UNITED STATES OF AMERICA
DISTRICT COURT FOR THE WESTERN DISTRICT OF TENNESSEE
MEMPHIS DIVISION

OPTICIANS ASSOCIATION of AMERICA, INC. Plaintiff,	)	
vs.	)	No.: 2:24-CV-3012
CHRISTOPHER MICHAEL ALLEN, MELANIE JOYCE ALLEN, and RUSSELL B. FRITZ, JR.	)	

COMPLAINT

Comes the Plaintiff, OPTICIANS ASSOCIATION of AMERICA, INC. ["OAA" or "Plaintiff"], by and through counsel, and brings this action for relief for damages related to various claims as a result of Defendants' fraud, unjust enrichment, theft by failure to make required disposition of property, conversion, breach of fiduciary duty (as to Christopher Michael Allen and Russell B. Fritz, Jr.), violations of Federal RICO statutes, conspiracy, and/or breach of contract (as to Christopher Michael Allen). In support thereof, Plaintiff states as follows:

PARTIES

1. OAA is a not-for-profit company existing under the laws of Pennsylvania with its principal place of business located at 217 N. Upper Street, Lexington, Kentucky, 40507. At all times relevant hereto, OAA was duly authorized to conduct business, and did conduct business, in the State of Tennessee.

2. Christopher Michael Allen ["Chris"] was the Executive Director of, and former employee of, OAA, and, upon information and belief, resides at [redacted]

3. Melanie Joyce Allen ["Melanie"] was, at all times relative hereto, the spouse of Defendant, Christopher Michael Allen, and, upon information and belief, resides at [redacted] [Christopher and Melanie are collectively referred to herein as "Allen Defendants"].

4. Russell B. Fritz ["Fritz"] was, at all times relative hereto, the Treasurer of the Opticians Association of America, and, upon information and belief, resides at [redacted]

JURISDICTION AND VENUE

5. This Court has subject matter jurisdiction under 28 U.S.C. § 1332(a) because the matter in controversy exceeds $75,000, exclusive of interest and costs, and the parties are citizens of different states.

6. Plaintiff OAA is a Pennsylvania not-for-profit corporation with its principal place of business in Lexington, Kentucky.

7. At all times relevant to these proceedings, OAA's mission was to promote and expand opticianry by being the single unified voice of America's opticians.

8. In support of this mission, OAA has been committed to promoting professional stature through leadership, education, legislative reputation and communications.

9. In accomplishing this mission, at all times relevant to these proceedings, OAA represented the profession of opticianry throughout the United States.

10. At all times relevant to these proceedings, OAA had a principal place of business in Lakeland, Tennessee, and OAA maintained all OAA activities, OAA financial banking at Trustmark Bank, and business-related activities at its Lakeland facility.

11. At all times relevant to these proceedings, OAA's Treasurer claimed to be overseeing, inspecting, and approving the expenses, reviewing the Trustmark Bank accounts and statements, and regularly engaging in oversight of the OAA Executive Director's activities.

12. The Allen Defendants are husband and wife, both being citizens of the State of Tennessee.

13. Defendant Fritz is a citizen of the State of Massachusetts.

14. Venue is proper in this District under 28 U.S.C. § 1391(b) because a substantial part of the events or omissions giving rise to the claim occurred in this District.

15. Jurisdiction is proper in this District under 28 U.S.C. § 1331 and §1332(a), inasmuch as this cause of action includes a federal question (18 U.S.C. § 1961, *et seq.*), and the parties are citizens of different states.

FACTUAL BACKGROUND

16. OAA, organized in 1925, operated as a not-for-profit company to advance the profession of opticians throughout the United States.

17. OAA was, during all times relevant to these proceedings, a nationally-recognized organization representing United States Opticians related to their business, professional, educational, legislative and regulatory interests, and was established in order to support, promote, and advance the profession of opticianry throughout the United States through education and advocacy.

18. In February 2009, OAA hired Defendant Chris Allen as the Executive Director of the organization, and, based upon Chris Allen's recommendation, relocated its headquarters from Herndon, Virginia, to the Memphis suburb of Lakeland, Tennessee.

19. From in or about February 2009 through January 2024, Defendant Fritz held himself out as being qualified for the position of Treasurer of the OAA, and as a result, volunteered for, and, in fact, repeatedly insisted upon, being the Treasurer for OAA throughout Chris Allen's tenure as Executive Director of the OAA.

20. Every time Fritz's position would come up for discussion about expiration, Fritz would insist that the only position on OAA that was not subject to term limits was the treasurer position, thereby securing the position repeatedly.

21. At various points throughout Fritz's tenure as Treasurer of OAA, he also served on another board, the Educational Foundation in Ophthalmic Optics [hereinafter "EFOO"], as well as the American Board of Opticianry & National Contact Lens Examiners, Inc. [hereinafter "ABO & NCLE," and collectively "ABO & EFOO"].

22. ABO & EFOO were major funding sources of OAA and had become increasingly concerned about potential financial improprieties at OAA. *See March 14-18, 2019 e-mail*, *Exhibit A attached hereto.*

23. As a result, ABO & EFOO requested that OAA provide documentation of audits and/or reviews. *Id.*

24. In response, Chris Allen advised that:

> As far as the request for OAA's audit and financial review information, the Opticians Association of America's Executive Committee is not comfortable providing that information to the ABO-NCLE or any organization for that matter. I can share this with you…
> **2014 - OAA had a full audit performed by a Certified Public Accountant (CPA)**

2015 - OAA had a full financial review conducted by a Certified Public Accountant (CPA)
2016 - OAA had a full financial review performed by a Certified Public Accountant (CPA)

Id. [Emphasis added] As later discussed, each of these assertions, regarding a review or audit, were blatantly false.

25. In response to those concerns, the official August 14, 2019 Minutes of the EFOO/ABO & NCLE Grant Committee reflect:

> OAA refused to provide any financial statements or audits. **Russ [Fritz] indicated that with regard to OAA, audits and reviews have been done as set forth in the letter**. **[Curt Duff] asked if [Russ Fritz] had seen the reviews, and [Fritz] indicated that he had**.
>
> JMM explained that he asked for reports based on discussions in Huntington Beach, and reminded the board that he was asked by Tom [Barracato] and the exec finance committee to send a detailed letter to each organization that specified exactly what the board wanted as far as the financial requests for reviews of what money was spent on.
>
> Tom [Barracato] said that the OAA board will meet on the Wednesday before OptiCon and the board will make sure that audits are done.

See August 14, 2019 Minutes attached as Exhibit B. [Emphasis added].

26. Shortly after the August 14, 2019 inquiries from EFOO & ABO, Fritz reached out to Chris Allen, acknowledging the ongoing coverup, stating "I used much of your info. I left the financial stuff out. **It was like walking on eggshells dancing around Jim [Morris] and Curt [Duff] who doesn't [sic] believe we have done a financial review for a long time**." *See August 17-19, 2019 e-mail exchange between Fritz and Allen, Exhibit C attached hereto.* [Emphasis added].

27. In response, Chris Allen assures Fritz their scheme is safe, stating:

> **Do not worry about Jim and Curt's worries. OAA is OAA, not ABO. We will conduct a full financial review following the close of this fiscal year**. **Thus meaning, OAA will conduct the review in 2020 as agreed to**. Once that is

> completed and the OAA Board votes to approve it and send it to ABO, I will provide ABO the info.

Id. [Emphasis added].

28. Throughout the time period of in or about the beginning of 2010 through the termination of Chris Allen, in December, 2023, Chris Allen and Fritz engaged in ongoing e-mail, telephonic, and mail communications regarding Chris Allen's financial activities, OAA's budget, and OAA's financial affairs.

29. As a result of these ongoing communications, over a span of over 13 years, Fritz and Chris engaged in ongoing conspiracy to withhold critical information from the ABO & NCLE Board, EFOO Board, and OAA Board, thereby causing OAA to continue to hemorrhage funds, and to mismanage grants received from ABO & NCLE and other organizations.

30. Finally, faced with the ongoing mismanagement, and a lack of any benefit on the substantial investment that ABO & NCLE had made in OAA since Chris Allen's and Russ Fritz's respective tenures as OAA's Executive Director and Treasurer, ABO & NCLE reached out to the OAA Board of Directors in or about August, 2021, and commenced efforts to attempt to encourage a merger of the operations of OAA with those of other not-for-profit businesses with similar interests for and on behalf of the promotion and advancement of the profession of opticianry.

31. During this process, the parties to the proposed merger agreed to conduct due diligence of the corporate entities that would be part of the merger process prior to any formal merger taking place.

32. It was agreed that the due diligence, including the merging corporate entities' financial disclosures, would be made on or about December 12, 2023.

33. Defendant Chris Allen, as the OAA Executive Director, finally uploaded OAA's financial records to the shared database on or about the evening of December 18, 2023.

34. On or about December 19, 2023, OAA's Board of Directors, without Defendant Fritz being involved, examined the OAA financial records uploaded by Chris and learned, for the first time, that throughout Chris's tenure as the Executive Director of OAA, Chris had been able to engage in extensive and pervasive theft by failure to make proper distribution, embezzlement, mismanagement, fraud, and numerous breaches of his contractual and fiduciary duties.

35. The review of the financial records, including the OAA debit card, corporate credit card, and reimbursements revealed that the Allen Defendants have fraudulently misappropriated, without any authority by the OAA Board of Directors, over $975,000 of OAA's monies and assets.

36. The records reflect the Allen Defendants used OAA credit cards to purchase over $482,500.00 on personal items.

37. By way of example only, and not exclusive, the Allen Defendants repeatedly and regularly utilized OAA's business credit cards over a period of 14 years for the purchase of such items as: paying for the Allen Defendants' family private school tuition and private school uniforms; over $83,750 worth of on-line live-camera pornography ($643.96 in 2014; $8,197.41 in 2015; $12,599.20 in 2016; $9,863.39 in 2017; $17,045.98 in 2018; $35,382.54 in 2019); and at least $38,354.12 spent at local Memphis restaurants ($609 in 2013; $1,159.47 in 2014; $3,834.39 in 2015; $4,877.53 in 2016; $8,339.16 in 2017; $7,750.14 in 2018; $7350.40 in 2019; $1,159.55 in 2020; $2,300.42 in 2021; and $974.06 in 2022).

38. From 2009 through December 2023, Chris regularly and repeatedly engaged in illegal financial transactions, including writing OAA checks to himself and to Melanie for unauthorized purchases, totaling over $345,000.00, including, but not limited to, direct payments to Chris, the Allen Defendants' personal credit card companies, and/or "Cash" totaling over

$300,000; [redacted] and over $9,000 for a private party for the Allen Defendants' family at Club Windward.

39. At no time did the Allen Defendants seek permission from OAA's Board of Directors for any of these financial activities or purchases.

40. Based upon information and belief, Fritz was aware of, or acquiesced to, Chris's ongoing mismanagement and abuse of OAA's assets, bank accounts, and funding, all as acknowledged in the August 17-19, 2019 e-mail communications with Chris Allen.

41. Chris intentionally hid his theft of OAA resources by recording these personal expenditures as business expenses in OAA's financial records, thus fraudulently using OAA resources for personal non-business purposes.

42. Despite Fritz being the Treasurer for OAA from in or about February, 2009 through Chris Allen's termination in 2023, it appears, based upon the records maintained by Chris Allen, that Defendant Fritz failed, at any point, to request or obtain expense reports, bank records, or receipts, or otherwise take any steps to oversee any of the Allen Defendants' expenditures made from OAA funds, thus furthering the blatant misappropriation of OAA resources.

43. Instead of advising the OAA Board of Directors of any potential concerns, Defendant Fritz falsely and intentionally advised the Board, and third parties, that he was overseeing the ongoing expenditures, that there were zero concerns or problems related to Chris Allen's expenditures, and that the OAA financial records were being subjected to either audits or reviews each and every year – all in furtherance of the Defendants' scheme to defraud OAA.

44. Despite these assurances by Fritz, the Internal Revenue Service records reflect that OAA had **never conducted an audit or a review at any point between 2014 and 2019**. *See,*

e.g., https://projects.propublica.org/nonprofits/organizations/135573087 (copies of each tax return from 2010 through 2023)(last verified on 12/18/2024).

45. The OAA Board of Directors relied upon Fritz's claimed capabilities and long-standing assurances of ongoing compliance by Chris Allen, and proper oversight by Fritz, as well as the claimed audits and/or reviews that were supposedly being conducted.

46. At no time did the OAA Board of Directors give permission to the Allen Defendants to utilize OAA funds for their personal use.

47. At no time did the OAA Board of Directors give permission to Fritz to abandon his obligation, as Treasurer, to ensure that the organization's finances were being properly utilized to further the organization's mission.

48. By and through his conduct, Fritz intentionally and knowingly allowed the Allen Defendants to utilize OAA resources.

49. With the assistance of Defendant Fritz, and by and through his intentional acts, Defendant Chris Allen intentionally hid his and his wife's personal use of OAA resources and finances from OAA's Board of Directors.

50. By failing to properly oversee the expenditures, and by falsely assuring the Board of Directors as to the claimed propriety of Chris Allen's activities, and by repeatedly assuring the Board of Directors as to Fritz's purported oversight related to the bank accounts, disbursement of OAA checks, and other financial activities, Defendant Fritz intentionally assisted the Allen Defendants in their theft of OAA resources.

51. On December 21, 2023, Members of the OAA Executive Committee, without Defendant Fritz, flew to Memphis, Tennessee, terminated Chris Allen's employment, and removed his access to all OAA property and financial accounts.

52. Subsequent to that date, OAA's examination of the entity's financial records that had been maintained by Chris as its Executive Director and by Fritz and its Treasurer revealed the full scope of the financial fraud and unauthorized transactions that had been undertaken by the Defendants from 2009 through December 2023.

53. In addition, the examination revealed that numerous charges were made in and around the Memphis area on behalf of Melanie and Chris Allen's family at times when Chris was physically located in other states and distant locations.

54. Additionally, OAA subsequently learned that many of the fraudulent, unauthorized, and improper charges were for, and on behalf of, Melanie Allen, including extravagant gifts, substantial food and clothing, tens of thousands of dollars of store gift cards, payment of her business expenses, payment of household expenses, and other unauthorized and improper benefits to which Melanie Allen was not otherwise entitled.

55. Defendant Melanie Allen accessed OAA assets, including specifically OAA credit cards, for the purchase of items for her personal use without authorization of the OAA Board of Directors.

56. Again, despite claiming to be qualified to act as Treasurer, and despite repeated assurances that he was overseeing all of Chris's expenditures, at no point did Fritz notify the OAA Board of Directors of the ongoing fraudulent activities undertaken by the Allen Defendants.

57. At all times relevant hereto, Melanie and Chris Allen, [redacted] jointly and severally, enjoyed the benefits of items purchased by Chris and/or Melanie for their personal and private use and for the benefit of their family.

COUNT I – BREACH OF CONTRACT – Against Christopher Allen

58. Plaintiff references and relies upon allegations contained in Paragraphs 1-57 above, the same as if set forth at length herein.

59. Throughout Chris's employment, Chris was subject to a series of nearly identical employment contracts that each required that he perform full-time executive director functions for and on behalf of OAA, and that he act in the best interest of OAA. *See, e.g., 2022 Employment Agreements* attached hereto as Exhibit D.

60. Each of the Employment Agreements expressly included the obligation that "during the Term, and following its expiration or termination for whatever reason, Mr. Allen [] shall exercise, with regard to [his] relationship and confidential information acquired in the course thereof, appropriate standards of loyalty and confidentiality." *See, e.g., 2010, 2014, 2018, and 2022 Contracts*, ¶14.

61. Chris breached his contractual obligations to OAA in each of these contracts by and through self-dealing, fraud, and embezzlement, all to his benefit, and to OAA's detriment.

62. As a result of Chris's breach of contract, material misrepresentation of fact, and concealment of material facts, OAA has suffered and will suffer damages in an amount in excess of $975,000.

63. Chris's actions constitute an intentional and malicious breach of the written and verbal assurances and obligations on the part of Chris.

64. As a result of these breaches, OAA has suffered, and will continue to suffer, injuries which are substantial and ongoing in an amount in excess of Seventy-Five Thousand Dollars ($75,000.00), to be proven with specificity at trial.

65. Chris Allen is liable to Plaintiff for damages and other relief in an amount in excess of $75,000.00, to be proven with specificity at trial, including, but not limited to, compensatory damages, contractual damages, and an award of reasonable attorney's fees/costs.

COUNT II – BREACH OF IMPLIED COVENANT OF GOOD FAITH & FAIR DEALING – Against Christopher Allen

66. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 65 above, the same as if set forth at length herein.

67. Each of the above-described employment agreements, separately, have implied-in-law covenants of good faith and fair dealing by which Chris promised to fulfill his obligations and responsibilities as set forth under the employment agreements.

68. By violating the express terms and conditions of the agreements, as set forth hereinabove, Chris acted in bad faith, and therefore has breached the implied covenants of good faith and fair dealing, and has, therefore, intentionally interfered with the express terms of the parties' contractual agreements.

69. As a proximate cause of Chris's breach of the covenant of good faith and fair dealing, OAA has suffered and continues to suffer substantial losses that would not have been incurred had Chris not breached his implied covenants.

70. As a further proximate result of the above-referenced acts, OAA has suffered diminution in value, loss of institutional reputation and prestige, loss of business opportunity, loss of membership, and other substantial losses, all adding to OAA's damages in an amount in excess of the minimum amount necessary for this Court to have jurisdiction of the within action.

71. The above-referenced acts were willful, wanton, malicious, and oppressive, and justify the awarding of punitive and exemplary damages in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT III – BREACH OF FIDUCIARY DUTY – Against Christopher Allen

72. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 71 above, the same as if set forth at length herein.

73. At all relevant times Christopher Allen was the Executive Director of OAA.

74. At all relevant times prior to his termination from OAA in December 2023, Chris Allen was in charge of the OAA assets, including all financial assets.

75. At all relevant times OAA was a Pennsylvania not-for-profit company, doing business in Tennessee. Accordingly, Tennessee law governs Chris Allen's relationship with OAA.

76. As the Executive Director of OAA, Chris owed common law fiduciary duties to OAA.

77. As the Executive Director of OAA, Chris also owed OAA the duties of faithfulness and loyalty as well as the duty to act in the interests of OAA.

78. Chris breached his fiduciary duties to OAA by misappropriating assets, misusing financial resources, and misappropriating assets for his own and his family's personal use, all of which has resulted in benefit to the Allen Defendants and detriment to the Plaintiff.

79. Therefore, Plaintiff is entitled to damages from Christopher Allen, including, but not limited to, compensatory and punitive damages from or incident to his intentional, willful, and/or malicious breach of his fiduciary duties to OAA in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT IV -- CONVERSION – Against the Allen Defendants

80. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 79 above, the same as if set forth at length herein.

81. The Allen Defendants have wrongfully exercised control over OAA's property by intentionally failing and/or refusing to return OAA property that was purchased by the Allen Defendants' unauthorized utilization of OAA's assets for their personal benefit.

82. Further, upon information and belief, the Allen Defendants have intentionally, willfully, and maliciously converted OAA's property for the Allen Defendants' gain, and to the detriment of OAA.

83. As such, the Allen Defendants have wrongfully and intentionally appropriated the property and/or rights of OAA for their own personal use/benefit, by exercise of dominion over such property and/or rights, without permission and/or consent from OAA, and in all defiance of its rights.

84. As a result of the aforesaid conduct, OAA is entitled to damages from the Allen Defendants in an amount in excess of $75,000.00to be proven with specificity at trial, including, but not limited to, compensatory and punitive damages from, or incident to, their intentional, willful, and/or malicious conversion of Plaintiff's property.

COUNT V – FRAUD – Against the Allen Defendants

85. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 84 above, the same as if set forth at length herein.

86. At all times relevant hereto, and as set forth in more detail hereinabove, the Allen Defendants accessed OAA's assets for their personal use, and for the use of their family unit, without the permission of OAA's Board of Directors, with such access amounting to more than $975,000.

87. At no time did the Allen Defendants seek or receive permission from OAA's Board of Directors to utilize OAA funds for the purchase of these items.

88. Chris Allen intentionally hid his and his wife's personal use of OAA resources and finances from OAA's Board of Directors by providing false and/or misleading information with the specific intent to defraud OAA.

89. OAA's Board of Directors justifiably relied upon the information being provided to it by its Executive Director, Christopher Allen and its Treasurer Fritz.

90. OAA became aware of Chris Allen's unauthorized and fraudulent actions for the first time after the complete financial records were uploaded on December 18, 2023.

91. OAA's reliance upon the false information provided by the Allen Defendants from 2009 through 2023 resulted in OAA's great detriment, losing in excess of $975,000.00.

92. Therefore, OAA is entitled to damages from Christopher and Melanie Allen, including, but not limited to, compensatory and punitive damages from, or incident to, their intentional, willful, and/or malicious fraud perpetrated against OAA in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT VI – CIVIL THEFT – Against the Allen Defendants

93. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 92 above, the same as if set forth at length herein.

94. The Allen Defendants knowingly, and intentionally, obtained or exercised unlawful and unauthorized control over OAA's property without authorization and with intent to deprive OAA of the property, all as set forth in detail hereinabove.

95. As a result of the Allen Defendant's civil theft, Plaintiff has suffered damages, including but not limited to the value of the property and assets wrongfully withheld and additional consequential damages.

96. Plaintiff is entitled to treble damages under Tenn. Code Ann. § 29-30-102, which provides for enhanced damages in cases involving theft or unlawful taking of property.

97. Therefore, OAA is entitled to damages from Christopher Allen and Melanie Allen, including, but not limited to, compensatory, treble and/or punitive damages from or incident to the

Allen Defendants' civil theft, in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT VII – UNJUST ENRICHMENT – Against the Allen Defendants

98. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 97 above, the same as if set forth at length herein.

99. The Allen Defendants received a benefit from OAA and unjustly retained that benefit without payment or compensation.

100. The Allen Defendants' actions in receiving the benefit of misappropriating OAA's assets and reallocating those assets for their own personal benefit without proper payment or compensation to OAA constitutes unjust enrichment.

101. Therefore, OAA is entitled to damages from Christopher Allen and Melanie Allen, including, but not limited to, compensatory and punitive damages from or incident to their unjust enrichment at the expense of OAA in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT VIII – BREACH OF FIDUCIARY DUTY – Against Russell Fritz

102. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 101 above, the same as if set forth at length herein.

103. At all relevant times Russell B. Fritz, Jr., was the Treasurer of OAA.

104. At all relevant times prior to his resignation, in January 2024, Fritz was solely responsible for all approval, verification, and oversight of OAA's finances, expenditures, and investments, including, without limitation, OAA's Trustmark Bank accounts, checks written, use of OAA's credit cards, and Executive Director expense reimbursements.

105. At all relevant times OAA was operating primarily in Tennessee. Accordingly, Tennessee law governs Fritz's fiduciary relationship and responsibilities with OAA.

106. As the Treasurer of OAA, from 2009 through January, 2024, Fritz owed common law fiduciary duties to OAA.

107. As the Treasurer of OAA, Fritz also owed OAA the duties of faithfulness and loyalty as well as the duty to act in the interests of OAA.

108. Fritz breached his fiduciary duties to OAA by failing to properly oversee the expenditures, misrepresenting his review of such expenditures, failing to disclose to the OAA Board of Directors his lack of any access to the OAA Bank Accounts, and misrepresenting audits and reviews as purportedly being conducted when Fritz knew that no such audits or reviews were being conducted.

109. The OAA Board of Directors had a right to rely upon Fritz, as its Treasurer, and his assurances regarding the financial controls, oversight, and scrutiny that were supposedly being applied to Chris Allen, and OAA's finances.

110. Therefore, Plaintiff is entitled to damages from Russell B. Fritz, including, but not limited to, compensatory and punitive damages from or incident to his intentional, willful, and/or malicious breach of his fiduciary duties to OAA in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT IX – NEGLIGENCE – Against Russell Fritz

111. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 110 above, the same as if set forth at length herein.

112. At all relevant times Russell B. Fritz, Jr., was the Treasurer of OAA.

113. At all relevant times prior to his resignation, in January 2024, Fritz was solely responsible for all approval, verification, and oversight of OAA's finances, expenditures, and investments, including, without limitation, OAA's Trustmark Bank accounts, checks written, use of OAA's credit cards, and Executive Director expense reimbursements.

114. Fritz owed OAA a duty to exercise reasonable care and diligence in performing his responsibilities as OAA Treasurer.

115. Fritz breached this duty by failing to:

A. Conduct routine financial oversight.

B. Ensure compliance with financial policies.

C. Detect and prevent the misappropriation of funds.

116. As a direct and proximate result of this breach, OAA suffered substantial financial losses.

117. Therefore, Plaintiff is entitled to damages from Russell B. Fritz, including, but not limited to, compensatory damages from or incident to his negligence in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT X – GROSS NEGLIGENCE – Against Russell Fritz

118. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 117 above, the same as if set forth at length herein.

119. At all relevant times Russell B. Fritz, Jr. was the Treasurer of OAA.

120. At all relevant times prior to his resignation, in January 2024, Fritz was solely responsible for all approval, verification, and oversight of OAA's finances, expenditures, and investments, including, without limitation, OAA's Trustmark Bank accounts, checks written, use of OAA's credit cards, and Executive Director expense reimbursements.

121. Fritz's conduct, as set forth hereinabove, amounted to gross negligence, characterized by a reckless disregard for the Plaintiff's financial well-being, including:

A. Failure to act despite obvious signs of financial mismanagement.

B. Complete abdication of the responsibilities expected of a Treasurer.

122. Fritz's gross negligence enabled the embezzlement to go unchecked for an unreasonable period, directly resulting in significant harm to the Plaintiff.

123. Therefore, Plaintiff is entitled to damages from Russell B. Fritz, including, but not limited to, compensatory and punitive damages from or incident to his intentional, willful, and/or malicious breach of his fiduciary duties to OAA in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT XI – VIOLATION OF FEDERAL RICO STATUTE (18 U.S.C. §1961, *et seq.*) – Against All Defendants

124. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 123 above, the same as if set forth at length herein.

125. Pursuant to 18 U.S.C. § 1961, *et seq.*, it is unlawful for any person employed by or associated with any enterprise engaged in interstate commerce to conduct or participate in the enterprise's affairs through a pattern of racketeering activity.

126. Defendants engaged in an intentional and ongoing pattern of racketeering activity by committing at least two predicate acts, including but not limited to:

A. Fraud related to access devices (18 U.S.C. § 1029);

B. Mail fraud (18 U.S.C. § 1341);

C. Wire fraud (18 U.S.C. § 1343);

D. Financial institution fraud (18 U.S.C. § 1344); and

E. Money laundering (18 U.S.C. § 1956 and 1957).

127. The Defendants' actions were part of an enterprise that engaged in, and whose activities affected, trade or commerce, by and through the intent to defraud OAA, to engage in civil theft, embezzlement, and fraud.

128. Defendants knowingly and intentionally participated in the scheme to defraud and harm Plaintiff by and through their repeated and ongoing e-mail, telephonic, and mail communications, and related activities.

129. As a direct and proximate result of Defendants' violations of the Federal RICO statute, Plaintiff has suffered damages, including but not limited to financial losses in excess of $975,000; loss of business reputation; loss of membership and potential partnerships; and loss of its ability to accomplish its mission on behalf of opticians.

130. Therefore, Plaintiff is entitled to compensatory damages, treble damages pursuant to 18 U.S.C. § 1964(c), punitive damages, costs, and reasonable attorney's fees in an amount in excess of $75,000.00, to be proven with specificity at trial.

COUNT XII -- CIVIL CONSPIRACY – All Defendants

131. Plaintiff repeats and reiterates each and every allegation contained in Paragraphs 1 through 130 above, the same as if set forth at length herein.

132. Under Tennessee law, the elements of a civil conspiracy are (1) a common design between two or more persons; (2) to accomplish by concerted action an unlawful purpose, or a lawful purpose by unlawful means; (3) an overt act in furtherance of the conspiracy; and (4) injury to person or property resulting in attendant damage. *Braswell v. Carothers*, 863 S.W.2d 722, 727 (Tenn. Ct. App. 1993).

133. As set forth hereinabove, each of the named Defendants herein engaged in a civil conspiracy by engaging in a concerted action to allow for the fraud, deceit and misrepresentation,

breach of fiduciary duties, and substantial and ongoing embezzlement of substantial monies by the Allen Defendants.

134. Defendants took numerous overts acts by and through intentionally withholding, covering up, and falsifying information to, *inter alia*, the OAA Board of Directors, regarding the ongoing egregious financial improprieties in order to assure that the embezzlement, misappropriation of assets, and mismanagement could continue unfettered.

135. As a result of the conspiracy, OAA suffered substantial damages, including but not limited to financial losses in excess of $975,000; loss of business reputation; loss of membership and potential partnerships; and loss of its ability to accomplish its mission on behalf of opticians.

136. Defendants' actions were intentional, malicious, and in reckless disregard of Plaintiff's rights.

137. As a result, each of these Defendants, as coconspirators, are jointly and severally liable for the tortious actions taken by each of the other Defendants.

WHEREFORE, in reliance on the foregoing, Plaintiff prays that:

1. Summons be issued and served upon Defendants and that they be required to appear and answer this Complaint;
2. A finding of joint liability, on each of the tort-related claims asserted herein against each of the co-conspirators.
3. Judgment be entered against Defendants, jointly and severally, for all compensatory damages Plaintiff has sustained as a result of each of the Defendants' respective wrongful acts;

4. Judgment be entered against Defendants, jointly and severally, for punitive and/or treble damages where applicable;

5. Judgment be entered against Defendants, jointly and severally, requiring restitution for unjust enrichment;

6. Judgment be entered against Defendants, jointly and severally, awarding pre-judgment and post-judgment interest;

7. An award of all attorneys' fees and costs;

8. An Order taxing all costs associated with this case to Defendants; and

9. Any other relief to which this Honorable Court deems Plaintiff to otherwise be entitled.

JURY DEMAND

Plaintiff demands a trial by jury on all issues so triable.

Respectfully submitted this the 18th day of December, 2024.

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