

**IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
San Antonio Division**

Robert Padgett, Lisa Arellano, and the Fair  
Housing Council of Greater San Antonio

*Plaintiffs,*

v.

Texas Regional Asset Management, L.L.C;  
Vesta Corporation d/b/a First Vesta  
Corporation; El Patrimonio Apartments, L.P.;  
and Gates of Capernum Apartments, L.P.

*Defendants.*

Case No. 5:18-cv-396

**COMPLAINT AND JURY DEMAND**

**NATURE OF THE ACTION**

1. Plaintiffs Robert Padgett, Lisa Arellano, and the Fair Housing Council of Greater San Antonio (“FHCOGSA”) (collectively “Plaintiffs”) bring this action against Defendants Texas Regional Asset Management, L.L.C (“Texas Regional”); Vesta Corporation d/b/a First Vesta Corporation (“Vesta”); El Patrimonio Apartments, L.P. (“El Patrimonio”); and Gates of Capernum Apartments, L.P. (“Gates of Capernum”) (collectively “Defendants”) for declaratory judgment, injunctive relief, and damages for discrimination on the basis of familial status in the provision of rental housing, in violation of the Fair Housing Act (“FHA”), 42 U.S.C. § 3601, *et seq.*

2. Defendants maintain and enforce unreasonably restrictive and discriminatory rules at the apartment complexes that they own and/or manage. Those rules preclude children from accessing common areas and amenities and thus make rental housing unavailable to families with children. Defendants, for example, prohibit children from being anywhere on their

properties without a parent, at any time and under any circumstance. These overbroad rules have been enforced to preclude children from taking out the garbage, crossing through common areas while walking home from school, or even sitting outside on their own patios. Defendants' rules concerning children are memorialized in fliers Defendants routinely distribute to residents and, in some instances, on signs posted at Defendants' properties.

3. Defendants further require that families with children adhere to a special curfew under which children must be inside of their rental units by 8:00 p.m.—regardless of whether their parents are with them. As a result, families with children are often prohibited from being outside or using the common areas of Defendants' rental properties that residents without children are able to access without similar restrictions.

4. Further, children at Defendants' properties cannot use or play with bicycles, scooters, skateboards, sidewalk chalk, balls, or play or gather at all in common areas. The purpose and effect of Defendants' policies are to discourage children from taking advantage of the privileges of the housing that are readily available to other residents.

5. Families with children who violate any of Defendants' rules concerning children face hundreds of dollars in fines and possible eviction.

6. These types of anti-children rules were enforced against Plaintiff Robert Padgett, who lived in the El Patrimonio Apartments managed by Defendants Texas Regional and subsequently Vesta, and owned by Defendant El Patrimonio. Pursuant to Defendants' rules and policies, Mr. Padgett was assessed a \$250 fine because his children were playing directly outside of his home while being supervised by another parent in the neighborhood. Defendants informed Mr. Padgett that his children could only be outside with a parent, not just any adult, and that he

would be evicted for any further violations of this policy. Ultimately, Mr. Padgett moved from the El Patrimonio Apartments because of Defendants' treatment of families with children.

7. Plaintiff Lisa Arellano was admonished for breaking Defendants' rules at the Gates of Capernum Apartments where she previously lived. The Gates of Capernum Apartments were managed by Defendants Texas Regional and subsequently Vesta, and owned by Defendant Gates of Capernum. Among other claimed violations, Defendants threatened to evict Ms. Arellano because she violated Defendants' strict curfew for children by barbequing on her patio with her children at or around 8:30 p.m. Like Mr. Padgett, Ms. Arellano similarly left Defendants' property because of Defendants' discrimination.

8. After receiving complaints about Defendants' conduct, FHCOGSA, an organization dedicated to promoting fair housing and eliminating housing discrimination, conducted an extensive investigation to ascertain the nature and extent of Defendants' discrimination against families with children. FHCOGSA's investigation confirmed that Defendants routinely impose conditions upon families with children designed to make common areas, amenities, and other areas of Defendants' rental properties unavailable to them and to deny residents with children various privileges associated with their rental housing.

### **JURISDICTION AND VENUE**

9. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1331, 28 U.S.C. § 1343(a)(3), 28 U.S.C. § 2201, and 42 U.S.C. § 3613(a).

10. Venue is proper in this District and division pursuant to 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this District and division and because multiple Defendants reside in and/or conduct their business in this District and division.

## **PARTIES**

### **Plaintiffs**

11. Plaintiff Robert Padgett currently resides in Mission, Texas. From approximately 2013 to 2016, Mr. Padgett lived with his children in the El Patrimonio Apartments in McAllen, Texas. At the time that he lived in the El Patrimonio Apartments, he had two minor children in his household.

12. Plaintiff Lisa Arellano currently resides in San Antonio, Texas. She lived in the Gates of Capernum Apartments in San Antonio, Texas from approximately 2012 to 2015. At the time that she lived in the Gates of Capernum Apartments, she had four minor children in her household.

13. Plaintiff Fair Housing Council of Greater San Antonio (“FHCOGSA”) is a non-profit corporation organized under the laws of Texas with its principal office at 4414 Centerview Drive, Suite 229, in San Antonio, Texas.

14. Founded in 1996, FHCOGSA is dedicated to promoting fair housing and eliminating discrimination in real estate sales, mortgage lending, homeowners insurance, and housing rentals. FHCOGSA fields complaints of housing discrimination, undertakes investigations of discriminatory conduct, and, when necessary, takes appropriate enforcement action. FHCOGSA also educates housing consumers about their rights under applicable fair housing laws and educates housing providers about their obligations. FHCOGSA services 37 counties in Texas.

## **Defendants**

15. Defendant Texas Regional Asset Management, L.L.C. (“Texas Regional”) is a property management limited liability company organized under the laws of Texas.

16. Texas Regional has managed numerous multi-family apartment complexes in Texas, including having managed the El Patrimonio and the Gates of Capernum Apartments for at least some portion of time while Plaintiffs Robert Padgett and Lisa Arellano lived in one of these buildings. Other properties that Texas Regional manages, or has managed at some point during the time period relevant to Plaintiffs’ claims are Island Palms Apartments (in Edinburg, Texas), La Estancia Apartments (in Weslaco, Texas), Amistad Apartments (in Donna, Texas), El Pueblo Dorado Apartments (in Pharr, Texas), The Galilean Apartments (in Edinburg, Texas), La Herencia Apartments (in Mercedes, Texas), Padre de Vida Apartments (in McAllen, Texas), Pueblo De Paz Apartments (in Mission, Texas), Rio De Vida Apartments (in Mission, Texas), and Vida Que Canta Apartments (in Mission, Texas).

17. Texas Regional was responsible for maintaining and/or enforcing the discriminatory rules against families with children at the properties it managed.

18. Defendant Vesta Corporation d/b/a First Vesta Corporation (“Vesta”) is a real estate management corporation organized under the laws of Connecticut and registered to do business in Texas.

19. At some point between approximately 2015 and 2016, Vesta assumed management responsibilities from Texas Regional for both the El Patrimonio and the Gates of Capernum Apartments, as well as La Estancia Apartments, Amistad Apartments, El Pueblo Dorado Apartments, The Galilean Apartments, Padre de Vida Apartments, Pueblo De Paz

Apartments, Rio De Vida Apartments, and Vida Que Canta Apartments. Vesta continues to manage these properties to date.

20. Upon assuming management responsibilities, Vesta continued to maintain the same discriminatory signs and postings that Texas Regional maintained at many of its properties.

21. Defendant El Patrimonio Apartments, L.P. (“El Patrimonio”) is a limited partnership organized under the laws of Texas.

22. El Patrimonio owns the El Patrimonio Apartments in McAllen, Texas. As the owner, El Patrimonio is responsible for maintaining and/or enforcing the discriminatory rules against families with children at the complex.

23. Defendant Gates of Capernum Apartments, L.P. (“Gates of Capernum”) is a limited liability company organized under the laws of Texas.

24. Gates of Capernum is the owner of the Gates of Capernum Apartments in San Antonio, Texas. As the owner, Gates of Capernum Apartments is responsible for maintaining and/or enforcing the discriminatory rules against families with children at the complex.

25. In acting or omitting to act as alleged herein, Defendants acted through their employees and/or agents, and are responsible for the acts and omissions of their employees and/or agents within the scope of their employment or agency. In acting or omitting to act as alleged herein, each employee or officer of Defendants was acting within the course and scope of his or her actual or apparent authority pursuant to such agencies, or the alleged acts or omissions of each employer or officer as agent was subsequently ratified and adopted by Defendants as principal.

## FACTUAL BACKGROUND

### Robert Padgett

26. Robert Padgett is a father to two children, ages 8 and 10.

27. From approximately 2013 to 2016, Mr. Padgett lived with his children in the El Patrimonio Apartments in McAllen, Texas.

28. Defendant Texas Regional managed the El Patrimonio Apartments during the time that Mr. Padgett lived there, at least until some point in 2015. Defendant El Patrimonio owned the apartment building at the time that Mr. Padgett lived there, and continues to own the building to present.

29. During the time that Mr. Padgett lived in the El Patrimonio Apartments, Defendants Texas Regional and El Patrimonio enforced rules against families with children that precluded children from accessing common areas, amenities, and other areas of the rental housing and thus made this rental housing unavailable to them.

30. Defendants regularly distributed letters and correspondence to El Patrimonio Apartments residents that memorialized Defendants' discriminatory rules pertaining to families with children. The rules concerning households with children became increasingly more strict and unreasonable over the time that Mr. Padgett lived there.

31. For example, on a number of occasions during the time that Mr. Padgett lived at the El Patrimonio Apartments, Defendants sent fliers to residents to remind them that children could not be anywhere on the property by themselves, at any time and under any circumstance. This rule applied to common areas like sidewalks, around rental property buildings, and even directly outside of their own homes.

32. Defendants' fliers also informed residents that, when outside with their parents, children could not use or play with bicycles, scooters, skateboards, sidewalk chalk, balls, or play or gather at all in common areas.

33. Defendants Texas Regional and El Patrimonio also enforced a strict curfew for families with children that required all children—regardless of whether or not they were with their parents—to be inside of their rental units by 8:00 p.m. Defendants' curfew rules pertaining to families with children were also memorialized in fliers and letters Defendants routinely distributed to the residents of the El Patrimonio Apartments.

34. Families with children who violated any of Texas Regional's or El Patrimonio's rules concerning children were subjected to fines and threatened with eviction.

35. For example, in or around March 2015, Defendants Texas Regional and El Patrimonio posted and distributed fliers to the residents of the El Patrimonio Apartments to remind them that households with children would be fined \$250 for a range of conduct, including for children being behind buildings, near the sprinklers, or in the laundry room; using bicycles or scooters; or swimming after the 8:00 p.m. curfew. The flier further warned that the police would be called if any of Defendants' rules concerning families with children were broken. These fliers made specific reference to children—as opposed to listing neutral rules that applied equally to all residents—and targeted families with children for enforcement.

36. Defendants Texas Regional and El Patrimonio even had rules concerning how children on the rental property were to be supervised. Texas Regional's and/or El Patrimonio's managerial agents told residents that children were required to be with a parent at all times; merely being supervised by another adult was not sufficient to comply with their requirements.

Defendants Texas Regional and El Patrimonio enforced their restrictive rules against Mr. Padgett and his family.

37. For example, in or around March 2015, Mr. Padgett's children were playing with other neighborhood children directly outside of Mr. Padgett's rental unit in a common area of the rental property. Mr. Padgett was inside his residence and could clearly see and hear his children outside. In addition, another parent from the complex was outside watching the children as they played. The children were not loud and were not causing a disruption to any other resident. Nonetheless, a security officer working on behalf of Texas Regional and/or El Patrimonio informed Mr. Padgett's children that they could not be outside on the rental property.

38. Shortly thereafter, Mr. Padgett went to the property's rental office and received a notice that Defendants Texas Regional and El Patrimonio had fined him \$250 because his children had been playing outside his home "unsupervised." When Mr. Padgett explained that he was not only within earshot of his children, but also that another adult was outside with the children, a property manager told Mr. Padgett that children could not be anywhere on the rental property unless an immediate, blood relative was supervising them. Additionally, the manager told Mr. Padgett that if he did not pay the fine, the property would not accept his rent payments and he would be evicted.

39. After saving money to pay the fine, Mr. Padgett submitted a money order, on which he wrote "paid under contest," to Defendants' managerial agent. Mr. Padgett informed Defendants' agent that he had spoken to an attorney about Defendants' practices. After learning that Mr. Padgett had consulted an attorney, Defendants' managerial agent told Mr. Padgett that he would not have to pay the fine this time, but made it clear to Mr. Padgett that any further violations of Defendants' rules concerning families with children would result in eviction.

40. The policies that Defendant Texas Regional and El Patrimonio maintained and enforced concerning children had the purpose and effect of making housing unavailable to families with children, as families with children were significantly restricted in the manner in which children were able to access common areas of the rental property that were supposed to be open to all residents.

41. As a result of these rules, and the threat of significant fines and eviction, households with children, like Mr. Padgett's, were afraid to allow their children to play outside their rental homes, take out the garbage, walk through common areas, use amenities, or be anywhere outside of their immediate apartment units. Mr. Padgett constantly worried whether he would be fined or evicted on account of his children and, as a result, rarely allowed them to leave the house.

42. The rules enforced at the El Patrimonio Apartments prevented Mr. Padgett's family from fully accessing all areas of the rental property in the same manner as residents without children and caused significant stress for him. Ultimately, as a result of Defendants' treatment of Mr. Padgett and his family, Mr. Padgett left the El Patrimonio Apartments.

**Lisa Arellano**

43. Lisa Arellano is a mother to six children.

44. Between approximately 2012 and 2015, Ms. Arellano lived at the Gates of Capernum Apartments in San Antonio, Texas. At the time that Ms. Arellano lived at the Gates of Capernum Apartments she had four children in her household.

45. Defendant Texas Regional was the property manager for the Gates of Capernum Apartments during the time that Ms. Arellano lived there, at least until some point in 2015.

Defendant Gates of Capernum owned the apartment complex at the time that Ms. Arellano lived there and continues to own the property to present.

46. Defendants Texas Regional and Gates of Capernum enforced many unreasonable rules against families with children at the Gates of Capernum Apartments. The areas of the rental property that children were allowed to access were significantly restricted, and children were not permitted to be in common areas, use amenities, or be anywhere on the rental property alone.

47. Defendants regularly distributed letters and correspondence to the residents of the Gates Capernum Apartments memorializing these discriminatory rules that restricted access to the property for families with children.

48. Defendants routinely sent fliers and letters to residents imposing an 8:00 p.m. curfew for children at the Gates of Capernum Apartments, regardless whether the children were with their parents or any other adult. Defendants Texas Regional and Gates of Capernum enforced these rules against Ms. Arellano. Defendants also communicated their strict rules concerning curfews for families with children orally to residents, including to Ms. Arellano on a number of occasions.

49. For example, on one occasion in or around 2015, Ms. Arellano's children were playing on the patio directly outside her rental unit. It was approximately 7:00 p.m. and the children were not being loud or disruptive to any other resident. Ms. Arellano was inside her apartment, her windows were up, and she could see and hear her children outside on their patio.

50. While her children were playing directly outside of her apartment, a property manager knocked on her door and told her that her children could not be outside on the patio. The property manager told Ms. Arellano that children under the age of 18 could not be alone

anywhere on the property—even on their own patio—without a parent immediately present. The property manager further told Ms. Arellano that she would just receive a warning for her children being outside, but if she had to be told again she would be fined or possibly evicted.

51. On at least one other occasion, Ms. Arellano and her family, including her children, were outside on her patio grilling food for dinner at around 8:30 p.m. A maintenance worker for the property told Ms. Arellano that her family was in violation of the property's curfew rules and that her children could not be outside of the house after 8:00 p.m., even though Ms. Arellano was standing on her patio with them. Households without children were not similarly prevented from being on their patios after the "curfew" Defendants set for families with children.

52. Additionally, Texas Regional and Gates of Capernum enforced a rule that no resident under the age of 18 could use the swimming pool without an adult accompanying them. In or around June 2015, a managerial agent of Defendant Texas Regional and Gates of Capernum told Ms. Arellano's then fifteen-year-old daughter that she could not use the swimming pool by herself, even though her daughter could swim better than any adult in her household.

53. On another occasion when Ms. Arellano's then fifteen-year-old daughter was walking in a common area of the property with one of her younger siblings, an agent of Defendant Texas Regional and Gates of Capernum told her that she could not be outside, even though she was not causing any disruption to any other resident.

54. The rules concerning families with children enforced at the Gates of Capernum Apartments caused significant stress for Ms. Arellano. These rules made even the patio of her rental unit unavailable to her family on a number of occasions, and other common areas of the

rental property were similarly unavailable to her children. Afraid of being fined or evicted, Ms. Arellano often would not allow her children to leave their apartment unit. Ultimately, as result of Defendants' treatment of Ms. Arellano and her family, Ms. Arellano left the Gates of Capernum Apartments.

### **FHCOGSA's Investigation of Defendants**

55. Beginning in approximately March 2015, FHCOGSA began receiving complaints regarding Defendants' discrimination against families with children.

56. After receiving complaints about Defendants' conduct toward families with children, FHCOGSA launched an extensive investigation of Defendants' practices to ascertain the nature and extent of Defendants' discrimination.

57. As part of its investigation, FHCOGSA conducted research to identify the properties that Defendant Texas Regional, and subsequently Vesta, managed in FHCOGSA's service areas, as well as the entities that owned the properties that Texas Regional and/or Vesta managed. Specifically, FHCOGSA identified the Island Palms Apartments, La Estancia Apartments, Amistad Apartments, El Pueblo Dorado Apartments, The Galilean Apartments, La Herencia Apartments, Padre de Vida Apartments, Pueblo De Paz Apartments, Rio De Vida Apartments, and Vida Que Canta Apartments, in addition to the El Patrimonio and the Gates of Capernum Apartments where Mr. Padgett and Ms. Arellano lived.

58. After identifying the properties that Texas Regional, and subsequently Vesta, managed, and related ownership entities, FHCOGSA compiled and mailed surveys to residents to ascertain information concerning the treatment of families with children at these properties.

59. FHCOGSA obtained information in response to their surveys that corroborated the complaints that they received and further demonstrated that Defendants' rules concerning

families with children were not limited to the El Patrimonio and the Gates of Capernum Apartments. Residents at a number of Defendants' properties complained that children could not play with balls or ride bicycles on or around the rental properties, as well as that any person under the age of 18 could not use amenities or be anywhere on the rental properties alone at any time, which included walking home from school, taking out the garbage, or even being directly in front of their own homes.

60. In July of 2015, FHCOGSA staff drove to each of the properties FHCOGSA identified to conduct a site inspection for signs or postings that discriminated or expressed a limitation on the basis of familial status.

61. In its investigation, FHCOGSA identified a number of signs memorializing discriminatory rules applying to children and corroborating various complaints FHCOGSA received about Defendants' conduct. For example, a number of these properties had signs expressly prohibiting anyone under 18 from using swimming pools by themselves.



*Figure 1: Photographs from the Vida Que Canta Apartments*

62. At some point between 2015 and 2016, Vesta assumed management responsibilities from Texas Regional for both the El Patrimonio and the Gates of Capernum Apartments, as well as La Estancia Apartments, Amistad Apartments, El Pueblo Dorado Apartments, The Galilean Apartments, Padre de Vida Apartments, Pueblo De Paz Apartments, Rio De Vida Apartments, and Vida Que Canta Apartments.

63. After the change in management, FHCOGSA conducted further investigation, including another site inspection, of the properties in or around February 2016 to ascertain whether Vesta continued to enforce the same discriminatory rules and policies. FHCOGSA's site inspections and investigation revealed that Vesta continued to maintain the same discriminatory signs concerning rules pertaining to families with children as Texas Regional had posted at the properties.

#### **ADMINISTRATIVE PROCEEDINGS**

64. With FHCOGSA's assistance, both Mr. Padgett and Ms. Arellano filed administrative complaints with the U.S. Department of Housing and Urban Development ("HUD") on March 2, 2016. Their administrative complaints allege that Defendants discriminated against them on the basis of familial status.

65. Based on its investigation and the injuries it suffered as a result of Defendants' unlawful practices, FHCOGSA filed its own HUD complaint against Defendants on March 2, 2016 for familial status discrimination.

66. Prior to filing the instant lawsuit, Plaintiffs attempted to resolve their administrative complaints against Defendants through HUD's conciliation process, however, the parties were unable to resolve their complaints.

67. Plaintiffs' administrative complaints remain pending with HUD.

### INJURY TO PLAINTIFFS

68. As a direct and proximate result of Defendants Texas Regional's, El Patrimonio's, and Vesta's discriminatory practices described above, Mr. Padgett has suffered, and continues to suffer, irreparable loss and injury, including, but not limited to, humiliation, emotional distress, loss of housing opportunities, and the deprivation of his housing and civil rights. While living at the El Patrimonio Apartments, Mr. Padgett constantly worried that he would be fined or evicted for violating Defendants' restrictive rules concerning families with children. His quality of life was significantly diminished, as his children were not free to fully use and enjoy the property that he rented because of Defendants' conduct. Ultimately, as a result of Defendants' conduct, Mr. Padgett left the El Patrimonio Apartments to find other housing that he could obtain without similar restrictions.

69. As a direct and proximate result of Defendants Texas Regional, Gates of Capernum, and Vesta's discriminatory practices described above, Ms. Arellano has suffered, and continues to suffer, irreparable loss and injury, including, but not limited to, humiliation, emotional distress, loss of housing opportunities, and the deprivation of her housing and civil rights. Defendants' constant threats of fines and eviction for violating their rigid rules caused significant stress for Ms. Arellano during the time that she lived at the Gates of Capernum Apartments. Ultimately, as a result of Defendants' conduct, Ms. Arellano left the Gates of Capernum Apartments to find other housing that she could obtain without similar restrictions.

70. As a direct and proximate result of Defendants' discriminatory practices described above, FHCOGSA has suffered and will continue to suffer a diversion of its resources and a frustration of its mission.

71. FHCOGSA has been damaged by having to divert scarce resources to identify and counteract these Defendants' discriminatory practices. FHCOGSA spent staff time to organize and carry out the investigation that confirmed Defendants' unlawful practices; to counsel individuals who had been discriminated against by Defendants because of their familial status; to assist individuals who Defendants discriminated against in filing administrative complaints against Defendants; and to conduct outreach to potentially affected individuals and educate the surrounding community about their fair housing rights.

72. Additional education efforts that FHCOGSA undertook in response to Defendants' unlawful conduct have included, among other things, creating and distributing advertisements to educate the public concerning familial status discrimination, as well as creating materials to distribute to housing providers to educate them on their obligations under the Fair Housing Act.

73. The combination of FHCOGSA's investigation and continuing education and outreach efforts designed to combat Defendants' violations has deprived FHCOGSA of scarce staff time and resources. As a result, FHCOGSA has had to forgo multiple planned activities designed to further FHCOGSA's mission.

74. Defendants have acted intentionally and with willful, reckless disregard for existing federal and state fair housing rights.

### **FIRST CLAIM FOR RELIEF**

#### Federal Fair Housing Act

75. Plaintiffs reallege and incorporate by reference all of the allegations set forth in paragraphs 1 to 74 above and further allege as follows:

76. Defendants' acts, as described herein, violate the Fair Housing Act, as amended, 42 U.S.C. § 3604(a)-(c); § 3617.

- a. Defendants' acts, as described above, make housing unavailable on the basis of familial status in violation of 42 U.S.C. § 3604(a);
- b. Defendants' acts, as described above, provide different terms, conditions, and privileges of rental housing, as well as different services and facilities in connection therewith, on the basis of familial status, in violation of 42 U.S.C. § 3604(b);
- c. Defendants' statements, as described above, indicate a limitation or discriminate on the basis of familial status, in violation of 42 U.S.C. § 3604(c); and
- d. As described above, Defendants engaged in coercion, intimidation, threats, or interference with persons in the exercise or enjoyment of, or on account of their having exercised or enjoyed, their rights under Section 804 of the Fair Housing Act, in violation of Section 818 of the FHA, 42 U.S.C. § 3617.

#### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs respectfully pray that the Court grant the following relief:

- (1) enter a declaratory judgment finding that the foregoing actions of Defendants violate the Fair Housing Act of 1968, as amended, 42 U.S.C. § 3601, *et seq.*;
- (2) enter a permanent injunction directing Defendants and their agents and employees to take all affirmative steps necessary to remedy the effects of the illegal, discriminatory conduct described herein and to prevent similar occurrences in the future;

(3) award compensatory damages to Plaintiffs Robert Padgett and Lisa Arellano in an amount to be determined by a jury that would fully compensate them for all damages that have been caused by the conduct of Defendants alleged herein;

(4) award compensatory damages to Plaintiff FHCOGSA in an amount to be determined by a jury that would fully compensate Plaintiff FHCOGSA for its diversion of resources, frustration of mission, and out-of-pocket costs that have been caused by the conduct of Defendants alleged herein;

(5) award punitive damages to Plaintiffs in an amount to be determined by a jury that would punish Defendants for the willful, wanton, and reckless conduct alleged herein and that would effectively deter similar conduct in the future;

(6) award Plaintiffs their reasonable attorneys' fees and costs; and

(7) order such other relief as this Court deems just and equitable.

### **DEMAND FOR JURY TRIAL**

Pursuant to Fed. R. Civ. P. 38(b), Plaintiffs demand a trial by jury of all issues so triable as of right.

Respectfully submitted

Dated: May 2, 2018

/s/ Reed N. Colfax

Reed N. Colfax (W.D. Tex. Bar No. 471432)

Jia M. Cobb\*

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*\*pro hac vice application to be filed*

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