

# Letter of Intent Pursuant to: CAL. CIV. CODE § 1782

02/03/2014

From: Doug Thayer, General Manager  
National Document Services  
Division of: Kaching Information Services, LLC  
3841 Daisy St., Ste. #17  
Las Vegas, Nevada 89119

To: World Capital Market, Inc.  
150 S. Los Robles Ave., Suite 900  
Pasadena, California 91101-2486  
USPS CERTIFIED MAIL #  
7011 3500 0002 0490 1371

WCM777, Inc.  
150 S. Los Robles Ave., Suite 900  
Pasadena, California 91101-2486  
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7011 3500 0002 0490 1364

WCM777 Limited  
150 S. Los Robles Ave., Suite 900  
Pasadena, California 91101-2486  
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Ming Xu  
150 S. Los Robles Ave., Suite 900  
Pasadena, California 91101-2486  
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Zhi Liu  
150 S. Los Robles Ave., Suite 900  
Pasadena, California 91101-2486  
USPS CERTIFIED MAIL #  
7011 3500 0002 0490 2002

Harold Zapata  
1526 W. Claridge Court  
Hanford, California 93230  
USPS CERTIFIED MAIL #  
7011 3500 0002 0490 1999

Anslow & Jaclin  
475 Park Avenue South 28th Floor  
New York, NY 10016  
USPS CERTIFIED MAIL #  
7011 3500 0002 0490 1982

Re: **Spokesperson for:** Doug Thayer;  
Tristan Eugenio;  
Savun Phon (X2);  
Evelia Villavazo;  
Angelica Castrejon;  
Elida Dominguez Gonzales; and  
Brigida Palaruan

## NOTICE OF INTENT TO FILE ACTION

**Dear World Capital Market, WCM777, Ming Xu President, Lui Zhi CEO, Harold Zapata, Director, and John Doe Agents (1-100):**

This letter confirms ours and your mutual interest in regards to the current problematic transaction described herein between:

("Buyer") Each Affiant to the Affidavits attached hereto  
("Seller") World Capital Market, WCM777, Ming Xu, Lui Zhi, Harold Zapata, and WCM777 Agents (1-100)

**A. PURSUANT TO THE AUTHORITY IN THE NATURE OF CAL. CIV. CODE § 1782:**

**PLEASE TAKE ACTUAL AND CONSTRUCTIVE NOTICE:** this is my thirty (30) day NOTICE prior to commencement of an action for damages which provides:

- (a) Thirty days or more prior to the commencement of an action for damages pursuant to this title, the consumer shall do the following:
  - (1) Notify the person alleged to have employed or committed methods, acts, or practices declared unlawful by Section 1770 of the particular alleged violations of Section 1770.
  - (2) Demand that the person correct, repair, replace, or otherwise rectify the goods or services alleged to be in violation of Section 1770.

The notice shall be in writing and shall be sent by certified or registered mail, return receipt requested, to the place where the transaction occurred or to the person's principal place of business within California.

- (b) Except as provided in subdivision (c), no action for damages may be maintained under Section 1780 if an appropriate correction, repair, replacement, or other remedy is given, or agreed to be given within a reasonable time, to the consumer within 30 days after receipt of the notice.
- (c) No action for damages may be maintained under Section 1781 upon a showing by a person alleged to have employed or committed methods, acts, or practices declared unlawful by Section 1770 that all of the following exist:
  - (1) All consumers similarly situated have been identified, or a reasonable effort to identify such other consumers has been made.
  - (2) All consumers so identified have been notified that upon their request the person shall make the appropriate correction, repair, replacement, or other remedy of the goods and services.

- (3) The correction, repair, replacement, or other remedy requested by the consumers has been, or, in a reasonable time, shall be, given.
  - (4) The person has ceased from engaging, or if immediate cessation is impossible or unreasonably expensive under the circumstances, the person will, within a reasonable time, cease to engage, in the methods, act, or practices.
- (d) An action for injunctive relief brought under the specific provisions of Section 1770 may be commenced without compliance with subdivision (a). Not less than 30 days after the commencement of an action for injunctive relief, and after compliance with subdivision (a), the consumer may amend his or her complaint without leave of court to include a request for damages. The appropriate provisions of subdivision (b) or (c) shall be applicable if the complaint for injunctive relief is amended to request damages.
- (e) Attempts to comply with this section by a person receiving a demand shall be construed to be an offer to compromise and shall be inadmissible as evidence pursuant to Section 1152 of the Evidence Code. Furthermore, these attempts to comply with a demand shall not be considered an admission of engaging in an act or practice declared unlawful by Section 1770. Evidence of compliance or attempts to comply with this section may be introduced by a defendant for the purpose of establishing good faith or to show compliance with this section.

#### B. FACTS.

- (a) **Based upon information and belief**, the "Packages" or Units which were sold to each person identified by affidavit as attached hereto, as described in each affidavit independently, Seller by and through its marketing methods engaged in false and misleading advertising; that Seller through its Agents misrepresented the status and nature of WCM777 as well as the business to sell unregistered securities in violation of both State and Federal Law.
- (b) As stated in the attached affidavits, each Buyer was told Seller was a Nevada Corporation, with Nevada Business License, and in good standing. According to Seller and Sellers Agents, Videos, Power Points and marketing materials, each Buyer was encouraged to invest in WCM777 "Packages" or Units and instructed and encouraged to recruit others to join and invest in WCM777 and share in earnings.
- (c) Seller did not disclose to Buyer that Seller had dissolved its Nevada Corporation.
- (d) A search of Secretary of State, State of Nevada, website revealed Seller filed as a Nevada Corporation on March 7, 2013, and dissolved it on September 24, 2013.
- (e) Buyers were misled to believe they were doing business with a valid, current Nevada Corporation, when in fact Seller had dissolved the Nevada Corporation thereby cancelling and voiding Sellers Nevada Business License.
- (f) Seller at no time either prior to or after the sale, disclosed to Buyer that Seller was under investigation by the Office of the Secretary of the Commonwealth, Securities Division, State of Massachusetts, for allegedly selling unregistered securities and had committed acts of discrimination

against Massachusetts residents, nor that they had entered into a consent Order with the Office of the Secretary of the Commonwealth, Securities Division, State of Massachusetts on November 14, 2013.

(g) As described by each Buyer in each Affidavit, it was discovered Sellers had entered into a Consent Order on November 14, 2013, with the Office of the Secretary of the Commonwealth, Securities Division, State of Massachusetts, under Docket NO. E-2013-0080. See a true and correct copy of: CONSENT ORDER, Docket NO. 2013-0080, IN THE MATTER OF WORLD CAPITAL MARKETS, INC. & WCM777, attached as Exhibit No. 1, and hereby incorporated by reference as if fully reproduced herein.

(h) The "Packages" or Units sold to each Buyer individually by WCM777 and its "Agents" since the date of sale these "Packages" or Units have been altered, modified and changed by WCM777. The products, "Packages" or Units are not the products, "Packages" or Units originally sold to Buyers.

(i) After being issued a Cease and Desist by the State of Massachusetts on November 14, 2013. On or about January 8, 2014 upon continuing to sell unregistered securities, THE STATE OF CALIFORNIA BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY, and DEPARTMENT OF BUSINESS OVERSIGHT issued a DESIST AND REFRAIN ORDER to WCM777 (For violations of section 25110 and 25401 of the Corporations Code). [Sales of unregistered Securities]. See a true and correct copy of: DESIST AND REFRAIN ORDER by THE STATE OF CALIFORNIA BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY, DEPARTMENT OF BUSINESS OVERSIGHT, attached as Exhibit No. 2, and hereby incorporated by reference as if fully reproduced herein.

### **C. OPTIONS PURSUANT TO THE AUTHORITY IN THE NATURE OF CAL. CIV. CODE § 1782(b)**

As a direct and proximate result of the acts and actions of Seller, Buyers options are limited.

**I. Buyers First Option:** Buyer can file an action pursuant to CAL. CIV. CODE § 1700 for damages. Buyer further can file complaints with the Securities Division, Department of Corporations, State of California; California Department of Justice; United States Department of Justice; Securities Exchange Commission, Internal Revenue Service and such other law enforcement or regulatory agencies as may be appropriate pertaining to the activities and conduct of Buyer including, but not necessarily limited to, multiple acts of false advertising, deceptive trade practice act violations, and sales of unregistered securities.

**II. Buyers Second Option:** Conditioned upon a full and complete refund by Seller paid directly to each Buyer and received by each Buyer within ten (10) days of receipt of this: Letter of Intent Pursuant to CAL. CIV. CODE § 1782, each Buyer would be willing to sign a Cancellation of Agreement with WCM777 as if No Transaction ever occurred between WCM777 and Buyer. Unconditionally stating that any transaction was a mistake and Buyer has been fully restored to his original position before the mistake took place and occurred. Additionally, each Buyer would be willing to sign a Non-Disclosure Agreement thereby agreeing not to disclose to any third party the nature of any mistaken transactions between Buyer and Seller.

#### D. CONCLUSION

**WHEREFORE,** Buyer, upon examination of Buyers options as set forth hereinabove, hereby grants and extends to World Capital Market, WCM777, Ming Xu President, Lui Zhi CEO, Harold Zapata Director, and John Doe Agents (1-100) ten (10) days to give each buyer an unconditional 100% refund.

Failure of World Capital Market, WCM777, Ming Xu President, Lui Zhi CEO, Harold Zapata, Director, and John Doe Agents (1-100) to provide Buyers a full, complete and unconditional refund within ten (10) days of receipt hereof shall result in complaint(s) being filed with the Securities Division, Department of Corporations, State of California; California Department of Justice; United States Department of Justice; Securities Exchange Commission; Internal Revenue Service and such other law enforcement or regulatory agencies as may be deemed necessary by Buyer.

In such event World Capital Market, WCM777, Ming Xu President, Lui Zhi CEO, Harold Zapata Director, and John Doe Agents (1-100) timely provide Buyers with full and complete refunds within said ten (10) days from receipt hereof, Buyers hereby agree to sign Non-Disclosures and/or such documentation to establish no unlawful transaction between Buyer and Seller ever occurred.

Please take due heed and govern yourself accordingly.

Sincerely,



Doug Thayer, General Manager