

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:18-CV-

AMERICAN HORSE COUNCIL INC. and
AMERICAN HORSE COUNCIL FOUNDATION INC.

Plaintiffs,

vs.

ASHLEY FURST, and
CHRISTOPHER FURST

Defendants.

COMPLAINT AND JURY DEMAND

Plaintiffs, American Horse Council Inc. and American Horse Council Foundation Inc., through their undersigned counsel, Hall & Evans, LLC, hereby submit the following Complaint and Jury Demand against Defendants Ashley Furst and Christopher Furst.

I. OVERVIEW

1. While she was employed by the American Horse Council Inc., Defendant Ashley Furst orchestrated a complex and carefully-planned criminal enterprise whereby she stole at least \$588,061.84 from the non-profit organization and its charitable foundation over the course of nearly five years. She attempted to cover up her theft by hiding information from management, falsifying bank statements and payroll documents, and applying for an unauthorized loan intended to replenish stolen funds. Defendant Ashley Furst used the stolen money to support a lavish

lifestyle and make large purchases. To date, Defendant Ashley Furst continues to conceal her fraud.

II. PARTIES, JURISDICTION, AND VENUE

2. American Horse Council, Inc. (hereinafter “the AHC”) is a Washington, D.C. non-profit corporation with a principal address of 1616 H Street NW, 7th Floor Washington, D.C. 20006. The AHC is a citizen of Washington, D.C.

3. American Horse Council Foundation, Inc. (hereinafter “the AHCF”) is a Washington, D.C. non-profit corporation with a principal address of 1616 H Street NW, 7th Floor Washington, D.C. 20006. The AHCF is a citizen of Washington, D.C.

4. Ashley Furst (hereinafter “Defendant Ashley Furst”) is an individual with an address of [REDACTED] Defendant Ashley Furst was formerly known as Ashley Cole. Defendant Ashley Furst is a citizen of the State of Colorado.

5. Christopher Furst (hereinafter “Defendant Christopher Furst”) is an individual with an address of [REDACTED]. Defendant Christopher Furst is a citizen of the State of Colorado.

6. This Court has personal jurisdiction over Defendants Ashley Furst and Christopher Furst because they are residents and citizens of the State of Colorado. In addition, this action arises from torts committed, in part, in the State of Colorado and involves property located in the State of Colorado.

7. This Court has diversity jurisdiction pursuant to 28 U.S.C. §1332(a) because there is diversity of citizenship between the parties and the amount in controversy exceeds \$75,000.00.

III. GENERAL ALLEGATIONS

8. The AHC is a non-profit organization that works to advocate for the social, economic, and legislative interests of the United States equine industry.

9. The AHCF is a related 501(c)(3) non-profit formed to encourage the support of worthwhile charitable, scientific, and educational projects of interest and benefit to the American Horse industry. The AHCF has two major initiatives: The Unwanted Horse Coalition and The National Economic Impact Study.

10. At all relevant times, the AHC had approximately five employees and relied upon its staff to perform daily bookkeeping and accounting activities.

11. The AHC contracted with an independent third-party auditor to periodically monitor the AHC and AHCF's finances.

12. Effective January of 2010, the AHC hired Defendant Ashley Furst as an office administrator at the AHC's Washington, D.C. office. In that role, Defendant Ashley Furst carried out general administrative duties including membership invoicing, maintaining files and records, making deposits, processing payables and receivables, and maintaining spreadsheets for accounting for both the AHC and the AHCF.

13. Defendant Ashley Furst's job duties and responsibilities expanded over time. Defendant Ashley Furst was eventually promoted to Director of Communications, although she continued to be involved with administrative and bookkeeping duties.

14. Throughout her employment with the AHC, Defendant Ashley Furst had online access to AHC and AHCF accounts and received bank statements for those accounts. Defendant Ashley Furst also had access to online financial services used by the AHC and AHCF, including PayPal, QuickBooks, Salesforce, and ADP Payroll.

15. At no point did Defendant Ashley Furst have sole check signing authority. By company policy, two signatures were required for all checks.

16. In 2017, Defendant Ashley Furst informed AHC management that she wished to move to Colorado to live with her husband, Defendant Christopher Furst, who had accepted a job there. The AHC agreed to enter into a “Telecommuting Agreement” with Defendant Ashley Furst whereby the AHC permitted her to live in Colorado and work from home while occasionally traveling to the Washington, D.C. office. Defendant Ashley Furst began working remotely from her home in July of 2017.

17. On June 22, 2018, the AHC learned that a check it had issued for a consulting engagement for an economic impact study was returned for insufficient funds.

18. The AHC was perplexed that the check did not clear because the AHC’s bank statements clearly indicated there were sufficient funds to cover the check. The check was for a significant expenditure that is part of a key initiative for the AHC, and for which the AHC had already budgeted.

19. On June 22, 2018, the President of the AHC met with representatives of the AHC’s bank to review bank statements for the account. The President of the AHC and the bank’s branch manager compared several months of bank statements and determined the bank statements in the AHC’s files did not match the statements maintained by the bank. Among other things, the statements in the AHC’s files had been altered to remove and/or conceal numerous electronic transfers and payments made to loans and credit cards in Defendant Ashley Furst’s name. These alterations caused the statements in the AHC’s files to grossly overstate the actual available balance of funds in the account.

20. While working with the bank to uncover this theft, the AHC learned Defendant Ashley Furst fraudulently applied for a \$350,000 loan on behalf of the AHC and pledged AHC assets as collateral, ostensibly in hopes of replenishing stolen funds before the payment for consulting services was due, and thereby hoping to avoid the bounced check that would ultimately reveal her fraudulent conduct. The AHC only discovered Defendant Ashley Furst's fraud because the loan funds were not deposited in time to cover the check that was returned for insufficient funds in June of 2018.

21. Not knowing her fraud had been discovered, on June 25, 2018, Defendant Ashley Furst traveled from Denver, Colorado to Washington, D.C. for her regularly scheduled visit and reported for work in person at the AHC's Washington, D.C. office.

22. Shortly after arriving to the AHC's office on June 25, 2018, Defendant Ashley Furst was notified that her employment was terminated effective immediately for suspicion of theft and fraud. Defendant Ashley Furst was escorted from the AHC's premises without incident and without questioning or objecting to her termination.

23. The AHC reported the theft and Defendant Ashley Furst's fraudulent activity to law enforcement, including the Federal Bureau of Investigation (the "FBI"), and the FBI opened an investigation. The AHC has at all relevant times cooperated with the FBI in its ongoing investigation.

24. The AHC and AHCF are in the process of conducting their own investigation; however, the investigation has been hindered by Defendant Ashley Furst's attempts to hide her theft and her ongoing refusal to provide necessary information to the AHC regarding the manner and scope of her theft.

25. Based upon the AHC's own investigation, it appears Defendant Ashley Furst went to great lengths to develop a complex and sophisticated scheme to defraud the AHC and to cover her actions. Among other things, in order to hide her theft, Defendant Ashley Furst falsified bank statements and payroll records, failed to record improper transactions, and entered false data in QuickBooks records.

26. The AHC's independent auditor did not discover Defendant Ashley Furst's theft and fraudulent activity.

27. The AHC and AHCF have so far discovered at least five schemes Defendant Ashley Furst used to steal from the organizations: (1) making direct electronic payments from AHC and AHCF operating accounts to loans and credit cards in Defendant Ashley Furst's name and falsifying financial records to hide the transfers; (2) writing checks from the AHC's operating account to herself using a forged signature or her own signature and falsifying financial records to hide the payments; (3) transferring money from the AHC's PayPal account into her own account or using the AHC's PayPal account to pay for personal expenditures without recording the transfers in the AHC's financial records; (4) directing the AHC's payroll company to increase her salary and falsifying W-2's to hide the increase; and (5) applying for a loan in the AHC's name and falsifying a pledge agreement as collateral for the loan in an attempt to replenish stolen funds. These schemes are discussed in more detail below.

28. Based on the AHC's investigation to date, Defendant Ashley Furst stole at least \$588,061.84 from the AHC and the AHCF, including \$442,560.98 in electronic transfers to her personal accounts, \$63,081.60 in forged checks, \$53,305.26 in electronic PayPal transfers, and \$29,114 in fraudulent pay increases.

29. Defendant Ashley Furst occasionally transferred money back into AHC and AHCF accounts from her personal accounts to avoid insufficient funds and hide her fraud, but the transfers she made to the AHC and AHCF dwarf the amounts she stole.

30. During the course of her enterprise, Defendant Ashley Furst deposited approximately \$120,575.40 back into the organizations from her personal accounts, leaving a net theft of at least \$467,486.44, not including consequential damages.

31. To date, Defendant Ashley Furst has continued her fraud by refusing to disclose her various schemes and account for the money she stole. Additionally, Defendant Ashley Furst has exclusive control over certain of the AHC's online accounts, including the AHC's Google G-Suite account, and has to date refused to provide the AHC with necessary account and log-in information, resulting in the AHC being unable to gain access.

32. The AHC and AHCF do not know the full extent of Defendant Ashley Furst's theft. The AHC and AHCF anticipate Defendant Ashley Furst made additional transfers they have not yet discovered.

33. To date, the AHC has been forced to withdraw at least \$235,000 from its investment account to continue operations in light of Defendant Ashley Furst's theft.

34. In addition to the money Defendant Ashley Furst directly stole, the AHC and AHCF have suffered and continue to suffer damages including, without limit, interest payments, loss of investment income, investigation costs, forensic accounting costs, audit costs, and attorneys' fees and costs in an amount to be determined.

A. The Unauthorized Electronic Bank Transfers

35. From November 26, 2013 through May 22, 2018, Defendant Ashley Furst stole at least \$442,560.98 from the AHC and AHCF by electronically transferring money from corporate operating accounts into her own personal accounts.

36. Defendant Ashley Furst made the transfers into a Capital One credit card account in her name and a USAA personal loan account in her name.

37. The transfers were not authorized by the AHC and Defendant Ashley Furst did not have authority to make the transfers.

38. Each of the unauthorized transfers is itemized in the spreadsheet attached hereto as

EXHIBIT A.

39. Below is a summary of the unauthorized transfers:

Transfers from AHC to Capital One

Year	Amount
2013	\$7,063.60
2014	\$94,492.62
2015	\$83,166.27
2016	\$82,447.10
2017	\$83,979.96
2018	\$35,000
TOTAL	\$386,149.55

Transfers from AHC to USAA

Year	Amount
2014	\$5,592.58
2017	\$1,084.25
TOTAL	\$6,676.83

Transfers from the AHCF to USAA

Year	Amount
2017	\$49,734.60
TOTAL	\$49,734.60

TOTAL: \$442,560.98

40. In order to hide her theft, Defendant Ashley Furst failed to enter these transactions into QuickBooks records or the general ledgers for the AHC and the AHCF.

41. In order to hide her theft, Defendant Ashley Furst falsified the monthly bank statements for the AHC and the AHCF for each month in which she made unauthorized transfers. Defendant Ashley Furst altered the bank statements by removing the line items for the unauthorized electronic transfers. Defendant Ashley Furst also periodically altered monthly bank statements to decrease the total amount of deposits reflected on the statements to account for money she stole.

42. For example, below are images from the AHC’s actual bank statement for February of 2014 and the altered bank statement Defendant Ashley Furst created for the purpose of defrauding the AHC. The highlighted line items from the actual bank statement show unauthorized electronic transfers Defendant Ashley Furst (whose name was Ashley Cole at the time) removed from the altered bank statements:

**Payments to Ashley Cole Shown
on the Actual Bank Statement
But Not the Altered Version**

Image of Actual February 2014 Bank Statement:

DATE	DESCRIPTION	AMOUNT(\$)
02/04	ACH CORP DEBIT MOBILE PMT CAPITAL ONE 9805058987COLE ASHLEY	1,760.00
02/07	ACH CORP DEBIT ADP - FEES ADP PAYROLL FEES American Horse Council	71.75
02/14	ACH CORP DEBIT ADP - TAX ADP TX/FINCL SVC AMERICAN HORSE COUNCIL	3,939.36
02/14	ACH CORP DEBIT ADP - TAX ADP TX/FINCL SVC AMERICAN HORSE COUNCIL	10,465.49
02/19	ACH CORP DEBIT MC/SB BILL WASHINGTON METRO AMERICAN HORSE COUNCIL	130.00
02/21	SERVICE CHARGES - PRIOR PERIOD	6.00
02/21	ACH CORP DEBIT ADP - FEES ADP PAYROLL FEES American Horse Council	76.77
02/25	ACH CORP DEBIT ONLINE PMT CAPITAL ONE 9805058987COLE ASHLEY	6,721.45
Total other withdrawals, debits and service charges		= \$23,170.82

Image of Altered 2014 Bank Statement:

DATE	DESCRIPTION	AMOUNT(\$)
02/07	ACH CORP DEBIT ADP - FEES ADP PAYROLL FEES American Horse Council	71.75
02/14	ACH CORP DEBIT ADP - TAX ADP TX/FINCL SVC AMERICAN HORSE COUNCIL	3,939.36
02/14	ACH CORP DEBIT ADP - TAX ADP TX/FINCL SVC AMERICAN HORSE COUNCIL	10,465.49
02/19	ACH CORP DEBIT MC/SB BILL WASHINGTON METRO AMERICAN HORSE COUNCIL	130.00
02/21	SERVICE CHARGES - PRIOR PERIOD	6.00
02/21	ACH CORP DEBIT ADP - FEES ADP PAYROLL FEES American Horse Council	76.77
Total other withdrawals, debits and service charges		= \$14,689.37

43. Defendant Ashley Furst falsified the bank statements with the intent that the AHC and AHCF's management would rely on the altered bank statements and fail to discover her theft.

44. The AHC and AHCF's management did rely on the falsified statements and failed to discover the unauthorized transfers until June of 2018.

B. The Forged Checks

45. From at least October 16, 2013 through June 20, 2017, Defendant Ashley Furst wrote at least 25 unauthorized checks to herself from the AHC operating account totaling at least \$63,081.60.

46. Defendant Ashley Furst forged most of the unauthorized checks using a stamp for the signature of James J. Hickey, Jr., then President of the AHC. She signed several of the checks herself and one of the checks was unsigned. Defendant Ashley Furst deposited all of the checks for her own personal use.

47. Mr. Hickey did not create a stamp of his signature and did not authorize or approve of a signature stamp in his name.

48. Below is a listing of the unauthorized forged checks:

Check #	Date	Amount	Pay to Order of:	Signature
10780	10/16/2013	\$6,311.45	Ashley Furst	James J. Hickey Jr.
10800	11/6/2013	\$3,693.00	Ashley Furst	James J. Hickey Jr.
10813	11/25/2013	\$1,629.00	Ashley Furst	James J. Hickey Jr.
10836	12/23/2013	\$1,320.00	Ashley Furst	James J. Hickey Jr.
10851	6/14/2014	\$450.00	Ashley Furst	James J. Hickey Jr.
10885	2/21/2014	\$1,848.69	Ashley Furst	Ashley M. Cole
10933	6/18/2014	\$7,346.29	Ashley Furst	Ashley M. Cole
11013	9/3/2014	\$1,651.05	Ashley Furst	James J. Hickey Jr.
11024	9/24/2014	\$1,250.00	Ashley Furst	James J. Hickey Jr.
11025	9/25/2014	\$3,641.00	Ashley Furst	(blank)
11026	10/9/2014	\$1,848.69	Ashley Furst	James J. Hickey Jr.
11058	11/5/2014	\$1,848.69	Ashley Furst	James J. Hickey Jr.
11102	1/13/2015	\$3,071.52	Ashley Furst	James J. Hickey Jr.
11169	4/7/2015	\$1,848.69	Ashley Furst	James J. Hickey Jr.
11190	5/4/2015	\$2,508.59	Ashley Furst	James J. Hickey Jr.
11208	5/13/2015	\$736.45	Ashley Furst	James J. Hickey Jr.
11231	6/9/2015	\$3,642.56	Ashley Furst	James J. Hickey Jr.
11267	7/10/2015	\$2,149.56	Ashley Furst	James J. Hickey Jr.
11269	7/14/2015	\$1,950.00	Ashley Furst	James J. Hickey Jr.
11291	8/5/2015	\$2,310.68	Ashley Furst	James J. Hickey Jr.
11303	9/1/2015	\$3,780.80	Ashley Furst	James J. Hickey Jr.
11463	2/9/2016	\$1,520.00	Ashley Furst	James J. Hickey Jr.
11486	3/8/2016	\$2,916.30	Ashley Furst	James J. Hickey Jr.
11511	4/6/2016	\$2,400.00	Ashley Furst	Ashley M. Cole
11860	6/20/2017	\$1,408.59	Ashley Furst	Ashley C. Furst
TOTAL		\$63,081.60		

49. Defendant Ashley Furst attempted to hide her theft by adding false memos to the checks, stating they were for items such as “Final 2013 Health Insurance,” “Website work,” and “P/T work.” Attached hereto as **EXHIBIT B** is a spreadsheet itemizing each unauthorized check and listing the false “Memo” information written on each check.

50. Defendant Ashley Furst attempted to hide her theft by omitting these checks from the AHC's QuickBooks data, with the exception of two checks for which she provided false information.

51. Regarding Check No. 11511 on April 6, 2016, Defendant Ashley Furst entered the check into QuickBooks as voided even though she negotiated the check in April of 2016.

52. Regarding Check No. 11860, Defendant Ashley Furst wrote an email stating she was being reimbursed for printing charges she put on her personal credit card.

53. The AHC's files, which were maintained by Defendant Ashley Furst, do not contain any check stubs or invoices supporting the checks.

54. Defendant Ashley Furst falsified the QuickBooks data with the intent that the AHC's management would rely on the data and fail to discover her theft.

55. The AHCF's management did rely on the falsified QuickBooks data and failed to discover the unauthorized checks until June of 2018.

C. The Unauthorized Electronic PayPal Transfers

56. From at least October 1, 2013 through June 18, 2018, Defendant Ashley Furst electronically transferred at least \$53,305.26 from the AHC's PayPal account to her personal account or for personal expenditures.

57. At all relevant times, the AHC maintained a PayPal account to collect payments for AHC publications and membership dues. All PayPal funds collected were to be transferred at the end of each month into the AHC's operating account. The AHC did not make any payments directly from the PayPal account.

58. Defendant Ashley Furst made at least 108 unauthorized electronic transfers from the PayPal account. Attached hereto as **EXHIBIT C** is a spreadsheet itemizing each improper transfer currently known to the AHC.

59. Defendant Ashley Furst made 33 transfers directly to her own PayPal account under the username “ashleycole23@yahoo.com.”

60. Defendant Ashley Furst made other transfers from the PayPal account for personal expenditures, including, for example, payments for inflight movies, event tickets, a weight loss program, Uber rides, and programs for designing and editing videos and photographs.

61. Defendant Ashley Furst attempted to hide her theft by omitting these unauthorized transfers from the AHC’s QuickBooks data.

62. Defendant Ashley Furst falsified the QuickBooks data with the intent that the AHC’s management would rely on the falsified records and fail to discover her theft.

63. The AHCF’s management did rely on the falsified QuickBooks data and failed to discover the unauthorized electronic transfers from PayPal until June of 2018.

D. The Payroll Fraud

64. Between July 1, 2017 and her termination on June 25, 2018, Defendant Ashley Furst stole at least \$29,114 from the AHC by falsely informing the AHC’s payroll company she had received pay increases.

65. On February 1, 2017, Defendant Ashley Furst received a pay increase from \$55,000 per year to \$60,000 per year.¹

¹ The AHC would not have given Defendant Ashley Furst a raise, and indeed would have terminated her employment, if they knew she had already stolen hundreds of thousands of dollars from the organization.

66. In June of 2017, Defendant Ashley Furst falsely informed the AHC’s payroll company that she received an additional increase in her hourly rate of pay, creating a new salary of \$87,000 per year.

67. The falsified pay increase was reflected in Defendant Ashley Furst’s bi-monthly paychecks beginning July 1, 2017, which she deposited through the date of her termination on June 25, 2018.

68. In order to hide her theft, Defendant Ashley Furst created a false W-2 for the AHC stating the amount she was supposed to earn rather than the amount she was actually paid.

69. Below is an image of the W-2 created by the AHC’s payroll company showing actual payments to Defendant Ashley Furst in 2017 of \$75,917.82.

Employee Reference Copy	
W-2 Wage and Tax 2017	
Statement	
<small>Copy C for employee's records</small>	
<small>d Control number</small>	<small>Dept. Corp. Employer use only</small>
000006 RJ/FFD	A 3
<small>c Employer's name, address, and ZIP code</small>	
AMERICAN HORSE COUNCIL INC 1616 H STREET NW SUITE 700 WASHINGTON, DC 20006	
Batch #96560	
<small>ef Employee's name, address, and ZIP code</small>	
[REDACTED]	
<small>b Employer's FED ID number</small>	<small>a Employee's SSA number</small>
[REDACTED]	[REDACTED]
<small>1 Wages, tips, other comp.</small>	<small>2 Federal income tax withheld</small>
75917.82	8088.52
<small>3 Social security wages</small>	<small>4 Social security tax withheld</small>
75917.82	4706.90
<small>5 Medicare wages and tips</small>	<small>6 Medicare tax withheld</small>
75917.82	1100.81
<small>7 Social security tips</small>	<small>8 Allocated tips</small>
<small>9 Verification Code</small>	<small>10 Dependent care benefits</small>
<small>11 Nonqualified plans</small>	<small>12a See instructions for box 12</small>
	DD 1413.32
<small>14 Other</small>	<small>12b</small>
1554.00 TRPASS	
	<small>12c</small>
	<small>12d</small>
	<small>13 Stat emp Ret. plan Ind party sick pay</small>
<small>15 State Employer's state ID no.</small>	<small>16 State wages, tips, etc.</small>
TOTAL STATE	
<small>17 State income tax</small>	<small>18 Local wages, tips, etc.</small>
4269.33	
<small>19 Local income tax</small>	<small>20 Locality name</small>

Wages Listed as \$75,917.82

70. Below is an image of the falsified W-2 Defendant Ashley Furst created for the AHC showing 2017 earnings of \$60,000.32 (the amount she was supposed to be earning).

**Wages Listed as
\$60,000.32**

22222	a Employee's social security number [REDACTED]	OMB No. 1545-0008	FFD	000006	
b Employer identification number (EIN) 52-0889723		1 Wages, tips, other compensation 60000.32		2 Federal income tax withheld 8088.52	
c Employer's name, address, and ZIP code AMERICAN HORSE COUNCIL INC 1616 H STREET NW SUITE 700 WASHINGTON, DC 20006		3 Social security wages 60000.32		4 Social security tax withheld 4706.90	
		5 Medicare wages and tips 60000.32		6 Medicare tax withheld 1100.81	
		7 Social security tips		8 Allocated tips	
		9 Verification code		10 Dependent care benefits	
d Control number 000006 RJ/FFD		11 Nonqualified plans		12a DD 1413.32	
e Employer's first name and initial [REDACTED]		13 <input type="checkbox"/> Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Work safety pay		12b	
		14 Other 1554.00 TRPASS		12c	
				12d	
f Employee's address and ZIP code					
15 State CO	16 State wages, tips, etc. 25747.25	17 State income tax 1324.00	18 Local wages, tips, etc.	19 Local income tax	
				20 Locality name	

Form **W-2** Wage and Tax Statement **2017** Department of the Treasury—Internal Revenue Service
Copy 1—For State, City, or Local Tax Department

71. Defendant Ashley Furst falsified her W-2 with the intent that the AHC's management would rely on the false W-2 and fail to discover her theft.

72. The AHCF's management did rely on the falsified W-2 and failed to discover the fraudulent pay raise until June of 2018.

E. The Unauthorized Loan and Falsified Security Agreement

73. Recognizing that the AHC would not be able to meet its financial obligations because of her theft, Defendant Ashley Furst applied for an unauthorized loan on behalf of the AHC and forged a security agreement pledging the AHC's investment account as collateral.

74. On April 27, 2018, Defendant Ashley Furst applied for a secured business loan on behalf of the AHC in the amount of \$350,000.

75. The purpose of the loan was to cover up Defendant Ashley Furst's prior and ongoing theft from the AHC by replenishing the operating account she had stolen from to avoid insufficient funds for AHC operations.

76. In order to obtain the loan, Defendant Ashley Furst falsely told the bank the AHC had a new fundraising campaign. On April 27, 2018, Defendant Ashley Furst sent an email to the bank stating, "I wanted to mention that we are actively fundraising for this update as well in order to help us offset the cost of the monthly payment of this loan. Right now I have about \$150,000 in pledged contributions."

77. Contrary to Defendant Ashley Furst's statements, there was at no time any actual fundraising campaign to repay the loan and the AHC had no knowledge of the loan.

78. The bank required the AHC to pledge its investment account as collateral for the loan. Therefore, the bank required the AHC's asset management company, Neuberger Berman, to execute a Pledged Collateral Account Agreement and Notification.

79. Defendant Ashley Furst knew Neuberger Berman would not execute a Pledged Collateral Account Agreement and Notification without permission of the AHC's management. Therefore, she fabricated a story in an attempt to obtain a blank agreement from Neuberger Berman without having to notify or include the AHC's management in the process.

80. On June 13, 2018, Defendant Ashley Furst sent an email to Neuberger Berman falsely stating she needed a blank agreement for a school project. Below is an excerpt from her email:

I am in the process of getting my Master's degree, and am taking a Financial class that requires a group project. In a nutshell, this project requires that our group put together several different financial situations for funding a project that a company would like to undertake. One situation we came up with is the company applying for a bank loan, and using an investment account as collateral to secure the loan since the "company" is relatively new and doesn't have a lot of financial history. Our professor is telling us that typically a document called a Pledged Collateral Account Notification/Agreement (I think!) is required in situations like this-he says it's usually a standard document that all banks require. So to make the situation as realistic as possible, he would like us to review and include a document like this with our final product. I've looked all over and tried Googling every variation of those words, but can't find a template for a document like this. Does NB have a standard one we could use for reference? I can assure you that the document would not be made public knowledge or anything- it's strictly for an educational situation. Or do you know where I could find a template for it? It's stumped us all so I was hoping I could ask you, as I certainly don't have an extensive background in this field. Please let me know!

81. Neuberger Berman declined to provide a copy of its form agreement. Undeterred, Defendant Ashley Furst set about to find a form agreement on the internet and then falsified the document by electronically pasting the Neuberger Berman logo onto the form.

82. Defendant Ashley Furst purported to negotiate the terms of the Pledged Collateral Account Agreement and Notification on behalf the AHC and then executed the collateral agreement without the AHC's authorization.

83. Defendant Ashley Furst entered into a loan agreement on behalf of the AHC without authorization and the loan was approved.

84. Defendant Ashley Furst did not inform anyone at the AHC that she entered into a loan agreement and pledged the AHC's investment account as collateral.

85. Defendant Ashley Furst did not enter the loan into any of the AHC's financial records.

86. Upon discovering the loan in June of 2018, the AHC cancelled the loan before the loan proceeds were disbursed.

F. Use of Stolen Funds

87. Defendants Ashley and Christopher Furst used the stolen funds to make large purchases and support a lifestyle they could not otherwise afford.

88. On July 27, 2017, Defendants Ashley and Christopher Furst purchased a home at [REDACTED] for \$630,500.

89. Based on information and belief, Defendants Ashley and Christopher Furst used money stolen from the AHC to make payments on the home.

90. In approximately August of 2017, Defendant Ashley Furst purchased a 2016 Audi Q5 Premium Plus.

91. The Audi had a manufacturer's suggested retail price of \$48,100.

92. Based on information and belief, Defendant Ashley Furst used money she stole from the AHC to make payments for the car.

93. In approximately November of 2017, Defendant Christopher Furst purchased or leased a 2016 BMW 435xi Gran Coupe.

94. The BMW had a manufacturer's suggested retail price of \$47,950.

95. Based on information and belief, Defendants Ashley and Christopher Furst used money stolen from the AHC to make payments for the car.

96. Defendant Ashley Furst's criminal enterprise spanned multiple states / districts, as she stole money from the AHC and AHCF's accounts in Washington, D.C. and used the money to pay off debts and support her lifestyle in Colorado.

97. By telecommuting from Colorado, Defendant Ashley Furst was able to conceal her lavish lifestyle from the AHC and AHCF.

III. CAUSES OF ACTION

First Cause of Action
**(Plaintiffs AHC and AHCF Against Defendant Ashley Furst For
Civil Theft Under C.R.S. § 18-4-405)**

98. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-97 above.

99. As discussed above, Defendant Ashley Furst knowingly obtained, retained, and exercised control over assets belonging to the AHC and AHCF.

100. Defendant Ashley Furst had the intent to permanently deprive the AHC and AHCF of the assets.

101. Defendant Ashley Furst made material misrepresentations to the AHC and AHCF and concealed material facts. See ¶¶25-86 above.

102. The AHC and AHCF reasonably relied on Defendant Ashley Furst's misrepresentations by, without limit, continuing to employ Defendant Ashley Furst, allowing her access to accounts, and failing to discover her fraud.

WHEREFORE, Plaintiffs pray for the relief requested at the end of the Complaint.

Second Cause of Action
**(Plaintiffs AHC and AHCF Against Defendant Ashley Furst For
Conversion)**

103. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-102 above.

104. As discussed above, Defendant Ashley Furst exercised unauthorized acts of dominion or ownership over assets belonging to the AHC and AHCF.

105. Defendant Ashley Furst's conduct was intentional.

WHEREFORE, Plaintiffs pray for the relief requested at the end of the Complaint.

Third Cause of Action
**(Plaintiffs AHC and AHCF Against Defendant Ashley Furst For
Fraudulent Misrepresentations)**

106. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-105 above.

107. As discussed above, Defendant Ashley Furst made false representations of past and present facts. See ¶¶25-86 above.

108. The facts were material.

109. At the time the representations were made, Defendant Ashley Furst knew the representations were false.

110. Defendant Ashley Furst made the representations with the intent that the AHC and AHCF would rely on the representations.

111. The AHC and AHCF relied on the representations by, without limit, continuing to employ Defendant Ashley Furst, allowing her access to accounts, and failing to discover her fraud.

112. The AHC and AHCF's reliance was justified.

113. The reliance caused damages and losses to the AHC and AHCF.

WHEREFORE, Plaintiffs pray for the relief requested at the end of the Complaint.

Fourth Cause of Action
**(Plaintiffs AHC and AHCF Against Defendant Ashley Furst For
Fraudulent Concealment and Nondisclosure)**

114. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-113 above.

115. As discussed above, Defendant Ashley Furst concealed and failed to disclose past or present facts she had a duty to disclose. See ¶¶25-86 above.

116. The facts were material.

117. Defendant Ashley Furst concealed and failed to disclose the facts with the intent of creating a false impression of the actual facts to the AHC and AHCF.

118. Defendant Ashley Furst concealed and failed to disclose the facts with the intent that the AHC and AHCF would take a course of action they might not take if they knew the actual facts.

119. The AHC and AHCF took such action and decided not to act relying on the assumption that the concealed and undisclosed facts did not exist by, without limit, continuing to employ Defendant Ashley Furst, allowing her access to accounts, and failing to discover her fraud.

120. The AHC and AHCF's reliance was justified.

121. This reliance caused the AHC and AHCF's damages.

WHEREFORE, Plaintiffs pray for the relief requested at the end of the Complaint.

Fifth Cause of Action
(Plaintiffs AHC and AHCF Against Defendant Ashley Furst and Defendant Christopher Furst For Unjust Enrichment)

122. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-121 above.

123. As discussed above, Defendant Ashley Furst and Defendant Christopher Furst obtained benefits at the expense of the AHC and AHCF.

124. Under the circumstances, it would be unjust for Defendant Ashley Furst and Defendant Christopher Furst to retain the benefits without paying for them.

WHEREFORE, Plaintiffs pray for the relief requested at the end of the Complaint.

Sixth Cause of Action
(Constructive Trust / Injunctive Relief Against Defendant Ashley Furst and Defendant Christopher Furst)

125. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-124 above.

126. As discussed above, Defendant Ashley Furst and Defendant Christopher Furst obtained a benefit from the AHC and AHCF through theft and fraud.

127. The Court should impose a constructive trust and equitable lien over all money Defendant Ashley Furst stole from the AHC and AHCF and all personal and real property Defendants Ashley Furst and Christopher Furst purchased with the stolen money including, without limit, the home and cars purchased with stolen money.

128. Defendants Ashley Furst and Christopher Furst should be compelled to return to the AHC and AHCF all stolen money and personal and real property purchased with the stolen money.

129. Defendants Ashley Furst and Christopher Furst have wasted funds stolen from the AHC and AHCF, including purchasing luxury cars that quickly diminished in value and continuing to live a lifestyle that is beyond their legitimate means.

130. The AHC and AHCF will have no adequate remedy at law against Defendants Ashley Furst and Christopher Furst if they waste or transfer the stolen money.

131. The AHC and AHCF are entitled to injunctive relief prohibiting Defendants Ashley Furst and Christopher Furst from transferring money stolen from the AHC and AHCF or assets purchased with stolen money.

WHEREFORE, Plaintiffs pray for the relief requested at the end of the Complaint.

IV. PRAYER FOR RELIEF

WHEREFORE, Plaintiffs American Horse Council Inc. and American Horse Council Foundation Inc. pray for the following relief:

- (a) Compensatory damages;
- (b) Imposition of a constructive trust and an equitable lien for the benefit of Plaintiffs over all money Defendant Ashley Furst stole from the AHC and AHCF and all personal and real property purchased with the stolen money;
- (c) Injunctive relief prohibiting Defendants Ashley Furst and Christopher Furst from transferring money stolen from the AHC and AHCF or assets she purchased with stolen money;
- (d) Treble damages;
- (e) Attorneys' fees;
- (f) Costs, including expert witness fees;
- (g) Pre-judgment interest and post judgment interest; and
- (h) All further relief the Court deems just and proper.²

V. JURY DEMAND

PLAINTIFFS DEMAND A TRIAL BY JURY

² Plaintiffs will amend their Complaint to seek exemplary damages pursuant to C.R.S. § 18-4-405.

Respectfully submitted this 25th day of September, 2018.

/s/ Daniel J. Bristol

Daniel J. Bristol

HALL & EVANS, LLC

1001 Seventeenth Street, Suite 300

Denver, Colorado 80202

Tel: (303) 628-3315

Fax: (303) 628-3368

E-Mail: bristold@hallevans.com

ATTORNEYS FOR PLAINTIFFS