#)



12 [Lincoln Park](#)  
 2746 N. Clybourn Avenue  
 Chicago, IL 60614-1006  
 (773) 360-2053  
[Store Details](#) | [Get Directions](#)



13 [Bedford Park](#)  
 7300 S Cicero Ave  
 Bedford Park, IL 60629-5817  
 (708) 552-9010  
[Store Details](#) | [Get Directions](#)



14 [Niles](#)  
 7311 N Melvina Ave  
 Niles, IL 60714-3905  
 (847) 972-3003  
[Store Details](#) | [Get Directions](#)



15 [Schaumburg](#)  
 1375 N Meacham Rd  
 Schaumburg, IL 60173-4805  
 (847) 969-0790  
[Store Details](#) | [Get Directions](#)



16 [Oak Brook](#)  
 1901 W 22nd St  
 Oak Brook, IL 60523-1785  
 (630) 928-0235  
[Store Details](#) | [Get Directions](#)



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17 [Orland Park](#)  
 9915 W 159th St  
 Orland Park, IL 60462-4572  
 (708) 645-5336  
[Store Details](#) | [Get Directions](#)



18 [Lake In The Hills](#)  
 250 N. Randall Rd.  
 Lake in the Hills, IL 60156-5943  
 (847) 960-9909  
[Store Details](#) | [Get Directions](#)



19 [Mt Prospect](#)  
 999 N Elmhurst Rd  
 Mount Prospect, IL 60056-1198  
 (847) 660-2001  
[Store Details](#) | [Get Directions](#)



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SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

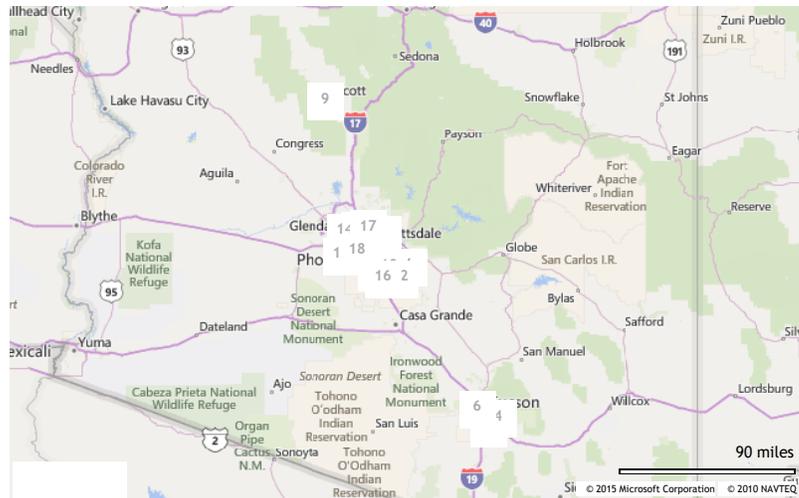
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



1 [Mesa](#)  
 1444 S Sossaman Rd  
 Mesa, AZ 85209-3400  
 (480) 333-6550  
[Store Details](#) | [Get Directions](#)



2 [Paradise Valley](#)  
 4570 E Cactus Rd  
 Phoenix, AZ 85032-7702  
 (480) 308-7044  
[Store Details](#) | [Get Directions](#)



3 [Sw Tucson](#)  
 1650 E Tucson Marketplace  
 Tucson, AZ 85713  
 (520) 791-7340  
[Store Details](#) | [Get Directions](#)



4 [Tucson](#)  
 6255 East Grant Road  
 Tucson, AZ 85712-5834  
 (520) 886-6377  
[Store Details](#) | [Get Directions](#)



5 [Scottsdale](#)  
 15255 North Hayden Road  
 Scottsdale, AZ 85260-2507  
 (480) 948-5040  
[Store Details](#) | [Get Directions](#)



6 [Nw Tucson](#)  
 3901 W Costco Dr  
 Tucson, AZ 85741-2864  
 (520) 797-1980



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Store Details | Get Directions

7 [Tempe](#)  
 1445 West Elliot Road  
 Tempe, AZ 85284-1103  
 (480) 496-6651

Store Details | Get Directions

8 [Thomas Road](#)  
 4502 East Oak Street  
 Phoenix, AZ 85008-2411  
 (602) 808-0101

Store Details | Get Directions

9 [Prescott](#)  
 3911 Highway 69  
 Prescott, AZ 86301-6717  
 (928) 541-2203

Store Details | Get Directions

10 [Gilbert](#)  
 1415 North Arizona Avenue  
 Gilbert, AZ 85233-1616  
 (480) 293-0053

Store Details | Get Directions

11 [N Phoenix](#)  
 19001 N. 27th Ave  
 Phoenix, AZ 85027-5036  
 (623) 293-4403

Store Details | Get Directions

12 [Se Gilbert](#)  
 2887 S Market St  
 Gilbert, AZ 85296-6303  
 (480) 366-3950

Store Details | Get Directions

13 [Phoenix](#)  
 1646 W. Montebello  
 Phoenix, AZ 85015-2557  
 (602) 293-4524

Store Details | Get Directions

14 [Glendale](#)  
 17550 N. 79th Ave.  
 Glendale, AZ 85308-8711  
 (623) 776-4003

Store Details | Get Directions

15 [Avondale](#)  
 10000 W. McDowell Road  
 Avondale, AZ 85392-4803  
 (623) 907-5663

Store Details | Get Directions

16 [Chandler](#)  
 595 S Galleria Way  
 Chandler, AZ 85226-4932  
 (480) 375-2051

Store Details | Get Directions



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17 [Cave Creek](#)  
 2450 E Beardsley Rd  
 Phoenix, AZ 85050-1300  
 (480) 375-2850  
[Store Details](#) | [Get Directions](#)



18 [Phoenix Bus Ctr](#)  
 3801 N 33rd Ave  
 Phoenix, AZ 85017-4508  
 (480) 293-2123  
[Store Details](#) | [Get Directions](#)



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Warehouse Locations Renew Membership Join Costco Email Sign-Up Costco Cash Card Balance Customer Service



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SEARCH: What do you want to find?

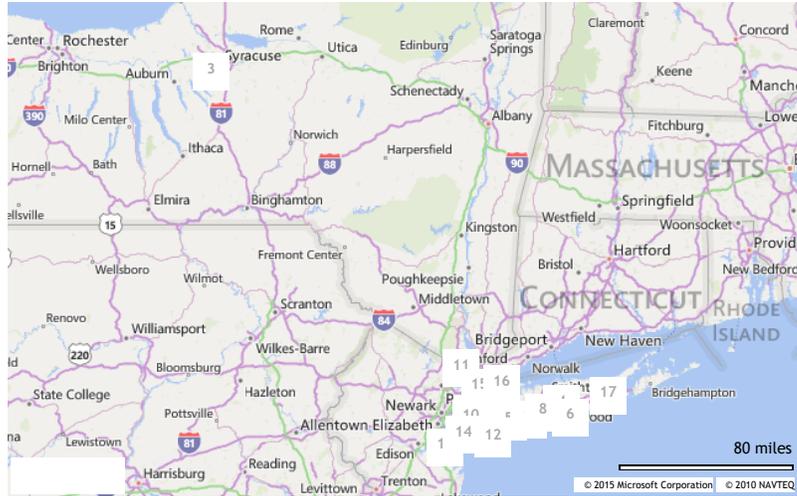
CART (0)

SELECT A COUNTRY

Country [Redacted] Search Province (State) [Redacted] GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Manhattan](#)  
517 E 117th St  
New York, NY 10035-4409  
(212) 896-5873  
[Store Details](#) | [Get Directions](#)
- 2 [Rego Park](#)  
61-35 Junction Boulevard  
Rego Park, NY 11374-2772  
(718) 760-6470  
[Store Details](#) | [Get Directions](#)
- 3 [Syracuse](#)  
120 Township Blvd  
Camillus, NY 13031-1659  
(315) 883-2361  
[Store Details](#) | [Get Directions](#)
- 4 [Nesconset](#)  
3000 Middle Country Road  
Nesconset, NY 11767-1072  
(631) 366-1504  
[Store Details](#) | [Get Directions](#)
- 5 [Westbury](#)  
1250 Old Country Road  
Westbury, NY 11590-5641  
(516) 683-8300  
[Store Details](#) | [Get Directions](#)
- 6 [Holbrook](#)  
125 Beacon Dr  
Holbrook, NY 11741-4309  
(631) 244-0292



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Store Details | Get Directions

- 7 [Melville](#)  
 625 Broadhollow Road  
 Melville, NY 11747-5007  
 (631) 293-8707  
[Store Details](#) | [Get Directions](#)
- 8 [Commack](#)  
 10 Garet Place  
 Commack, NY 11725-5421  
 (631) 462-3900  
[Store Details](#) | [Get Directions](#)
- 9 [New Rochelle](#)  
 1 Industrial Ln  
 New Rochelle, NY 10805-1203  
 (914) 235-2233  
[Store Details](#) | [Get Directions](#)
- 10 [Queens](#)  
 3250 Vernon Blvd  
 Long Island City, NY 11106-4927  
 (718) 267-3680  
[Store Details](#) | [Get Directions](#)
- 11 [Nanuet](#)  
 50 Overlook Blvd  
 Nanuet, NY 10954-5292  
 (845) 425-1469  
[Store Details](#) | [Get Directions](#)
- 12 [Lawrence](#)  
 605 Rockaway Tpke  
 Lawrence, NY 11559-1029  
 (516) 371-2017  
[Store Details](#) | [Get Directions](#)
- 13 [Staten Island](#)  
 2975 Richmond Avenue  
 Staten Island, NY 10314-5851  
 (718) 982-9525  
[Store Details](#) | [Get Directions](#)
- 14 [Brooklyn](#)  
 976 3rd Ave  
 Brooklyn, NY 11232-2400  
 (718) 965-7603  
[Store Details](#) | [Get Directions](#)
- 15 [Yonkers](#)  
 20 Stew Leonard Dr  
 Yonkers, NY 10710-7204  
 (914) 595-1003  
[Store Details](#) | [Get Directions](#)
- 16 [Port Chester](#)  
 1 Westchester Ave  
 Port Chester, NY 10573-4343  
 (914) 935-3103  
[Store Details](#) | [Get Directions](#)



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[Riverhead](#)

1768 Old Country Rd  
Riverhead, NY 11901-3146  
(631) 655-0110

[Store Details](#) | [Get Directions](#)



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SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Manahawkin](#)  
245 Stafford Park Blvd  
Stafford Township, NJ 08050-2734  
(609) 242-2013  
[Store Details](#) | [Get Directions](#)
- 2 [Marlboro](#)  
18 Route 9 North  
Morganville, NJ 07751  
(732) 617-4340  
[Store Details](#) | [Get Directions](#)
- 3 [North Plainfield](#)  
1290 US Highway 22E  
North Plainfield, NJ 07060  
(908) 546-5666  
[Store Details](#) | [Get Directions](#)
- 4 [North Brunswick](#)  
100 Grand Avenue  
North Brunswick, NJ 08902  
(732) 509-3905  
[Store Details](#) | [Get Directions](#)
- 5 [Wayne](#)  
149 State Route 23  
Wayne, NJ 07470-6933  
(973) 339-4006  
[Store Details](#) | [Get Directions](#)
- 6 [Hazlet](#)  
2835 Route 35 N.  
Hazlet, NJ 07730-1516  
(732) 335-3800



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Find a Costco warehouse

[Store Details](#) | [Get Directions](#)

7 [Hackensack](#)  
 80 S River St  
 Hackensack, NJ 07601-6954  
 (201) 487-5471  
[Store Details](#) | [Get Directions](#)



8 [East Hanover](#)  
 156 Sr-10 West  
 East Hanover, NJ 07936-2107  
 (973) 602-2000  
[Store Details](#) | [Get Directions](#)



9 [Clifton](#)  
 20 Bridewell Place  
 Clifton, NJ 07014-1724  
 (973) 779-8715  
[Store Details](#) | [Get Directions](#)



10 [Wharton](#)  
 315 State Route 15 N  
 Wharton, NJ 07885-1222  
 (973) 659-2000  
[Store Details](#) | [Get Directions](#)



11 [Union](#)  
 1055 Hudson St  
 Union, NJ 07083-6809  
 (908) 810-1458  
[Store Details](#) | [Get Directions](#)



12 [Bridgewater](#)  
 325 Promenade Blvd.  
 Bridgewater, NJ 08807-3457  
 (732) 584-1003  
[Store Details](#) | [Get Directions](#)



13 [Edison](#)  
 205 Vineyard Rd  
 Edison, NJ 08817-4785  
 (732) 491-2023  
[Store Details](#) | [Get Directions](#)



14 [Ocean Township](#)  
 2361 Hwy 66  
 Ocean, NJ 07712-3961  
 (732) 481-0023  
[Store Details](#) | [Get Directions](#)



15 [Brick Township](#)  
 465 Route 70  
 Brick, NJ 08723-4049  
 (732) 262-6300  
[Store Details](#) | [Get Directions](#)



16 [Mt Laurel](#)  
 100 Centerton Rd  
 Mount Laurel, NJ 08054-6103  
 (856) 359-3650  
[Store Details](#) | [Get Directions](#)



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SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

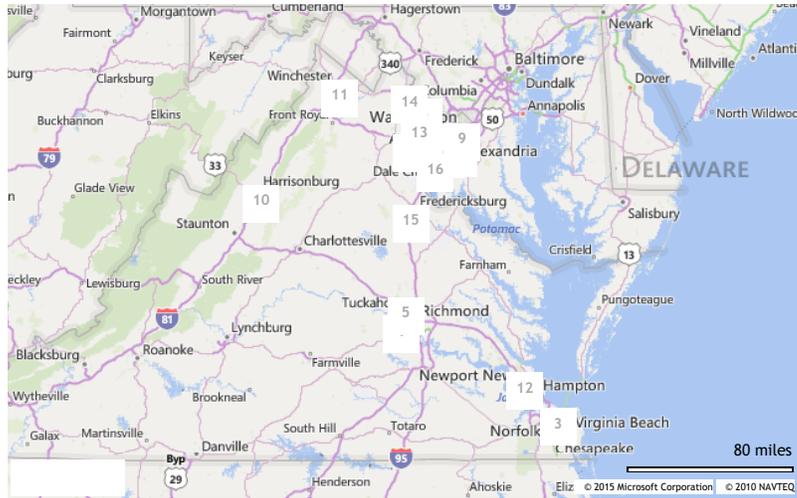
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Chesterfield](#)  
1401 Mall Dr  
Richmond, VA 23235-4887  
(804) 464-9110  
[Store Details](#) | [Get Directions](#)
- 2 [Mt Vernon](#)  
7940 Richmond Hwy  
Alexandria, VA 22306  
(571) 458-3500  
[Store Details](#) | [Get Directions](#)
- 3 [Norfolk](#)  
850 Glenrock Rd  
Norfolk, VA 23502-3702  
(757) 459-4471  
[Store Details](#) | [Get Directions](#)
- 4 [Fairfax](#)  
4725 West Ox Road  
Fairfax, VA 22030-6101  
(703) 332-3200  
[Store Details](#) | [Get Directions](#)
- 5 [W Henrico](#)  
9650 West Broad Street  
Glen Allen, VA 23060-4115  
(804) 727-3050  
[Store Details](#) | [Get Directions](#)
- 6 [Sterling](#)  
21398 Price/Cascades Plaza  
Sterling, VA 20164-6607  
(703) 406-6500



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Find a Costco warehouse

[Store Details](#) | [Get Directions](#)

- 7 [Manassas](#)  
 10701 Sudley Manor Drive  
 Manassas, VA 20109-2845  
 (703) 368-7579  
[Store Details](#) | [Get Directions](#)
- 8 [Newington-Springfield](#)  
 7373 Boston Boulevard  
 Springfield, VA 22153-2805  
 (703) 912-1203  
[Store Details](#) | [Get Directions](#)
- 9 [Pentagon City](#)  
 1200 South Fern Street  
 Arlington, VA 22202-2862  
 (703) 413-2324  
[Store Details](#) | [Get Directions](#)
- 10 [Harrisonburg](#)  
 1830 Reservoir Street  
 Harrisonburg, VA 22801-8742  
 (540) 432-8989  
[Store Details](#) | [Get Directions](#)
- 11 [Winchester](#)  
 251 Front Royal Pike  
 Winchester, VA 22602-7319  
 (540) 722-9626  
[Store Details](#) | [Get Directions](#)
- 12 [Newport News](#)  
 12121 Jefferson Ave  
 Newport News, VA 23602-6916  
 (757) 746-2003  
[Store Details](#) | [Get Directions](#)
- 13 [Chantilly](#)  
 14390 Chantilly Crossing Lane  
 Chantilly, VA 20151-2117  
 (703) 885-5544  
[Store Details](#) | [Get Directions](#)
- 14 [Leesburg](#)  
 1300 Edwards Ferry Road  
 Leesburg, VA 20176-3355  
 (703) 669-5060  
[Store Details](#) | [Get Directions](#)
- 15 [Fredericksburg](#)  
 3102 Plank Road #600  
 Fredericksburg, VA 22407-4954  
 (540) 785-1163  
[Store Details](#) | [Get Directions](#)
- 16 [Potomac Mills](#)  
 2700 Potomac Mills Circle, Ste 200  
 Woodbridge, VA 22192-4653  
 (703) 490-7400  
[Store Details](#) | [Get Directions](#)

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SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [E Colorado Springs](#)  
5885 Barnes Road  
Colorado Springs, CO 80922-3512  
(719) 591-3000  
[Store Details](#) | [Get Directions](#)
- 2 [Parker](#)  
18414 Cottonwood Dr  
Parker, CO 80138-8876  
(303) 583-1937  
[Store Details](#) | [Get Directions](#)
- 3 [Sheridan](#)  
4000 River Point Pkwy  
Sheridan, CO 80110-3316  
(303) 200-1830  
[Store Details](#) | [Get Directions](#)
- 4 [W Colorado Springs](#)  
5050 N Nevada Ave  
Colorado Springs, CO 80918-8602  
(719) 264-5010  
[Store Details](#) | [Get Directions](#)
- 5 [Timnath](#)  
4705 Weitzel St  
Timnath, CO 80547  
(970) 416-6115  
[Store Details](#) | [Get Directions](#)
- 6 [Aurora](#)  
1471 South Havana St.  
Aurora, CO 80012-4013  
(303) 750-2116



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Store Details | Get Directions

7 [Westminster Co](#)  
 6400 W 92nd Ave  
 Westminster, CO 80031-2952  
 (303) 650-1476  
[Store Details](#) | [Get Directions](#)



8 [Sw Denver](#)  
 7900 W Quincy Ave  
 Littleton, CO 80123-1350  
 (303) 933-4931  
[Store Details](#) | [Get Directions](#)



9 [Douglas County](#)  
 8686 Park Meadows Center Dr  
 Littleton, CO 80124-5129  
 (303) 708-0012  
[Store Details](#) | [Get Directions](#)



10 [Superior](#)  
 600 Marshall Rd  
 Superior, CO 80027-9730  
 (720) 587-1000  
[Store Details](#) | [Get Directions](#)



11 [Thornton](#)  
 16375 Washington St  
 Thornton, CO 80023-8907  
 (303) 474-3247  
[Store Details](#) | [Get Directions](#)



12 [Gypsum](#)  
 170 Cooley Mesa Rd  
 Gypsum, CO 81637-9707  
 (970) 328-7601  
[Store Details](#) | [Get Directions](#)



13 [Arvada](#)  
 5195 Wadsworth Blvd  
 Arvada, CO 80002-4617  
 (303) 463-3603  
[Store Details](#) | [Get Directions](#)



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SHOP ALL DEPARTMENTS

SEARCH: What do you want to find?

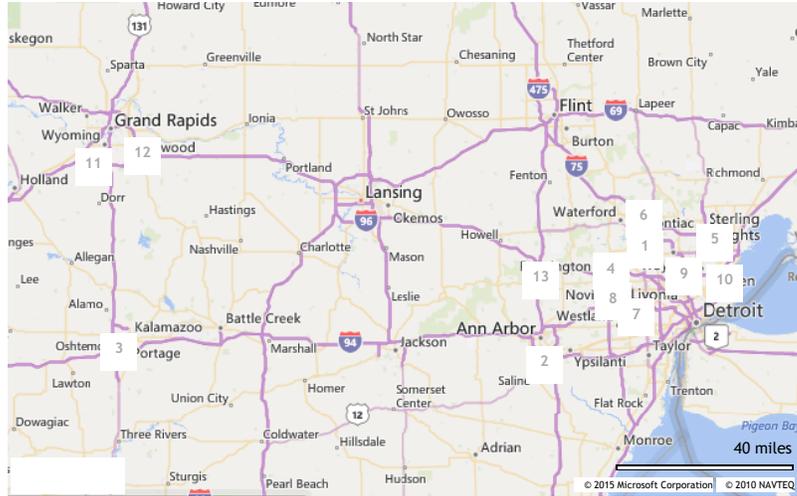
CART (0)

SELECT A COUNTRY

Country [Redacted]  
Search Province (State) [Redacted]  
GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



- 1 [Bloomfield](#)  
2343 S Telegraph Rd  
Bloomfield, MI 48302-0254  
(248) 836-1603  
[Store Details](#) | [Get Directions](#)
- 2 [Pittsfield Township](#)  
771 Airport Blvd  
Pittsfield, MI 48108  
(734) 213-8010  
[Store Details](#) | [Get Directions](#)
- 3 [Kalamazoo](#)  
5100 Century Ave  
Kalamazoo, MI 49006-5714  
(269) 743-2298  
[Store Details](#) | [Get Directions](#)
- 4 [Commerce Township](#)  
3000 Commerce Crossing  
Commerce Tnshp, MI 48390-3082  
(248) 529-2300  
[Store Details](#) | [Get Directions](#)
- 5 [Lakeside](#)  
45460 Market St  
Shelby Township, MI 48315-6224  
(586) 580-2000  
[Store Details](#) | [Get Directions](#)
- 6 [Auburn Hills](#)  
400 Brown Rd  
Auburn Hills, MI 48326-1305  
(248) 648-0003



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Store Details | Get Directions

7 [Middlebelt](#)  
 13700 Middlebelt Rd  
 Livonia, MI 48150-2215  
 (734) 427-0563  
 Store Details | Get Directions



8 [Haggerty](#)  
 20000 Haggerty Rd  
 Livonia, MI 48152-1011  
 (734) 464-6399  
 Store Details | Get Directions



9 [Madison Heights](#)  
 30550 Stephenson Highway  
 Madison Heights, MI 48071-1611  
 (248) 616-0048  
 Store Details | Get Directions



10 [Roseville Mi](#)  
 27118 Gratiot Ave  
 Roseville, MI 48066-2915  
 (586) 447-0191  
 Store Details | Get Directions



11 [Wyoming](#)  
 4901 Wilson Ave SW  
 Wyoming, MI 49418-8788  
 (616) 406-2651  
 Store Details | Get Directions



12 [Grand Rapids East](#)  
 5100 28th Street SE  
 Grand Rapids, MI 49512-2049  
 (616) 233-4401  
 Store Details | Get Directions



13 [Green Oak Township](#)  
 6700 Whitmore Lake Rd  
 Brighton, MI 48116-2160  
 (810) 220-8950  
 Store Details | Get Directions



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SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

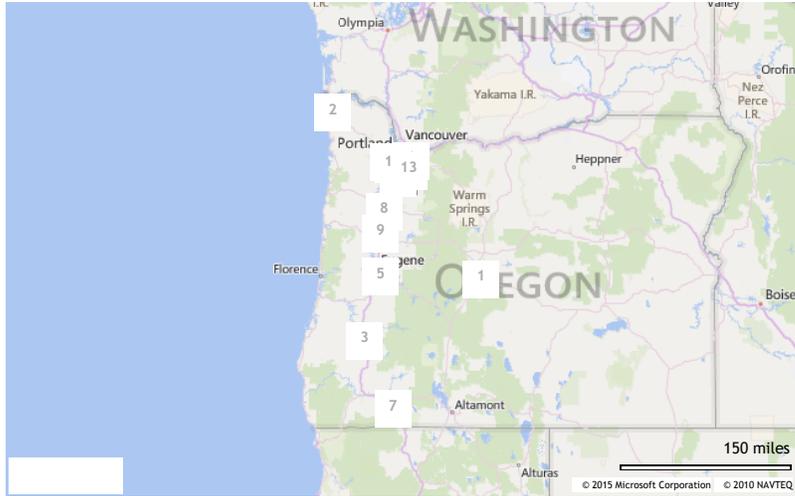
Country

Search Province (State)

GO

### Warehouse Locations

Search for a Costco Warehouse [Print](#)



1 [Bend](#)  
 2500 Ne Highway 20  
 Bend, OR 97701-6277  
 (541) 385-9640  
[Store Details](#) | [Get Directions](#)



2 [Warrenton](#)  
 1804 Se Ensign Ln  
 Warrenton, OR 97146-7339  
 (503) 338-4103  
[Store Details](#) | [Get Directions](#)



3 [Roseburg](#)  
 4141 NE Stephens St.  
 Roseburg, OR 97470-1161  
 (541) 378-0020  
[Store Details](#) | [Get Directions](#)



4 [Tigard](#)  
 7850 Sw Dartmouth St  
 Portland, OR 97223-8401  
 (503) 639-0811  
[Store Details](#) | [Get Directions](#)



5 [Eugene](#)  
 2828 Chad Dr  
 Eugene, OR 97408-7337  
 (541) 683-8126  
[Store Details](#) | [Get Directions](#)



6 [Portland](#)  
 4849 NE 138th Ave  
 Portland, OR 97230-3401  
 (503) 258-3700



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Store Details | Get Directions

7 [Medford](#)  
 3639 Crater Lake Hwy  
 Medford, OR 97504-9259  
 (541) 734-4227  
[Store Details](#) | [Get Directions](#)



8 [Salem](#)  
 1010 Hawthorne Avenue SE  
 Salem, OR 97301-5090  
 (503) 371-1729  
[Store Details](#) | [Get Directions](#)



9 [Albany](#)  
 3130 Killdeer Ave  
 Albany, OR 97321-5325  
 (541) 918-7040  
[Store Details](#) | [Get Directions](#)



10 [Hillsboro](#)  
 1255 NE 48th Ave  
 Hillsboro, OR 97124-5008  
 (503) 681-2800  
[Store Details](#) | [Get Directions](#)



11 [Wilsonville](#)  
 25900 SW Heather Place  
 Wilsonville, OR 97070-5785  
 (503) 825-4003  
[Store Details](#) | [Get Directions](#)



12 [Aloha](#)  
 15901 Sw Jenkins Rd  
 Aloha, OR 97006-5098  
 (503) 644-7615  
[Store Details](#) | [Get Directions](#)



13 [Clackamas](#)  
 13130 SE 84th Avenue  
 Clackamas, OR 97015-9733  
 (503) 794-5500  
[Store Details](#) | [Get Directions](#)



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 Volume Sales

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 Optical  
 Photo Center  
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SEARCH: What do you want to find?

CART (0)

SELECT A COUNTRY

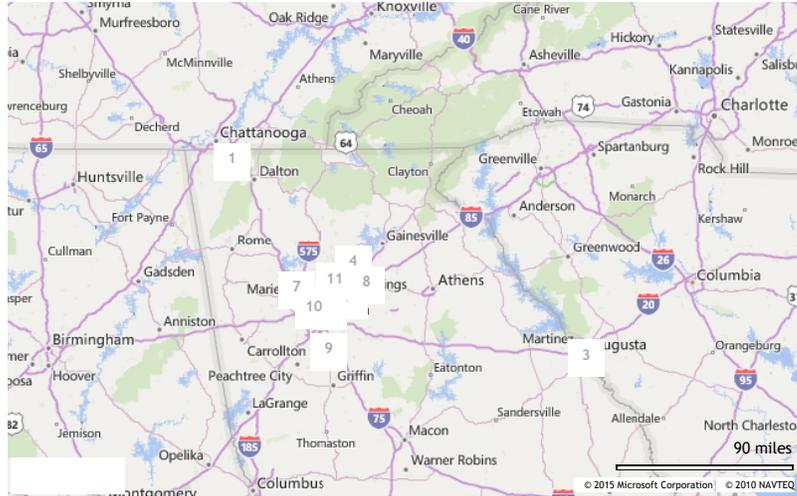
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Search Province (State)

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### Warehouse Locations

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- 1 **Fort Oglethorpe**  
100 Cobb Parkway  
Ringgold, GA 30736-8566  
(706) 891-2577  
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- 2 **Brookhaven**  
500 Brookhaven Ave Ne  
Atlanta, GA 30319-3291  
(404) 460-1917  
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- 3 **Augusta**  
825 Alexander Dr.  
Augusta, GA 30909-8202  
(706) 739-1709  
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- 4 **Cumming**  
1211 Bald Ridge Marina Rd  
Cumming, GA 30041  
(470) 239-6610  
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- 5 **Gwinnett**  
3980 Venture Dr  
Duluth, GA 30096-5077  
(770) 622-1330  
[Store Details](#) | [Get Directions](#)
- 6 **Perimeter**  
6350 Peachtree Dunwoody Rd N.E.  
Atlanta, GA 30328-4527  
(770) 352-8660

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Store Details | Get Directions

7 [Town Center](#)  
 645 Barrett Parkway Nw  
 Kennesaw, GA 30144-4922  
 (770) 794-1767  
[Store Details](#) | [Get Directions](#)



8 [Mall Of Georgia](#)  
 1550 Mall Of Georgia Blvd  
 Buford, GA 30519-6551  
 (678) 288-3009  
[Store Details](#) | [Get Directions](#)



9 [Morrow Bus Ctr](#)  
 1700 Mount Zion Rd  
 Morrow, GA 30260-3014  
 (678) 201-0003  
[Store Details](#) | [Get Directions](#)



10 [Cumberland Mall](#)  
 2900 Cumberland Mall  
 Atlanta, GA 30339-8107  
 (770) 431-1700  
[Store Details](#) | [Get Directions](#)



11 [Alpharetta](#)  
 2855 Jordan Ct  
 Alpharetta, GA 30004-3869  
 (678) 823-4950  
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1 [South Jordan](#)  
 3571 W 10400 S  
 SOUTH JORDAN, UT 84095  
 (801) 523-5287  
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2 [Spanish Fork](#)  
 273 East 1000 North  
 Spanish Fork, UT 84660  
 (801) 504-9530  
[Store Details](#) | [Get Directions](#)



3 [Salt Lake City](#)  
 1818 South 300 West  
 Salt Lake City, UT 84115-1805  
 (801) 485-9715  
[Store Details](#) | [Get Directions](#)



4 [Orem](#)  
 648 E 800 S  
 Orem, UT 84097-6528  
 (801) 851-5003  
[Store Details](#) | [Get Directions](#)



5 [Sandy](#)  
 11100 S Auto Mall Dr  
 Sandy, UT 84070-4171  
 (801) 790-0003  
[Store Details](#) | [Get Directions](#)



6 [West Valley](#)  
 3747 South 2700 West  
 West Valley, UT 84119-4903  
 (801) 996-9008



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Store Details | Get Directions

- 7 [St George](#)  
835 North 3050 East  
St. George, UT 84790-9041  
(435) 256-0003  
[Store Details](#) | [Get Directions](#)
- 8 [Lehi](#)  
198 North 1200 East  
Lehi, UT 84043-2294  
(801) 653-2700  
[Store Details](#) | [Get Directions](#)
- 9 [Bountiful](#)  
573 West 100 North  
West Bountiful, UT 84010-7018  
(801) 299-3940  
[Store Details](#) | [Get Directions](#)
- 10 [Murray](#)  
5201 South Intermountain Drive  
Murray, UT 84107-6024  
(801) 290-4200  
[Store Details](#) | [Get Directions](#)
- 11 [South Ogden](#)  
3656 Wall Avenue  
Ogden, UT 84405-7101  
(801) 317-3950  
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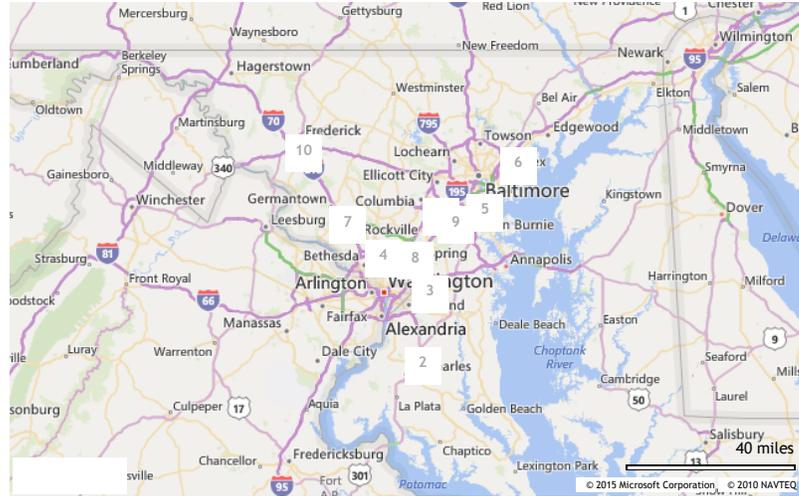
Country

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1 [Columbia](#)

6675 Marie Curie Drive  
Elkridge, MD 21075-6457  
(410) 423-4052

[Store Details](#) | [Get Directions](#)



2 [Brandywine](#)

16006 Crain Hwy  
Brandywine, MD 20613-8081  
(301) 372-3202

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3 [Woodmore Towne Centre](#)

2400 Five Lees Lane  
Lanham, MD 20706-1617  
(301) 341-6740

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4 [Wheaton](#)

11160 Veirs Mill Rd  
Wheaton, MD 20902-2538  
(301) 692-1330

[Store Details](#) | [Get Directions](#)



5 [Glen Burnie](#)

575 E Ordnance Rd  
Glen Burnie, MD 21060-6575  
(410) 590-8603

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6 [White Marsh](#)

9919 Pulaski Hwy  
Baltimore, MD 21220-1423  
(410) 574-7563



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Store Details | Get Directions

7 [Gaithersburg](#)  
 880 Russell Avenue  
 Gaithersburg, MD 20879-3506  
 (301) 417-1500

Store Details | Get Directions

8 [Beltsville](#)  
 10925 Baltimore Ave  
 Beltsville, MD 20705-2117  
 (301) 902-2640

Store Details | Get Directions

9 [Arundel Mills](#)  
 7077 Arundel Mills Circle  
 Hanover, MD 21076-1387  
 (410) 379-3103

Store Details | Get Directions

10 [Frederick](#)  
 10 Monocacy Blvd  
 Frederick, MD 21704-7256  
 (301) 644-1483

Store Details | Get Directions



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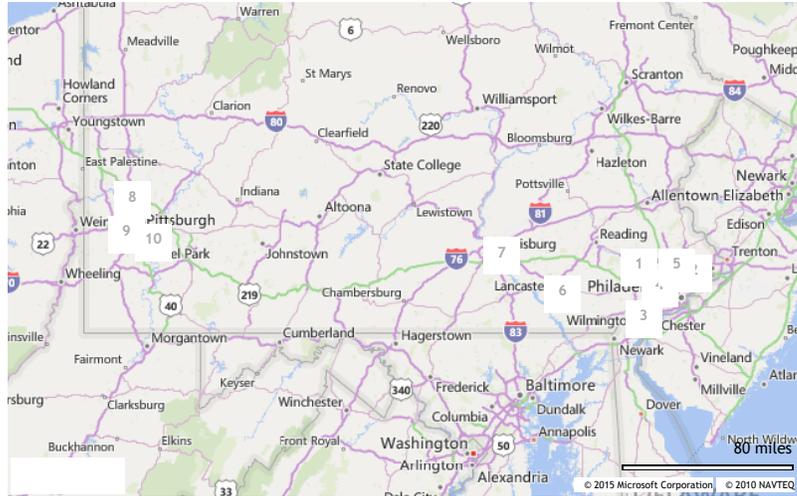
Country

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14 W Lightcap Rd  
Pottstown, PA 19464-3413  
(610) 569-4137  
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- 2 [Bucks County](#)  
100 Veterans Way  
Warminster, PA 18974-3533  
(215) 347-1950  
[Store Details](#) | [Get Directions](#)
- 3 [Concordville](#)  
700 Evergreen Dr  
Glen Mills, PA 19342  
(610) 387-2205  
[Store Details](#) | [Get Directions](#)
- 4 [King Of Prussia](#)  
201 Allendale Rd  
King Of Prussia, PA 19406-1634  
(610) 337-6601  
[Store Details](#) | [Get Directions](#)
- 5 [Montgomeryville](#)  
740 Upper State Rd  
North Wales, PA 19454-1403  
(215) 353-4153  
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- 6 [Lancaster Pa](#)  
1875 Hempstead Rd  
Lancaster, PA 17601-5671  
(717) 396-8460



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7 [Harrisburg](#)  
 5125 Jonestown Road Suite 221  
 Harrisburg, PA 17112-2983  
 (717) 412-2050  
 Store Details | Get Directions



8 [Cranberry Township](#)  
 1050 Cranberry Square Drive  
 Cranberry Township, PA 16066-6142  
 (724) 778-6303  
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9 [Robinson](#)  
 202 Costco Drive  
 Pittsburgh, PA 15205-4858  
 (412) 490-2204  
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10 [Homestead](#)  
 501 W Waterfront Dr  
 West Homestead, PA 15120-5009  
 (412) 205-1002  
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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

RITCHIE CAPITAL MANAGEMENT, L.L.C., et  
al.,

Plaintiffs,

v.

COSTCO WHOLESALE CORPORATION,

Defendant.

Civil Action No. 14-cv-4819 (VSB)

**NOTICE OF APPEAL**

PLEASE TAKE NOTICE, that Plaintiffs Ritchie Capital Management, L.L.C., Ritchie Capital Management, Ltd., and Ritchie Special Credit Investments, Ltd., hereby appeal to the United States Court of Appeals for the Second Circuit from the Memorandum and Order of the Hon. Vernon S. Broderick, entered September 21, 2015, which granted Defendant Costco Wholesale Corporation's motion to dismiss the Complaint with prejudice, and directed that this case be closed.

Dated: New York, New York  
October 16, 2015

Respectfully submitted,  
COLE SCHOTZ P.C.

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and RITCHIE SPECIAL CREDIT  
INVESTMENTS, LTD.