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Duke Ahn MD, Inc. & Duke Ahn

| Exhibit # | Document |
|-----------|---|
| 1 | The People of the State of California v. Duke Ahn (Case no. 17CF0810) |
| 2 | CA Secretary of State: Statement of Information, 10/01/2017 |

1 SUPERIOR COURT OF CALIFORNIA
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

ELECTRONICALLY FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE

04/03/2017
08:03 AM

DAVID H. YAMASAKI, Clerk of the Court
17CF0810

6 THE PEOPLE OF THE STATE OF CALIFORNIA,) FELONY COMPLAINT
7) WARRANT
8 Plaintiff,)
9)
10 vs.) No.
11 DUKE AHN 05/26/67) OCDA WC16070011
12 B9405990) OCDA WC15040015
13) OCDA HF12110001
14)
15 Defendant(s))

14 The Orange County District Attorney charges that in Orange
15 County, California, the law was violated as follows:

16 COUNT 1: On or about and between February 14, 2014 and
17 September 01, 2015, in violation of Section 550(a)(6) of the
18 Penal Code (CONSPIRACY TO COMMIT MEDICAL INSURANCE FRAUD), a
19 FELONY, DUKE AHN did unlawfully conspire with TANYA MORELAND
20 KING AND CHRISTOPHER KING AND OTHER UNKNOWN INDIVIDUALS, with
21 the intent to defraud, to make a false and fraudulent claim to
22 WORKERS' COMPENSATION INSURANCE CARRIERS IN CALIFORNIA for
23 payment of a health care benefit in an amount exceeding nine
24 hundred fifty dollars (\$950). It is further alleged that
25 pursuant to and for the purpose of carrying out the objects and
26 purposes of the conspiracy, one and more of the conspirators
27 committed the following overt acts:
28

OVERT ACT 1

26 On or about 5/1/13, Defendants Duke Ahn M.D., entered into an
27 agreement with Tanya Moreland King, Christopher King and their
28 companies, King Medical Management Inc. and Monarch Medical
Group Inc.

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OVERT ACT 2

King Medical Management formulated and paid for a 3-day supply of the compound transdermal creams manufactured by Steven's Pharmacy, located in Costa Mesa, in the County of Orange, and arranged for Steven's Pharmacy to ship these creams to Defendant Duke Ahn, M.D.

OVERT ACT 3

Defendant Duke Ahn, M.D., prescribed the transdermal compound creams manufactured by Steven's Pharmacy to his workers compensation patients.

OVERT ACT 4

Defendant Duke Ahn did not customize these compound transdermal creams to each workers' compensation patient and used the formula given to him by Monarch Medical Group.

OVERT ACT 5

Defendant Duke Ahn, M.D., then provided the billing information for each workers compensation patient to King Medical Management Inc. to bill for the dispensing of these creams from his office.

OVERT ACT 6

King Medical Management Inc. billed workers compensation carriers in excess of \$200 per cream even though the cream only cost \$16.

OVERT ACT 7

King Medical Management Inc., paid Defendant Duke Ahn, M.D. 80% of the profits from the amount collected from the workers compensation carrier for each of the 3-day of the compound creams he dispensed to his workers compensation patients.

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OVERT ACT 8

In return for the money he received from the billing on the 3-day supply of the transdermal creams, Defendant Duke Ahn, M.D., was also required to write a prescription for the 30-day supply of transdermal compound creams which were shipped directly to his workers' compensation patients by Steven's Pharmacy in Costa Mesa, located in the County of Orange.

OVERT ACT 9

In order to give the appearance of legitimacy to the compounded transdermal creams that Defendant Duke Ahn, MD, prescribed to his patients, he signed a letter, dated 1/20/2015, that Monarch Medical Group provided to him, which he did not prepare himself, purporting to give instructions to the pharmacy and customize the formula for the compound creams.

OVERT ACT 10

Monarch Medical Group then billed the workers compensation insurance carriers well in excess of \$700 for each compounded transdermal cream that was shipped by Steven's Pharmacy, located in Costa Mesa, to each of Defendant Duke Ahn's patients, even though Monarch Medical Group only paid Steven's Pharmacy \$40 per compound cream to manufacture.

OVERT ACT 11

On or about 8/5/14, Defendant Duke Ahn. M.D. also entered into an agreement with King Medical Management and One Source Labs Inc., companies owned by Christopher King and Tanya Moreland King, in which he agreed to order Urine toxicology Drug testing to his workers' compensation patients in return for financial consideration.

OVERT ACT 12

Defendant Duke Ahn M.D. subjected his patients to a Urine Toxicology Test at his clinic, and regardless of the "Point of Care" toxicology test results, referred the test for a quantitative test to One Source Labs per his agreement with King Medical Management.

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OVERT ACT 13

King Medical Management billed workers' compensation insurance carriers for the "Point of Care" toxicology test that was performed at the clinic, and gave 80% of the profit on the amounts collected to Defendant Duke Ahn, M.D.

OVERT ACT 14

On or about July 1, 2013, Defendant Duke Ahn, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from NuCare Pharmaceuticals, located in the City of Orange, In the County of Orange.

OVERT ACT 15

Monarch paid 80 percent of the net receivable collected from workers' compensation carriers to Defendant Duke Ahn, M.D. for the medications he dispensed to his workers' compensation patients which were supplied by NuCare Pharmaceuticals, in the City of Orange.

OVERT ACT 16

On or about 4/29/2014, Defendant Duke Ahn entered into an agreement with King Medical Management to dispense "Active Kits" which Monarch purchased from NuCare Pharmaceuticals, in Orange, to Defendant Duke Ahn's workers' compensation patients.

OVERT ACT 17

Defendant Duke Ahn dispensed the "Active Kits", shared the patient demographics and billing information with Monarch, who billed workers compensation insurance carriers and shared 80% of the profit from the payments received from workers' compensation carriers with Defendant Duke Ahn.

OVERT ACT 18

On or about February 19, 2015, Defendant Duke Ahn, M.D. entered into a contract with Monarch Medical Group, to dispense Medications Monarch purchased from A S Medication Solutions, doing business in the City of Costa Mesa, in the County of Orange.

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OVERT ACT 19

Monarch paid 80 percent of the net receivable collected from workers' compensation carriers to Defendant Duke Ahn, M.D. for the medications he dispensed to his workers' compensation patients which were supplied to him directly by A S Medication Solutions, in the City of Costa Mesa.

OVERT ACT 20

Between 11/12/14 and 8/12/15, Christopher King and Tanya Moreland King, through their companies, Monarch Medical Group and King Medical Management, paid Defendant Duke Ahn in excess of \$80,114 and at least one payment was issued in the amount of \$1,079.37 on 6/11/15 on Check # 6832.

COUNT 2: On or about and between April 04, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and One Source Labs Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and One Source Labs Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Urine Toxicology)

COUNT 3: On or about and between April 04, 2014 and August 12, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully solicit, accept, and refer business to and from King Medical Management Inc. and Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether King Medical Management Inc. and Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (Compound Transdermal Creams from Steven's Pharmacy)

COUNT 4: On or about and between April 04, 2014 and February 19, 2015, in violation of Section 549 of the Penal Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully solicit, accept, and refer business to and from Monarch Medical Group Inc., with the knowledge that, and with reckless disregard for whether Monarch Medical Group Inc. intended to violate Penal Code section 550 and Insurance Code section 1871.4. (For Medication Monarch purchased from NuCare Pharmaceuticals)

1 COUNT 5: On or about and between February 19, 2015 and
2 September 09, 2015, in violation of Section 549 of the Penal
3 Code (FALSE AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did
4 unlawfully solicit, accept, and refer business to and from
5 Monarch Medical Group Inc., with the knowledge that, and with
6 reckless disregard for whether Monarch Medical Group Inc.
intended to violate Penal Code section 550 and Insurance Code
section 1871.4. (For Medication Monarch purchased from NuCare
Pharmaceuticals)

7
8 COUNT 6: On or about and between September 04, 2014 and August
9 12, 2015, in violation of Section 549 of the Penal Code (FALSE
10 AND FRAUDULENT CLAIM), a FELONY, DUKE AHN did unlawfully
11 solicit, accept, and refer business to and from Monarch Medical
12 Group Inc., with the knowledge that, and with reckless disregard
for whether Monarch Medical Group Inc. intended to violate Penal
Code section 550 and Insurance Code section 1871.4. (For Active
Kits purchased from NuCare)

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14 COUNT 7: On or about and between April 04, 2014 and August 12,
15 2015, in violation of Section 650 of the Business & Professions
16 Code (REBATES FOR PATIENT REFERRALS), a FELONY, DUKE AHN, a
17 person licensed under the Healing Arts Division of this Code and
18 the Chiropractic Initiative Act, did unlawfully offer, deliver,
19 receive, and accept any rebate, refund, commission, preference,
20 patronage dividend, discount, and other consideration as
compensation and inducement for referring patients, clients, and
customers to Tanya Moreland King and her Business One Source
Labs and King Medical Management Inc..

21
22 COUNT 8: On or about and between April 04, 2014 and August 12,
23 2015, in violation of Section 650 of the Business & Professions
24 Code (REBATES FOR PATIENT REFERRALS), a FELONY, DUKE AHN, a
25 person licensed under the Healing Arts Division of this Code and
26 the Chiropractic Initiative Act, did unlawfully offer, deliver,
27 receive, and accept any rebate, refund, commission, preference,
patronage dividend, discount, and other consideration as
compensation and inducement for referring patients, clients, and
customers to Tanya Moreland King and her Business Monarch
Medical Group and King Medical Management.

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1 COUNT 9: On or about and between April 04, 2014 and September
2 01, 2015, in violation of Section 650 of the Business &
3 Professions Code (REBATES FOR PATIENT REFERRALS), a FELONY, DUKE
4 AHN, a person licensed under the Healing Arts Division of this
5 Code and the Chiropractic Initiative Act, did unlawfully offer,
6 deliver, receive, and accept any rebate, refund, commission,
7 preference, patronage dividend, discount, and other
consideration as compensation and inducement for referring
patients, clients, and customers to Steven's Pharmacy, Tanya
Moreland King and her Business Monarch Medical Group Inc..

8 COUNT 10: On or about and between July 23, 2013 and February
9 23, 2014, in violation of Section 550(b)(3) of the Penal Code
10 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
11 defraud, did unlawfully conceal and knowingly fail to disclose,
12 and did knowingly assist with another person to conceal and fail
13 to disclose the occurrence of an event and a fact that affected
14 the initial and continued material right and entitlement of
15 Allianz to an insurance benefit and payment, and to the amount
16 of a benefit and payment to which Allianz was entitled, namely:
Defendant had a financial interest in and received financial
incentives to prescribe Compound Creams, Oral Medications and
Urine Toxicology Tests to his workers' compensation patients..

17 COUNT 11: On or about and between May 13, 2013 and March 20,
18 2015, in violation of Section 550(b)(3) of the Penal Code
19 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
20 defraud, did unlawfully conceal and knowingly fail to disclose,
21 and did knowingly assist with another person to conceal and fail
22 to disclose the occurrence of an event and a fact that affected
23 the initial and continued material right and entitlement of
24 California Insurance Company Applied Underwriters. to an
25 insurance benefit and payment, and to the amount of a benefit
and payment to which California Insurance Company Applied
Underwriters. was entitled, namely: Defendant had a financial
interest in and received financial incentives to prescribe
Compound Creams, Oral Medications and Urine Toxicology Tests to
his workers' compensation patients..

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1 COUNT 12: On or about and between May 03, 2013 and August 15,
2 2015, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
4 defraud, did unlawfully conceal and knowingly fail to disclose,
5 and did knowingly assist with another person to conceal and fail
6 to disclose the occurrence of an event and a fact that affected
7 the initial and continued material right and entitlement of
8 Disneyland (WDW Entertainment) to an insurance benefit and
9 payment, and to the amount of a benefit and payment to which
10 Disneyland (WDW Entertainment) was entitled, namely: Defendant
11 had a financial interest in and received financial incentives to
12 prescribe oral medications and compound creams and to Order
13 Urine Toxicology Tests to his workers' compensation patients..

14 COUNT 13: On or about and between May 09, 2013 and February 13,
15 2015, in violation of Section 550(b)(3) of the Penal Code
16 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
17 defraud, did unlawfully conceal and knowingly fail to disclose,
18 and did knowingly assist with another person to conceal and fail
19 to disclose the occurrence of an event and a fact that affected
20 the initial and continued material right and entitlement of
21 Employers Insurance to an insurance benefit and payment, and to
22 the amount of a benefit and payment to which Employers Insurance
23 was entitled, namely: Defendant had a financial interest in and
24 received financial incentives to prescribe oral medications and
25 compound creams and to Order Urine Toxicology Tests to his
26 workers' compensation patients..

27 COUNT 14: On or about and between October 02, 2013 and June 25,
28 2014, in violation of Section 550(b)(3) of the Penal Code
(INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
defraud, did unlawfully conceal and knowingly fail to disclose,
and did knowingly assist with another person to conceal and fail
to disclose the occurrence of an event and a fact that affected
the initial and continued material right and entitlement of
Farmers Insurance to an insurance benefit and payment, and to
the amount of a benefit and payment to which Farmers Insurance
was entitled, namely: Defendant had a financial interest in and
received financial incentives to prescribe compound creams and
to Order Urine Toxicology Tests to his workers' compensation
patients. (Patient: Shin S..

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1 COUNT 15: On or about and between November 12, 2013 and January
2 29, 2014, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
4 defraud, did unlawfully conceal and knowingly fail to disclose,
5 and did knowingly assist with another person to conceal and fail
6 to disclose the occurrence of an event and a fact that affected
7 the initial and continued material right and entitlement of The
8 Hartford to an insurance benefit and payment, and to the amount
9 of a benefit and payment to which The Hartford was entitled,
10 namely: Defendant had a financial interest in and received
11 financial incentives to order Urine Toxicology Tests and
12 prescribed Compound Creams and oral medication to his workers'
13 compensation patients. (Patient Edin D.).

10 COUNT 16: On or about and between May 09, 2013 and July 24,
11 2014, in violation of Section 550(b)(3) of the Penal Code
12 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
13 defraud, did unlawfully conceal and knowingly fail to disclose,
14 and did knowingly assist with another person to conceal and fail
15 to disclose the occurrence of an event and a fact that affected
16 the initial and continued material right and entitlement of
17 TRISTAR Insurance Group to an insurance benefit and payment, and
18 to the amount of a benefit and payment to which TRISTAR
19 Insurance Group was entitled, namely: Defendant had a financial
20 interest in and received financial incentives to prescribe oral
21 medication and to order Urine Toxicology Tests to his workers'
22 compensation patients..

19 COUNT 17: On or about and between July 10, 2014 and July 16,
20 2014, in violation of Section 550(b)(3) of the Penal Code
21 (INSURANCE FRAUD), a FELONY, DUKE AHN, with the intent to
22 defraud, did unlawfully conceal and knowingly fail to disclose,
23 and did knowingly assist with another person to conceal and fail
24 to disclose the occurrence of an event and a fact that affected
25 the initial and continued material right and entitlement of
26 Zurich Insurance to an insurance benefit and payment, and to the
27 amount of a benefit and payment to which Zurich Insurance was
28 entitled, namely: Defendant had a financial interest in and
received financial incentives to prescribe to order Urine
Toxicology Tests to his workers' compensation patients. (Patient
Mathias S.).

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ENHANCEMENT(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17, it is further alleged pursuant to Penal Code section 12022.6(a)(1) (PROPERTY DAMAGE/LOSS OVER \$65,000), that DUKE AHN intentionally took, damaged, and destroyed property valued in excess of sixty-five thousand dollars (\$65,000) during the commission and attempted commission of the above offense.

I declare under penalty of perjury, on information and belief, that the foregoing is true and correct.

Dated 04-03-2017 at Orange County, California.
KS/AC 17F00362

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ SHADDI KAMIABIPOUR
SHADDI KAMIABIPOUR, Deputy District Attorney

RESTITUTION CLAIMED

- None
- \$ _____
- To be determined

BAIL RECOMMENDATION:

DUKE AHN - \$ 65,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

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Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.



Secretary of State
Statement of Information
 (California Stock, Agricultural
 Cooperative and Foreign Corporations)

34

SI-550

17-087671

FILED
 Secretary of State
 State of California
OCT 16 2017

IMPORTANT — Read instructions before completing this form.

Fees (Filing plus Disclosure) – \$25.00;

Copy Fees – First page \$1.00; each attachment page \$0.50;
 Certification Fee - \$5.00 plus copy fees

1. Corporation Name (Enter the exact name of the corporation as it is recorded with the California Secretary of State. Note: If you registered in California using an assumed name, see instructions.)

Duke Ahn MD, Inc

MF This Space For Office Use Only

2. 7-Digit Secretary of State File Number

C 2901232

3. Business Addresses

| | | | |
|---|---|-------------|-------------------|
| a. Street Address of Principal Executive Office - Do not list a P.O. Box 11278 Los Alamitos Blvd #192 | City (no abbreviations) Los Alamitos | State CA | Zip Code 90720 |
| b. Mailing Address of Corporation, if different than item 3a | City (no abbreviations) | State | Zip Code |
| c. Street Address of Principal California Office, if any and if different than Item 3a - Do not list a P.O. Box | City (no abbreviations) | State CA | Zip Code |

4. Officers

The Corporation is required to list all three of the officers set forth below. An additional title for the Chief Executive Officer and Chief Financial Officer may be added; however, the preprinted titles on this form must not be altered.

| | | | | |
|-------------------------------------|------------|-------------|---|-------------------------------|
| a. Chief Executive Officer/ Duke | First Name | Middle Name | Last Name Ahn | Suffix |
| 11278 Los Alamitos Blvd #192 | Address | | City (no abbreviations) Los Alamitos | State CA Zip Code 90720 |
| b. Secretary Duke | First Name | Middle Name | Last Name Ahn | Suffix |
| 11278 Los Alamitos Blvd #192 | Address | | City (no abbreviations) Los Alamitos | State CA Zip Code 90720 |
| c. Chief Financial Officer/ Duke | First Name | Middle Name | Last Name Ahn | Suffix |
| 11278 Los Alamitos Blvd #192 | Address | | City (no abbreviations) Los Alamitos | State CA Zip Code 90720 |

5. Director(s)

California Stock and Agricultural Cooperative Corporations ONLY: **Item 5a:** At least one name and address must be listed. If the Corporation has additional directors, enter the name(s) and addresses on Form SI-550A (see instructions).

| | | | |
|--|-------------|---|-------------------------------|
| a. First Name Duke | Middle Name | Last Name Ahn | Suffix |
| Address 11278 Los Alamitos Blvd #192 | | City (no abbreviations) Los Alamitos | State CA Zip Code 90720 |
| b. Number of Vacancies on the Board of Directors, if any | | | |

6. Service of Process (Must provide either Individual OR Corporation.)

INDIVIDUAL – Complete Items 6a and 6b only. Must include agent's full name and California street address.

| | | | |
|--|-------------|---|-------------------------------|
| a. California Agent's First Name (if agent is not a corporation) Duke | Middle Name | Last Name Ahn | Suffix |
| b. Street Address (if agent is not a corporation) - Do not enter a P.O. Box 3801 Katella Ave #212 | | City (no abbreviations) Los Alamitos | State CA Zip Code 90720 |

CORPORATION – Complete Item 6c only. Only include the name of the registered agent Corporation.

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| c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 6a or 6b |
|---|

7. Type of Business

Describe the type of business or services of the Corporation
 Healthcare

8. The Information contained herein, including in any attachments, is true and correct.

10/10/17 Duke Ahn ceo
 Date Type or Print Name of Person Completing the Form Title Signature