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III.

THIRD CAUSE OF ACTION AGAINST
ALL DEFENDANTS FOR FRAUD

39. Plaintiff incorporates by reference each and every allegation set forth in the above paragraphs as if set forth in full herein, except those paragraphs, if any, which are inconsistent with this cause of action for fraud.

40. Pursuant to the Masonic Constitution no one may act on behalf of Plaintiff regarding Plaintiff's property or finances unless the person first consults the Grand Board, obtains written authorization from a majority of the Grand Board or consent from Plaintiff Grand Lodge, and makes a detailed report to the Grand Master and Plaintiff Grand Lodge. Since Defendant Young never abided by the Masonic Constitution as outlined herein, at all relevant times Defendant Young was not authorized to act on behalf of Plaintiff Grand Lodge regarding the PROPERTY .

41. On or about March 22, 2006, Defendant Young executed a grant deed transferring title to the PROPERTY from Plaintiff Grand Lodge to Defendant Prince Hall Arms. At the time that Defendant Young executed the deed, he knew or should have known that he did not have the power and was not authorized to act on behalf of Plaintiff Grand Lodge. Yet, he did it anyway.

42. Defendants developed an elaborate scheme to divest Plaintiff of its interest in the PROPERTY to obtain a loan in the amount of \$600,000 and to use the funds from said loan for the benefit of Defendants Young and Prince Hall Arms. Defendant Young concealed from Plaintiff the title transfer of the PROPERTY and the subsequent \$600,000 loan taken out against the PROPERTY. Defendant Young's concealment of the title transfer and loan caused Plaintiff to believe that Plaintiff still held clear title to the property and that there were no encumbrances against the property. Defendant Young knew at the time he concealed the title transfer and loan that the same were not true.

43. Defendant Young concealed the title transfer and loan with the intent to defraud whereby Plaintiff's interest in the PROPERTY would be transferred to Defendant Prince Hall Arms and Defendant Young would receive the loan proceeds for its own use. Defendant