

IN THE CIRCUIT COURT OF THE 11TH  
JUDICIAL CIRCUIT IN AND FOR  
MIAMI-DADE COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

CASE NO. **06-09154** CA 31

LINDA McMAHAN SCHUTT  
a/k/a LINDA McMAHAN,

Plaintiff,

v.

D. BRUCE McMAHAN, ARGENT  
FUNDS GROUP, L.L.C., ARGENT  
CLASSIC MANAGEMENT COMPANY,  
L.L.C., ARGENT GLOBAL BERMUDA,  
LTD., McMAHAN SECURITIES CO.,  
L.P., LTD., PATRICIA RANSOM and  
AARON McKAY,

Defendants.

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CLERK CIRCUIT COURT IN AND FOR  
MIAMI-DADE COUNTY, FLORIDA  
CIVIL #06-09154

**COMPLAINT FOR DAMAGES**

Plaintiff, LINDA McMAHAN SCHUTT a/k/a LINDA McMAHAN, hereby sues Defendants, D. BRUCE McMAHAN, ARGENT FUNDS GROUP, L.L.C., ARGENT CLASSIC MANAGEMENT COMPANY, L.L.C., ARGENT GLOBAL BERMUDA, LTD., McMAHAN SECURITIES CO., L.P., LTD., PATRICIA RANSOM and AARON McKAY, and as grounds therefore states:

**JURISDICTIONAL ALLEGATIONS**

1. This is an action for damages in excess of Fifteen Thousand (\$15,000.00) Dollars, exclusive of pre-judgment interest, court costs and attorney's fees and for equitable relief.
2. The claims include conversion of personal property, statutory civil theft, civil trespass, wrongful entry and detainer, breach of employment agreement, tortious interference with

an advantageous business relationship, intentional infliction of emotional distress, civil conspiracy, and imposition of a constructive trust.

3. Jurisdiction and venue lie in Miami-Dade County, Florida, where the Plaintiff, LINDA McMAHAN SCHUTT a/k/a LINDA McMAHAN, hereinafter referred to as "LINDA"), was wrongfully ejected from her residence, where all of her items of personal property were confiscated and converted and where her employment contract was breached.

4. Defendant, D. BRUCE McMAHAN (hereinafter, referred to as "McMAHAN") is *sui juris*. He maintains a residence on Fisher Island, Florida and regularly transacts business in the State of Florida.

5. Defendant McMAHAN is chief executive officer and founder of Defendant ARGENT FUNDS GROUP, L.L.C., (hereinafter referred to as "ARGENT"), a limited liability company incorporated and established under the laws of the State of Delaware, which maintains a working office known as the Argent Global Center, located at 7413 Fisher Island Drive, Fisher Island, Florida, which employed LINDA.

6. Defendant McMAHAN is chief executive officer and founder of Defendant ARGENT CLASSIC MANAGEMENT COMPANY, L.L.C., (hereinafter referred to as "ARGENT CLASSIC"), which directly and/or indirectly employed LINDA.

7. Defendant McMAHAN is the founder and directs the activities of Defendant ARGENT GLOBAL (BERMUDA), LTD., a corporation registered under the laws of Bermuda, and registered to do business in Florida as ARGENT GLOBAL (BERMUDA), LTD., CO., from December 19, 2001, through October 1, 2004, when its registration was revoked for failure to file its annual report.

8. Defendant McMAHAN is chief executive officer and founder of Defendant McMAHAN SECURITIES CO., L.P., LTD. (hereinafter referred to as "McMAHAN SECURITIES"), which directly or indirectly employed Plaintiff.

9. At all times material, ARGENT GLOBAL (BERMUDA), LTD., was and is the legal title holder to the real property known as Unit 4934D, of BAYVIEW AT FISHER ISLAND CONDOMINIUM NO. ONE, a Condominium, according to the Declaration and the Exhibits annexed thereto, as recorded in Official Record Book 14605 at Page 1313 of the Public Records of Miami-Dade County, Florida.

10. Defendant PATRICIA RANSOM is *sui juris* and a resident of the State of New York and Florida. She is in the employ of Defendant McMAHAN and/or ARGENT and acts as the director of human relations for Argent. She has committed tortious acts in the State as more particularly described below which confers jurisdiction pursuant to §48.193(1)(b), Florida Statutes (2005).

11. Defendant AARON McKAY is a resident of Ft. Lauderdale, Florida and in the employ of Defendant McMAHAN and/or ARGENT and has committed tortious acts in the State of Florida as more particularly described below which confers jurisdiction pursuant to §48.193(1)(b), Florida Statutes (2005).

12. The Defendants ARGENT, ARGENT CLASSIC and McMAHAN SECURITIES committed acts in the State of Florida breaching the employment agreement with Plaintiff.

13. Defendants McMAHAN, RANSOM and McKAY committed tortious acts in Florida against Plaintiff by actually, constructively and wrongfully entering and detaining Plaintiff's

residence on Fisher Island, confiscated Plaintiff's personal property, including, but not limited to, clothing, art work and automobiles, and barred Plaintiff access to Fisher Island where Plaintiff resided and had an equity membership in the Fisher Island Club.

14. Defendant McMAHAN has committed additional tortious acts in the State of Florida against the person and property of LINDA which confers jurisdiction pursuant to §48.193(1)(b), Florida Statutes (2005).

15. Plaintiff has retained the law firm of Heller and Chames, P.A. and has promised to pay it a reasonable attorney's fee, for which the Defendants are liable in accordance with applicable Florida law.

### **INTRODUCTION**

16. This Complaint details the intentional and wrongful conduct of the Defendant, Bruce McMAHAN, arising from a calculated scheme utilizing a system of escalating rewards and punishment to create a dependency by his ill and vulnerable daughter. The sole objective of McMAHAN's scheme was to initiate and perpetrate an illicit and incestuous sexual relationship with his daughter, LINDA.

17. McMAHAN engaged in sexual conduct with his biological daughter, LINDA.

### **ALLEGATIONS AS TO ALL COUNTS**

18. LINDA was born on May 29, 1969. Her biological mother is Myra Westphal. LINDA did not know or meet her mother until she was an adult.

19. LINDA's biological father is BRUCE McMAHAN ("McMAHAN"). LINDA did not know her father until she was an adult. McMAHAN abandoned LINDA's mother and fled the United States for Spain where he resided for 10 years.

20. LINDA's biological mother put her up for adoption at an early age. LINDA was adopted by Laird and Mary Hodge in San Diego, California.

21. When she was an adult, LINDA was able to locate and contact her biological mother, Myra Westphal.

22. Prior to November 10, 1990, LINDA did not know her biological father, Defendant McMAHAN.

23. On or about November 10, 1990, when LINDA was 21, she was contacted by her biological father, McMAHAN. LINDA's birth mother, Myra, had arranged the introduction to her biological father, McMAHAN.

24. The first meeting occurred in 1990 when McMAHAN visited LINDA in California.

25. At the request of McMAHAN, both McMahan and LINDA submitted to a DNA/HLA testing in order to confirm McMAHAN's paternity.

26. After DNA tests confirmed his parentage of LINDA, McMAHAN began introducing LINDA to his other children and family members.

27. McMAHAN demanded that LINDA change her last name to his last name. LINDA complied with this demand.

28. From 1995 to 1998, LINDA successfully pursued graduate studies, worked at various hospital internships and was working towards a successful completion of her Ph.D program. During this period, McMAHAN injected himself into LINDA's life.

29. At the time, McMAHAN's relationship with his fourth wife was deteriorating, he sought out LINDA. He systematically increased LINDA's dependence on him through a pattern of promises of fatherly affection, cash gifts and future employment opportunities.

30. McMAHAN took advantage of LINDA's emotional and financial dependence on him by establishing, at first, a close father/daughter relationship, from which he thereafter converted into an incestuous, carnal relationship.

31. In the summer of 1998, while staying at the Ritz-Carlton Hotel in Laguna Beach, California, McMAHAN discussed his offshore Serra Foundation and subsidiary companies and told LINDA that she would be a controlling trustee and that, upon his death, she would become protector of the entire offshore conglomerate. McMAHAN instructed the director of Argent Funds Group Bermuda and Trustee of the Serra Foundation, Henry Cox, to install LINDA as the Trustee. McMAHAN further told LINDA that he had instructed Henry Cox that upon McMAHAN's death, she would then have full control of the Serra Foundation as the protector.

32. McMAHAN also formed the McMahan Center for Human Abilities, installed LINDA as the Director and paid LINDA \$10,000.00 per month.

33. In October of 1999, LINDA married Sargent Schutt (hereinafter referred to as "HUSBAND" or "SARGENT").

34. McMAHAN found SARGENT employment with Matt Michelson.

35. During the period from 2000 - 2001, LINDA completed a one (1) year post-doctorate fellowship in clinical psychology at the Scripps Clinic in La Jolla, California.

36. After September 2001, SARGENT and LINDA lived in Sonoma, California and LINDA began actively working for The McMahan Center for Human Abilities.

37. LINDA continued to serve as president and CEO of the McMahan Center for Human Abilities and continued to receive her compensation of \$10,000 per month.

38. Upon learning of LINDA and SARGENT's plans to have children in the summer of 2002, McMAHAN terminated LINDA's position with the McMAHAN Center for Human Abilities.

39. As a result of McMAHAN'S rejection of LINDA and termination of her position, LINDA suffered a depression, and expressed extreme physical and emotional pain due to the onset of stress induced Reiter's Syndrome, an auto-immune disease which from time-to-time afflicts LINDA.

40. As a result of the Reiter's Syndrome, LINDA became blind and had to have cataract surgery to restore her vision.

41. In 2003, LINDA applied and was accepted at the University of Mississippi Medical Center to pursue Diplomate status as a specialist in Neuropsychology, a two year fellowship program. SARGENT and LINDA moved to Mississippi.

42. In December, 2003, LINDA's health further declined.

43. It was at this point that McMAHAN reentered LINDA'S life and arranged for LINDA to receive medical treatment. McMAHAN had LINDA flown in his private jet from Mississippi to the Mayo Clinic in Rochester, Minnesota.

44. After her stay in the Mayo Clinic, McMAHAN arranged for LINDA'S convalescence at the Argent Center at Fisher Island, Florida.

45. In early 2004, McMAHAN intentionally and deliberately made false statements to LINDA as to material facts to induce LINDA to give up her fellowship and move to Florida to operate, manage and create various business entities/opportunities with McMAHAN.

46. In order to induce LINDA to abandon her educational pursuits, McMAHAN assured LINDA that he would not seek sexual favors from her and that he would respect and adhere to the boundaries normally associated with a traditional father/daughter relationship.

47. As a further inducement to LINDA, McMAHAN promised LINDA that she would be made executive vice president of marketing of ARGENT, receive an equity interest in the soon-to-be formed McMahan-Flack Design Center and reside in a condominium on Fisher Island purchased for her.

48. Furthermore, McMAHAN represented to LINDA that he would make available to her various other opportunities and purchase for her club memberships and that LINDA would be compensated for life by what McMAHAN termed as "generational wealth" valued at "millions".

49. These statements were fraudulent, false and untrue. McMAHAN knew the statements were false when he made them and/or had no intent to perform at the times he made them. McMAHAN made them with the deliberate intent of inducing LINDA to rely on them to her detriment and to change her position in reliance upon the statements.

50. LINDA did not know that the representations were false and untrue and she acted in reliance upon them.

51. LINDA reasonably relied on the false statements as follows: In 2004, she resigned her fellowship at the University of Mississippi and she separated herself from her husband by moving to Florida.

52. Notwithstanding McMAHAN's assurances that their father/daughter relationship would be strictly platonic, McMAHAN's true intention was to resume a dominating and controlling incestuous sexual relationship with LINDA.

53. McMAHAN accomplished this by lavishing LINDA with expensive gifts, art, clothing and jewelry while simultaneously engaging in episodes of berating and belittling LINDA and abusing her verbally and physically, often during drunken rages.

54. At McMAHAN's direction, LINDA selected a Fisher Island condominium to purchase which she designed and renovated. It was purchased in the name of one of McMAHAN's companies, ARGENT GLOBAL.

55. While renovations were underway, LINDA resided with McMAHAN at his residence at 7925 Fisher Island Drive.

56. It was during this period that McMAHAN established the McMahan Flack Design Center. LINDA spent hundreds of hours meeting with Designer Hilda Flack planning the business strategy of the Center.

57. LINDA proposed, and McMAHAN agreed, that upon the completion of the renovations, LINDA's condominium would serve as the "Design Model" for the McMahan Flack Design Center.

58. Beginning in April, 2004 and despite McMAHAN's repeated assurances that he would not demand sexual favors from LINDA, he in fact, initiated an incestuous sexual relationship with LINDA in April, 2004, which continued through August, 2005.

59. In 2004, McMAHAN's estranged 5th wife, ELENA, filed an Affidavit in her New York divorce proceeding accusing McMAHAN of having an incestuous relationship with LINDA.

60. McMAHAN devised a strategy to rebut Elena's allegations of incest which included the filing of a lawsuit against Elena in New York for injunctive relief.

61. McMAHAN also attempted to coerce LINDA to sign a false affidavit denying Elena's claim of incest, which LINDA refused.

62. On June 23, 2004, McMAHAN "married" LINDA in Westminster Abbey, London, England. Henceforth, McMAHAN referred to LINDA as Wife, Uber Wife or Yummy Puppy.

63. Thereafter, McMAHAN and LINDA wore their "wedding rings" when they were together at business events, where their respective spouses were always excluded by McMAHAN.

64. McMAHAN then requested and paid for LINDA to have a Mississippi lawyer prepare a post-nuptial agreement from SARGENT as a condition to McMAHAN paying LINDA the substantial sums of money he promised her as part of her compensation package.

65. LINDA's various employment opportunities included, but were not limited to: (a) establishing a business known as The Linda McMahan-Hilda Flack Design Center, L.L.C., intended to provide interior design services to residential and commercial property owners on Fisher Island; (b) establish the companion business of McMahan-Flack Accessories to mass market designer Hilda Flack branded interior design items; (c) fully design the 6,000 square foot Fisher Island Design Center in conjunction with ASR Interiors; (d) engage in the sale of artwork (Rutsch); (e) redesign interior of one of two of McMAHAN's executive jet airplanes (Bombardier); (f) network with various of McMAHAN'S clients and acquaintances to attract multi-million dollar investment in the hedge fund operated by Argent Securities; and (g) LINDA bought and sold various objets d' art on behalf of McMAHAN individually for both his personal and professional use.

66. As part of her compensation, in addition to the residence which was purchased for her at 4934 Fisher Island Drive, Miami, Florida, LINDA was promised: (a) a monthly salary of

\$1,000.00, plus medical and dental coverage; (b) clothing; (c) two Mercedes automobile "Smart Cars"; (d) a fully paid 2004 Bentley Continental GT and automobile insurance; (e) unlimited private and commercial air travel and lodging; (f) a Versace Club account founder membership (Casa Casuarina); and (g) a full equity membership to the Fisher Island Club and Spa.

67. For her services rendered in connection with the McMahan-Flack Design Center, LINDA was promised a 50% equity ownership and a division of profits.

68. LINDA successfully performed all of the services and her responsibilities in a satisfactory, timely and diligent manner.

69. Notwithstanding LINDA's successful efforts, McMAHAN became increasingly suspicious, if not paranoid, of LINDA's loyalty to him, which he demanded.

70. For instance, in July of 2005, McMAHAN destroyed two different hard drives from SARGENT's computers. McMAHAN told LINDA he feared that his explicitly sexual e-mails to LINDA from 1998 forward were contained on one or more of these hard drives.

71. At one point when LINDA was working with Hilda Flack in Palm Beach, RANSOM spirited LINDA away by private jet from Palm Beach to New York at McMAHAN's request. In New York, McMAHAN falsely accused LINDA of conspiring with SARGENT against McMAHAN despite LINDA's denial. McMAHAN abandoned LINDA in New York on the airport tarmac. When LINDA returned to Fisher Island, RANSOM then instructed LINDA to immediately return to New York to accompany McMAHAN to England in his private jet.

72. In August, 2005, Defendant McMAHAN's realization that he was losing his dominance over LINDA coupled with his fear that his circle of friends, family and business associates would learn of his illicit and incestuous relationship with his daughter, prompted him to

terminate his personal and business relationship with LINDA in a bizarre and offensive manner.

73. At McMAHAN's direction, RANSOM requested that LINDA fly to the Argent office in Bermuda. While preparing for the trip, McMAHAN confronted LINDA and threw her and her possessions out of his condominium at 7925 Fisher Island Drive.

74. LINDA immediately relocated herself to her almost completed condominium at 4934 Fisher Island Drive.

75. In a matter of days, at McMAHAN'S direction, AARON McKAY went to LINDA's condominium. He let himself in without her knowledge and consent. He rummaged through her belongings and found a hard drive that belonged to LINDA.

76. On September 1, 2005, AARON McKAY, again acting at McMAHAN's direction, accessed LINDA's personal computer, copied private correspondence, including attorney-client communications between LINDA and her counsel.

77. McKAY reported to McMAHAN the substance of LINDA's personal and private e-mails which he hacked into.

78. McMAHAN's reaction was swift and cruel.

79. On September 2, 2005, McMAHAN told LINDA "I will preemptively destroy you."

80. Fearful for her safety, LINDA changed the locks to her condominium that same day.

81. Nevertheless, on September 5, 2005, McMAHAN, aided and abetted by his other employees, RANSOM and McKAY, forcibly entered LINDA's condominium unit at 4934 Fisher Island Drive. These Defendants refused to leave the premises until ordered to do so by Metro Dade Sheriffs.

82. After the police departed, McMAHAN, RANSOM and McKAY returned to 4934 Fisher Island Drive and broke in and entered her residence, changed the locks of the residence and confiscated and converted all of LINDA's personal property.

83. Despite LINDA's demand for the return of her property, the Defendants refused to return it to her.

84. RANSOM and McKAY, in furtherance of their unlawful acts, instructed Fisher Island security staff and ferry operators to bar LINDA's access to Fisher Island, caused the immediate revocation of her membership at the Fisher Island Club facilities and prevented LINDA from gaining access to any and all of her personal property.

85. These Defendants also confiscated LINDA's personal mail which continued to arrive at her 4934 Fisher Island Drive address.

86. Defendants' misconduct, perpetrated against LINDA without proper notice or even minimal compliance with Florida law, constitutes a wrongful eviction and detainer, a conversion of LINDA's personal property, civil theft, civil trespass and an invasion of her privacy.

87. Defendants acted intentionally, wantonly, willfully and with reckless disregard of LINDA's rights for which LINDA shall seek an award of punitive damages in compliance with §768.72 Florida Statutes.

88. Both on September 13, 2005 and again on October 28, 2005, LINDA's counsel made demand upon the Defendants for return of LINDA's personal property. These demands were ignored or refused by the Defendants. (Exhibit "A" and Composite Exhibit "B").

89. Upon information and belief, to further deprive LINDA of her property, McMAHAN has listed LINDA's residence at 4934 Fisher Island Drive for sale.

90. In order to make good on his threat to “preemptively destroy” LINDA, McMAHAN proceeded to initiate baseless and frivolous lawsuits against LINDA in several jurisdictions.

91. The primary goals of McMAHAN’s frivolous lawsuits (which are pending) are to:

- (a) silence LINDA to prevent dissemination of McMAHAN’s sexual relationship with LINDA; and
- (b) to bludgeon LINDA both psychologically and financially by forcing her to expend substantial funds to defend these actions.

92. The frivolous lawsuits filed by McMAHAN include: *Argent Funds Group, LLC v. Linda Marie Schutt*, Civil No. 3:05-CV-01456 (SRU) (the “Connecticut Action”) and *D. Bruce McMahan v. Sargent Schutt, Major Schutt, Linda Marie Schutt, and Does 1-100*, Case No. 05cv-2235 WMc (the “California Action”).

93. These actions lack any scintilla of factual support and were initiated by McMAHAN solely to intimidate and harass LINDA and thus constitute an abuse of process of the Federal Court system and administration of justice.

94. Plaintiff has complied with all conditions precedent to the maintenance of this action, or they have been waived or excused by the Defendants.

**COUNT I - FRAUDULENT MISREPRESENTATION AGAINST McMAHAN**

95. LINDA realleges and reavers the allegations contained in paragraphs 1 - 94 as if fully set forth herein.

96. This is an action for damages for fraudulent misrepresentation by LINDA against McMAHAN, in excess of \$15,000.00, exclusive of interest, costs, and attorney’s fees.