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UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON

CONNIE HARRIS, KRISTI SCOCCO,
SUSAN SARTAIN, MARY MIHOVILICH,
DAVID ASUNCION, BRIAN JAEGER, JUDY
JAEGER, MARY CANTU, KRISTEN WEISE,
KATRINA JOHNSON, CATHERINE
CLEMENS, MARK MILLER, MARY
MIOTKE, DALE DOYON, AARON
HEINTZMAN, SARA MCNAMARA, ERIN
BAST, and MARIA SAGISI GEISS, as
individuals,

Plaintiffs,

v.

U.S. BANKCORP, BANK OF AMERICA,
N.A., & KEYCORP, national banking
associations,

Defendants.

Case No.: 2:19-cv-291

COMPLAINT FOR BREACH OF
CONTRACT, VIOLATIONS OF
WASHINGTON CONSUMER
PROTECTION ACT, CONVERSION, and
NEGLIGENCE

COMES NOW, the Plaintiffs, by and through their attorney of record, Eric J. Harrison
of Attorney West Seattle, P.S., and allege on information and belief the following Complaint.

1 **INTRODUCTION**

2 Between 1980 and 1987, Plaintiffs and/or their benefactors deposited money in
3 exchange for bank bonds, bills, certificates, time deposits, CDs, and multiple maturity non-
4 negotiable time certificate of deposits (together the “Bonds”) issued by Seattle-First National
5 Bank, American Savings Bank of Tacoma, and Rainier National Bank. Plaintiffs’ initial
6 annual interest rates on the Bonds range from “7%” to “14.25%”. Plaintiffs held the original
7 Bonds in a safety deposit box or other secure place for safekeeping. The terms on the Bonds
8 require the registered owner to surrender the original Bond to redeem their principal and
9 unpaid interest. U.S. Bank, Bank of America, and Key Bank acquired the Seattle-First
10 National Banks, American Savings Bank of Tacoma, and Rainier National Banks that issued
11 Plaintiffs’ Bonds. Recently, Plaintiffs went to U.S. Bank, Bank of America, and Key Bank to
12 surrender their Bonds and withdraw their money. U.S. Bank, Bank of America, and Key Bank
13 refused to return Plaintiffs’ money. Bank of America has previously been sued multiple times
14 for their failure to redeem Rainier National Bank bills. In one case, Poletti v. Bank of
15 America, King County Superior Court Judge Douglas A. North held that Bank of America
16 breached their contract and ordered Bank of America to pay the holder of the Bond.
17 Nevertheless, Bank of America, U.S. Bank and Key Bank continue to tell Plaintiffs that their
18 Bonds are worthless and that they have no value.

19 **PARTIES**

20 1. Plaintiff Connie Harris (“Harris”) is a resident of Clark County, Nevada. Plaintiff
21 Kristi Scocco (“Scocco”) is a resident of King County, Washington. Plaintiff Susan Sartain
22 (“Sartain”) is a resident of Los Angeles County, California. Plaintiff Mary Mihovilich
23

1 (“Mihovilich”) is a resident of Grays Harbor County, Washington. Plaintiff David Asuncion
2 (“Asuncion”) is a resident of King County, Washington. Plaintiffs Brian Jaeger and Judy
3 Jaeger (“Jaeger”) are residents of Washtenaw County, Michigan. Plaintiff Mary Cantu
4 (“Cantu”) is a resident of Snohomish County, Washington. Plaintiff Kristen Weise (“Weise”) is
5 a resident of King County, Washington. Plaintiff Katrina Johnson (“Johnson”) is a resident
6 of Pierce County, Washington. Plaintiff Catherine Clemens (“Clemens”) is a resident of San
7 Juan County, Washington. Plaintiff Mark Miller (“Miller”) is a resident of Snohomish
8 County, Washington. Plaintiff Mary Miotke (“Miotke”) is a resident of Pierce County,
9 Washington. Plaintiff Dale Doyon (“Doyon”) is a resident of King County, Washington.
10 Plaintiff Aaron Heintzman (“Heintzman”) is a resident of Los Angeles County, California.
11 Plaintiff Sara McNamara (“McNamara”) is a resident of Marquette County, Wisconsin.
12 Plaintiff Erin Bast (“Bast”) is a resident of Stevens County, Washington. Plaintiff Maria
13 Sagisi Geiss (“Geiss”) is a resident King County, Washington.

14 2. Defendant U.S. BankCorp (“U.S. Bank”), is a national banking association with its
15 main office in Minneapolis, Minnesota. Defendant Bank of America, N.A. (“Bank of
16 America”), is a national banking association with its main office in Charlotte, North Carolina.
17 Defendant KeyCorp (“Key Bank”), is a national banking association with its main office in
18 Cleveland, Ohio. U.S. Bank, Bank of America and Key Bank are regulated by the Office of
19 the Comptroller of the Currency, an independent bureau of the United States Department of
20 the Treasury. U.S. Bank, Bank of America and Key Bank hold successor interest in Seattle-
21 First National Bank (“Seattle-First”), American Savings Bank of Tacoma (“American
22 Savings”), and Rainier National Bank (“Rainier Bank”), including their assets and liabilities.

1 All further references to “the banks” or to “Defendants”, refer to U.S. Bank, Bank of
2 America, N.A. and KeyCorp, and their predecessors.

3 **JURISDICTION & VENUE**

4 3. At all relevant times, Defendants U.S. Bank, Bank of America and Key Bank
5 maintained offices and transacted business in Washington, including King County.

6 4. The United States District Court for the Western District of Washington possesses
7 subject matter jurisdiction pursuant to 28 U.S.C. §1332, 28 U.S.C. §1441 and 28 U.S.C. §
8 1367(b).

9 5. Venue in Western District of Washington is proper pursuant to 28 U.S. Code §1391.

10 **FACTUAL ALLEGATIONS**

11 6. In 1983, Bank of America acquired Seattle-First National Bank, including all of
12 Seattle-First’s obligations on bank bills, bonds, and time deposits issued by Seattle-First.

13 7. In 1987 Security Pacific Corporation acquired Rainier Bank, including all of their
14 bank bills, bonds, and time deposits. In 1992 Security Pacific Corporation merged with
15 BankAmerica to create Bank of America. As part of the merger, the U.S. Department of
16 Justice required Bank of America to divest several of the Rainier Bank branches, including
17 their deposits, to other banks.

18 8. West One Bankcorp purchased several Rainer National Bank branches from Bank of
19 America, including the Admiral Way Branch, Tacoma Branch, and Puyallup Branch. West
20 One Bankcorp’s purchase included the obligations on bank bills, bonds, and time deposits
21 issued by the Rainier Bank Admiral Way Branch and Puyallup Branch. In 1995, West One
22
23

1 Bankcorp merged all its assets and liabilities with U.S. Bankcorp of Portland to create
2 Defendant U.S. Bank.

3 9. Key Bank purchased several Rainier Bank branches from Bank of America, including
4 the Grays Harbor Branch, Magnolia Branch, University Branch, Goldendale, and Crown Hill
5 Branch. Key Bank's purchase included the obligations on bank bills, bonds, and time deposits
6 issued by Rainier Bank's Grays Harbor Branch, Magnolia Branch, University Branch,
7 Goldendale, and Crown Hill Branch.

8 10. Bank of America acquired American Savings Bank in Tacoma, Washington, including
9 its obligations on bank bills, bonds, and time deposits issued by American Savings Bank.

10 11. U.S. Bank, Bank of America, and Key Bank are successors in interest to the Seattle-
11 First, American Savings, and Rainier Bank Bonds listed in this complaint.

12 12. U.S. Bank, Key Bank, and Bank of America received benefit from the Seattle-First,
13 American Savings, and Rainier Bank issued Bonds by earning interests on the deposits.

14 13. On April 14th, 1986 American Savings Bank issued a Certificate of Deposit under
15 Certificate No. 03-10300864-7 ("CD No. 03-10300864-7") to Shawn and Marcie Wood and
16 Connie Wood-Harris and Virginia Wood ("registered owners") for funds deposited with the
17 bank in the principal amount of \$50,000.00. CD No. 03-10300864-7 was issued by the
18 Tacoma branch of American Savings Bank. Plaintiff Connie Wood-Harris purchased CD No.
19 03-10300864-7 and is listed as the registered owner of American Savings Bank Certificate
20 No. 03-10300864-7.

21 14. On December 4th, 1981 Rainier Bank issued Rainier Bank Bond No. 190791 ("Bond
22 No. 190791") to Norman H. or Lovurn G. Thomas with the right of survivorship (registered
23

1 owners”) for funds deposited with the bank in the principal amount of \$2,000.00. Bond No.
2 190791 was issued by the Admiral Way Branch of Rainier Bank of Washington. Norman H.
3 and Lovurn G. Thomas’s daughter is Plaintiff Kristi Scocco. Norman H. Thomas or Lovurn
4 Thomas are listed as the registered owners of Bond No. 190791. Norman H. Thomas died on
5 March 7, 2007 and Lovurn Thomas died on October 27, 2009. Plaintiff Kristi Scocco is heir
6 to Norman H. and Lovurn G. Thomas, and heir to Rainier Bank Bond No. 190791.

7 15. On February 25th, 1982, Rainer National Bank issued Rainer Bank Bill No. 187720
8 (“Bill No. 187720”) to Cody M. Sartain or Susan K. Sartain and Michael R. Sartain or the
9 survivor (“registered owners”) for the funds deposited with the bank in the principal amount
10 of \$16,000.00. On July 5th, 1985, Rainer National Bank issued Time Deposit No. 002 (“Time
11 Deposit No. 002”) to Cody M. Sartain or Susan K. Sartain and Michael R. Sartain with right
12 of survivorship (“registered owners”) for the funds deposited with the bank in the principal
13 amount of \$20,000.00. The bank bill and time deposit were issued by the Puyallup Branch of
14 Rainier Bank of Washington. Cody M. Sartain is listed as the registered owner of Rainier
15 Bank Bill No. 187720 and Time Deposit No. 002. Cody M. Sartain’s daughter is Plaintiff
16 Susan K. Sartain. Cody M. Sartain died on September 10, 2008. Michael R. Sartain died on
17 July 29, 2017. Susan K. Sartain is heir to Cody M. Sartain and heir to Rainier Bank Bill No.
18 187720 and Time Deposit No. 002.

19 16. On July 2nd, 1980, Rainier Bank issued Rainier Bank Bond No. 131755 (“Bond No.
20 131755”) to Mary Mihovilich or Steve John Mihovilich or the survivor (“registered owners”) for
21 funds deposited with the bank in the principal amount of \$1,437.02. Bond No. 131755 was
22 issued by the Grays Harbor Branch of Rainier Bank of Washington. Plaintiff Mary Mihovilich
23

1 purchased Bond No. 131755 from the bank. Plaintiff Mary Mihovilich is listed as the
2 registered owner of Rainier Bank Bond No. 131755. Jan Pellegrini is the niece of registered
3 owner Mary Mihovilich, and the daughter of registered owner Steve John Mihovilich and has
4 power of attorney to act on behalf of both Mary Mihovilich and Steve John Mihovilich.

5 17. On December 30, 1982, Rainer National Bank issued Rainier Bank Bond No. 232598
6 (“Bond No. 232598”) to David or Claire Asuncion with right of survivorship (“registered
7 owners”) for funds deposited with the bank in the principal amount of \$500.00. Bond No.
8 232598 was issued by the Totem Lake Branch of Rainier Bank of Washington. Claire
9 Douglas’s maiden name is Claire Asuncion. Plaintiff David Asuncion and Claire Douglas’s
10 maiden names are listed as the registered owners of Rainier Bank Bond No. 232598.

11 18. On January 23, 1980, Seattle-First National Bank issued First Bank Bond No.
12 00596833 (“Bond No. 00596833”) to Judy Ann Jaeger or Brian D. Jaeger (“registered
13 owners”) for funds deposited with the bank in the principal amount of \$1,064.59. Bond No.
14 00596833 was issued by the Overlake Park Branch of the Seattle-First National Bank of
15 Washington. Plaintiffs Judy Ann Jaeger or Brian D. Jaeger purchased the Seattle-First
16 National Bank Bond No. 00596833. Plaintiffs Judy Ann Jaeger or Brian D. Jaeger are the
17 registered owners of Seattle-First National Bank Bond No. 00596833.

18 19. On December 3, 1982, Seattle-First National Bank issued First Bank Bond No.
19 00765134 (“Bond No. 00765134”) to Paula Hinojosa or Mary Lou Cantu (“registered
20 owners”) for funds deposited with the bank in the principal amount of \$1,000.00. On
21 December 3, 1982, Seattle-First National Bank issued First Bank Bond No. 00765135 (“Bond
22 No. 00765135”) to Paula Hinojosa (“registered owner”) for funds deposited with the bank in
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1 the principal amount of \$1,000.00. The bonds were issued by the Aurora Village Branch of
2 the Seattle-First National Bank of Washington. Paula Hinojosa or Mary Lou Cantu are listed
3 as the registered owners of Bond No. 00765134 and Bond No. 00765135. Paula Hinojosa's
4 daughter is Plaintiff Mary Lou Cantu. Paula Hinojosa died on January 19, 1996. Mary Lou
5 Cantu is heir to Paula Hinojosa and heir to Bond No. 00765134 and Bond No. 00765135.

6 20. On November 9, 1981, Rainier Bank issued Rainier Bank Bond No. 0198133 ("Bond
7 No. 0198133") to Kristen Peez or Donald E. Hendrix, ("registered owners") with the bank in
8 the principal amount of \$500.00. On November 9, 1981, Rainier Bank issued Rainier Bank
9 Bond No. 0198132 ("Bond No. 0198132") to Dain F. Peez or Donald E. Hendrix ("registered
10 owners") with the bank in the principal amount of \$500.00. On March 12, 1981, Rainier Bank
11 issued Rainier Bank Bond No. 126120 ("Bond No. 126120") to Kristen Peez or Donald E.
12 Hendrix ("registered owners") with the bank in the principal amount of \$100.00. The bonds
13 were issued by the Magnolia Branch of Rainier Bank of Washington. Donald Hendrix's
14 granddaughter is Plaintiff Kristen Weise. Plaintiff Kristen Weise's maiden name is Kristen
15 Peez. Plaintiff Kristen Weise's maiden name is listed as a registered owner of Rainier Bank
16 Bond Nos. 0198133 and 126120. Donald Hendrix died in September 11, 2004. Dain F. Peez is
17 Kristen Weise's brother and is listed as a registered owner of Rainer Bank Bond No. 0198132.
18 Plaintiff Kristen Weise is heir to Donald Hendrix and heir to Rainier Bank Bond Nos.
19 0198133, 0198132, and 126120.

20 21. On January 7, 1980, Rainer National Bank issued Rainier Bank Bond No. 117985
21 ("Bond No. 117985") to Virginia M. King-Taylor and Dewey E. Taylor ITF Katrina Rae
22 Jelovich ("registered owners") for funds deposited with the bank in the principal amount of
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1 \$100.00. Bond No. 117985 was issued by the University Branch of Rainier Bank of
2 Washington. Plaintiff Katrina Johnson's maiden name is Katrina Rae Jelovich. Plaintiff
3 Katrina Johnson's maiden name is listed as the registered owner of Rainier Bank Bond No.
4 117985.

5 22. On April 30, 1984, Seattle-First National Bank issued Seattle-First Certificate No.
6 00046404 ("Certificate No. 00046404") to Catherine Clemens POD Kirsten Clemens
7 ("registered owners") for funds deposited with the bank in the principal amount of \$350.00.
8 Certificate No. 00046404 was issued by the Queen Anne Branch of Seattle-First National
9 Bank of Washington. Plaintiff Catherine Clemens purchased Certificate No. 00046404 from
10 the bank. Plaintiff Catherine Clemens is the registered owner of Seattle-First Certificate No.
11 00046404. Kirsten Clemens is the daughter of registered owner Catherine Clemens and is
12 listed on the certificate as Payable on Death.

13 23. On April 10, 1985, Rainier Bank issued Rainier National Bank Time Deposit No. 004
14 ("Time Deposit No. 004") to Alice I. Lewis or Patricia M. Lewis ("registered owners") for
15 funds deposited with the bank in the principal amount of \$25,000.00. On September 20, 1985,
16 Rainier Bank issued Rainier National Bank Time Deposit No. 003 ("Time Deposit No. 003")
17 to Alice I. Lewis or Patricia Lewis ("registered owners") for funds deposited with the bank in
18 the principal amount of \$16,329.32. On September 14, 1987, Rainier Bank issued Rainier
19 National Bank Time Deposit No. 004 ("Time Deposit No. 004-2") to Alice Lewis or Patricia
20 Lewis ("registered owners") for funds deposited with the bank in the principal amount of
21 \$17,154.76. On March 14, 1985, Rainier Bank issued Rainier National Bank Time Deposit
22 No. 002 ("Time Deposit No. 002") to Alice Lewis or Patricia Lewis ("registered owners") for
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1 funds deposited with the bank in the principal amount of \$18,417.76. The time deposits were
2 issued by the Crown Hill Branch of Rainier Bank of Washington. Plaintiff Alice Lewis and
3 Patricia Lewis purchased the time deposits from the bank. Plaintiff Alice Lewis and Patricia
4 Lewis are the registered owners of Time Deposits Nos. 004, 003, 004 and 002. Alice Lewis
5 died in January of 2018. Patricia Lewis died in 1997. Plaintiff Mark Miller is the son of
6 registered owner Alice Lewis and the grandson of registered owner Patricia Lewis, and is heir
7 to Alice Lewis and Patricia Lewis, and heir to Rainier National Bank Time Deposit Nos. 004,
8 003, 004 and 002.

9 24. On December 24, 1981, Rainer National Bank issued Rainer Bank Bond No. 202464
10 (“Bond No. 202464”) to Albert or Mary Miotke or the survivor (“registered owner”) for funds
11 deposited with the bank in the principal amount of \$500.00. Bond No. 202464 was issued by
12 the Puyallup Branch of Rainer National Bank of Washington. Plaintiff Mary Miotke is listed
13 as a registered owner of Rainer National Bank Bond No. 202464.

14 25. On May 8, 1984, Rainer National Bank issued Rainer Bank Bond No. 291153 (“Bond
15 No. 291153”) to Joseph P. Doyon (“registered owners”) for funds deposited with the bank in
16 the principal amount of \$8,000.00. Bond No. 291153 was issued by the University Branch of
17 Rainer National Bank of Washington. Joseph P. Doyon purchased Bond No. 291153 from the
18 bank. Joseph P. Doyon is the registered owner of Rainier Bank Bond No. 291153. Joseph P.
19 Doyon’s son is Plaintiff Dale Doyon. Joseph P. Doyon died on September 13, 2018. Dale
20 Doyon is heir to Joseph P. Doyon and heir to Rainer National Bank Bond No. 291153.

21 26. On July 12, 1984, Seattle-First National Bank issued Seattle-First Certificate No.
22 0040601 (“Certificate No. 0040601”) to Aaron F. Heintzman, Dyrald Heintzman and Sandra
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1 Heintzman (“registered owners”) for funds deposited with the bank in the principal amount of
2 \$200.00. Certificate No. 0040601 was issued by the Everett Mall Branch of Seattle-First
3 National Bank of Washington. Dyrald and Sandra Heintzman purchased Certificate No.
4 0040601 from the bank on behalf of their son, Plaintiff Aaron F. Heintzman. Aaron F.
5 Heintzman is the registered owner of Seattle-First Certificate No. 0040601.

6 27. On July 28, 1980, Rainer National Bank issued Rainer Bank Bond No. 144874 (“Bond
7 No. 144874”) to Blanche McNamara (“registered owners”) for funds deposited with the bank
8 in the principal amount of \$10,000.00. On November 29, 1982, Rainer National Bank issued
9 Rainer Bank Bond No. 237857 (“Bond No. 237857”) to Blanche McNamara (“registered
10 owners”) for funds deposited with the bank in the principal amount of \$10,000.00. On March
11 1, 1982, Rainer National Bank issued Rainer Bank Bond No. 197979 (“Bond No. 197979”) to
12 Blanche McNamara (“registered owners”) for funds deposited with the bank in the principal
13 amount of \$10,000.00. On August 15, 1980, Rainer National Bank issued Rainer Bank Bond
14 No. 144902 (“Bond No. 144902”) to Blanche McNamara (“registered owners”) for funds
15 deposited with the bank in the principal amount of \$10,000.00. On October 30, 1980, Rainer
16 National Bank issued Rainer Bank Bond No. 159572 (“Bond No. 159572”) to Blanche
17 McNamara (“registered owners”) for funds deposited with the bank in the principal amount of
18 \$10,000.00. On June 9, 1983, Rainer National Bank issued Rainer Bank Bond No. 253964
19 (“Bond No. 253964”) to Blanche McNamara (“registered owners”) for funds deposited with
20 the bank in the principal amount of \$10,000.00. The bonds were issued by the Northgate
21 Branch of Rainer National Bank of Washington. Blanche McNamara purchased the bonds
22 from the bank. Blanche McNamara is the registered owner of Rainier Bank Bond Nos.
23

1 144874, 237857, 197979, 144902, 159572, and 253964. Blanche McNamara's daughter is
2 Plaintiff Sara McNamara. Blanche McNamara died on May 19, 1997. Sara McNamara is heir
3 to Blanche McNamara and heir to Rainer National Bank Bond Nos. 144874, 237857, 197979,
4 144902, 159572, and 253964.

5 28. On November 30, 1982, Rainer National Bank issued Rainer Bank Bond No. 251915
6 ("Bond No. 251915") to Erin K. Hocter or Walter W. Hocter or Sally A. Hocter ("registered
7 owners") for funds deposited with the bank in the principal amount of \$914.54. On January
8 19, 1984, Rainer National Bank issued Rainer Bank Bond No. 274482 ("Bond No. 274482")
9 to Erin K. Hocter or Wayne Hocter or Sally Hocter ("registered owners") for funds deposited
10 with the bank in the principal amount of \$500.00. The bonds were issued by the Goldendale
11 Branch of Rainer National Bank of Washington. Erin K. Hocter is the maiden name of
12 Plaintiff Erin Bast. Erin Bast is the registered owner of Rainier Bank Bond Nos. 251915 and
13 274482.

14 29. On December 15, 1983, Seattle-First National Bank issued Seattle-First Certificate
15 No. 00057122 ("Certificate No. 00057122") to Elisa Sagisi POD Maria Sagisi Geiss
16 ("registered owners") for funds deposited with the bank in the principal amount of \$3,000.00.
17 On January 16, 1985, Seattle-First National Bank issued Seattle-First Certificate No.
18 00067576 ("Certificate No. 00067576") to Elisa Sagisi or Maria Sagisi Geiss ("registered
19 owners") for funds deposited with the bank in the principal amount of \$2,000.00. The
20 certificates were issued by the Renton Branch of Seattle-First National Bank. Elisa Sagisi
21 purchased the certificates from the bank. Elisa Sagisi's daughter is Plaintiff Maria Sagisi
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1 Geiss. Elisa Sagisi died on March 30, 2015. Maria Sagisi Geiss is heir to Elisa Sagisi and heir
2 to Seattle-First National Bank Certificate Nos. 00057122 and 00067576.

3 30. Plaintiffs are the registered owners, transferees, beneficiaries, or heirs to all Bonds
4 listed in this Complaint. This includes all bonds, bills, certificates and certificate of deposits
5 listed in this complaint.

6 31. The Bonds are designed to look like a U.S. Savings Bonds. Many of the Bonds are
7 titled "BankBond" or simply "Bond", however, they are actually multiple maturity non-
8 negotiable time certificate of deposits. Rainier Bank and Seattle-First misrepresented their
9 investment product to mislead and confuse consumers.

10 32. Plaintiffs' initial annual interest rates on the Bonds range from "7%" to "14.25%" and
11 the Bonds interest payments are either "Added to Principal", "Paid by Check" or it is left
12 undefined.

13 33. According to the terms printed on the face of the Bonds, some Bonds are single time
14 deposits and others automatically renew with interest for subsequent maturities equal in
15 length to the original maturity period unless (a) the original Bond is presented and
16 surrendered to the Bank by the registered owner for payment or (b) the Bank at its option
17 gives notice prior to any maturity date that it will not be renewed.

18 34. Seattle-First, American Savings, Rainier Bank and its successors never gave notice to
19 the registered owners of the Bonds and/or the Plaintiffs that the Bonds were not being
20 renewed. Plaintiffs did not present the Bonds for surrender to the Bank until recently.

21 35. Plaintiffs held the Bonds in a safe deposit box or other secure place for safekeeping.
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1 36. At all times after the Bonds' purchase, some of the registered owners of the Bonds
2 maintained active accounts at the local bank branches that issued the Bonds.

3 37. Throughout this time some of the registered owners of the Bonds lived at the same
4 address and received regular banking account statements from Seattle-First, American
5 Savings, Rainier Bank and its successors. At no time after the issuance of the Bonds, did
6 Seattle-First, American Savings, Rainier Bank or its successors lose contact with these
7 registered owners.

8 38. After the time of the first renewal, the registered owners did not receive any notice
9 that the Bonds were dormant, or that funds had escheated to the State of Washington.

10 39. Seattle-First, American Savings, Rainier Bank and its successors never escheated the
11 deposited money from the Bonds to Washington State.

12 40. Defendants knew about bank bonds, bills and time certificate of deposits issued by
13 Rainier Bank since at least 1998. Defendant Bank of America has been sued on at least four
14 previous occasions starting in 1998 for failure to redeem Bonds issued by Rainier Bank. King
15 County Superior Court Judge Douglas A. North held that the Rainier Bank bond was valid
16 and ordered Bank of America to pay the beneficiary. Defendants knew or should have known
17 about the validity of Rainier Bank bonds.

18 41. After being made aware of their obligation on bonds, bank bills, and time certificate of
19 deposits issued by Rainier Bank, Defendants continued a policy of misinforming Plaintiffs
20 and other holders that the Bonds were worthless.

21 42. Recently Plaintiffs presented their original Bond certificates to surrender for
22 redemption at Defendants' branch locations. Defendants refused to redeem the Bonds.

1 43. Defendants told Plaintiffs that the Bonds had no value. Defendants told some Plaintiffs
2 that the Bonds had either already been redeemed, or that the Bonds' funds had escheated to
3 the State of Washington. Defendants knew, or should have known, these statements were
4 false. Prior to making these statements to the Plaintiffs, Defendants had failed to investigate
5 and/or perform due diligence on Plaintiffs' Bonds.

6 44. Plaintiffs contacted the Washington State Department of Revenue which confirmed
7 that it had no record of having received any funds belonging to the registered owners of the
8 Bonds.

9 45. The terms for withdrawing the Bond funds are stated on the face of the Bond in a
10 paragraph titled "Withdrawal." On many of the Bonds, the paragraph states that the principal
11 amount and any accrued interest will be paid to the owner "upon presentation and surrender of
12 this Rainier BankBond."

13 46. Defendants hold the money deposits made by Plaintiffs and Plaintiffs' deceased
14 benefactors by way of merger and purchase of Seattle-First, American Savings, and Rainier
15 Bank.

16 47. As successor in interest to Seattle-First, American Savings, and Rainier Bank,
17 Defendants managed the money deposits made by Plaintiffs and Plaintiffs' deceased
18 benefactors.

19 48. As successor in interest to Seattle-First, American Savings, and Rainier Bank,
20 Defendants benefited from money deposited by Plaintiffs and Plaintiffs' deceased
21 benefactors.

1 49. Plaintiffs attempted to redeem their original Bonds according to the instructions
2 printed on the face of the Bonds and Defendants refused to return the money and refused to
3 pay the interest owed to the Plaintiffs as required by the terms of the Bonds.

4 50. Defendants adopted an unfair policy universally refusing Washington residents Bonds
5 issued by Seattle-First, American Savings, and Rainier Bank to avoid paying the registered
6 owners, transferees, beneficiaries, and heirs.

7 51. Defendants adopted a deceptive policy to tell Washington residents that their Bonds
8 had no value and were worthless so Defendants could avoid paying the balance and interest to
9 the registered owners, transferees, beneficiaries, and heirs of the Bonds.

10 52. Defendants' refusal to pay registered owners upon their surrender of the original
11 Bonds affects other registered owners, transferees, beneficiaries, and heirs in Washington
12 state.

13 **FIRST CAUSE OF ACTION – BREACH OF CONTRACT**

14 53. Plaintiffs re-allege and incorporate by reference each allegation set forth herein.

15 54. Seattle-First, American Savings, and Rainier Bank entered into valid written contracts
16 with the registered owners. As part of those written contracts, Seattle-First, American
17 Savings, and Rainier Bank accepted cash deposits from the registered owners in exchange for
18 Bonds issued to the registered owners.

19 55. Bank of America acquired the liability on the Bonds when Bank of America acquired
20 Seattle-First, American Savings, and Rainier Bank.

21 56. Key Bank acquired the liability on the Bonds when Key Bank purchased several
22 Rainier Bank branches, which included the branches' bank bills, bonds, and time deposits.

1 57. U.S. Bank acquired the liability on the Bonds when U.S. Bank purchased several
2 Rainier Bank branches, which included the branches' bank bills, bonds, and time deposits.

3 58. Defendants, as successors to Seattle-First, American Savings, and Rainier Bank,
4 breached the contracts with Plaintiffs by declining to redeem and pay the balance of the
5 Bonds, plus interest. Defendants and their predecessors have not provided any notices to the
6 registered owners, transferees or their beneficiaries that the Bonds would not be renewed, that
7 it was dormant or that the Bonds' funds were being escheated to the State.

8 59. In breaching the contracts with Plaintiffs, Defendants also breached the contractual
9 covenants of good faith and fair dealing that it owed Plaintiffs as a party to the contracts.

10 60. Defendants are liable to Plaintiffs for the principal amounts of the Bonds as well as all
11 interest accrued since the Bonds' issuances.

12 61. Defendants' breach of the contracts caused Plaintiffs to suffer foreseeable damages.
13 From the outset of the contracts, it was foreseeable that breaches would cause direct and
14 consequential damages to Plaintiffs, including, but not limited to, loss of principals, loss of
15 interests, attorneys' fees, and related costs of litigation, all in amounts to be proven at trial.

16 **SECOND CAUSE OF ACTION – VIOLATION OF CONSUMER PROTECTION ACT**

17 62. Plaintiffs re-allege and incorporate by reference each allegation set forth herein.

18 63. The actions, practices, and omissions of Defendants constitute unfair and deceptive
19 acts and practices in the conduct of trade and commerce that affect the public interest within
20 the meaning of the Washington Consumer Protection Act, RCW 19.86.

21 64. Seattle-First, American Savings, and Rainier Bank negligently misrepresented several
22 Bonds to confuse consumers.

1 65. Several of the Bonds state on their face that the funds shall be withdrawn “upon
2 presentation and surrender of this Rainier BankBond.” No other terms are stated as an
3 alternative procedure for withdrawing the Bonds’ funds.

4 66. Plaintiffs have fully complied with all the steps necessary to redeem the Bonds.
5 Defendants have refused to redeem the Bonds by making up erroneous theories in the absence
6 of any evidence that one of its predecessors may have followed unwritten and unpublished
7 rules unknown to Plaintiffs by redeeming the Bonds without requiring the surrender of the
8 original Bonds’ certificate.

9 67. Defendants’ adoption of a policy to refuse redemption by bond holders in Washington
10 state without investigation into their individual Bonds is an unfair business practice.

11 68. Defendants informing Plaintiffs that their Bonds have no value without investigating
12 Plaintiffs’ Bonds is an unfair business practice.

13 69. Defendants’ position that they do not have to fulfill the terms of the Bonds’ contract
14 with Plaintiffs solely because the banks speculate without any evidence, that they may have
15 followed procedures contrary to the terms printed on the face of the Bonds’ certificate is an
16 unfair business practice.

17 70. Defendants have refused to pay other substantially similar bond holders in Washington
18 State. Defendants have no evidence to support their non-payment position. Their refusal to
19 redeem the Bonds based upon an unpublicized change in the rules from those printed on the
20 face of the Bonds is an unfair business practice. The Bonds were purposely structured to
21 renew automatically, with no termination date so that consumers would leave their money on
22 deposit with the bank indefinitely.

1 71. When a consumer has kept their bond funds at the bank for an extended period, just as
2 the terms of the bank bond encouraged, but is denied redemption because the bank has not
3 retained the records for that account, the burden for the costs of enforcing the contract should
4 fall on the bank. It would have been a simple and inexpensive matter for the bank to have
5 retained the records for any bond accounts for which the original bond certificates were not
6 surrendered. For its own reasons Defendants, or its predecessors, chose not to retain those
7 records, or any other records regarding the registered owner's account. The banks cannot use
8 the banks' own business decision not to retain records as the basis for denying a valid
9 consumer claim supported by the customers' records that the bank pledged to rely upon. To
10 do so is an unfair business practice.

11 72. Defendants' responses to Plaintiffs' attempts to redeem their Bonds are per se
12 misrepresentations. The Bond certificates state the rules and process for redemption. When
13 Plaintiffs, and other persons similar to them in Washington State, complied with those rules,
14 Defendants refused to pay and informed the Plaintiffs that their Bonds had no value. This type
15 of unfair business practice toward consumers is exactly what the Washington Consumer
16 Protection Act was designed to protect against.

17 73. As a direct and proximate result of Defendants' violations of the Consumer Protection
18 Act, Plaintiffs have suffered damages, including but not limited to loss of principal and
19 interest, attorneys' fees, and related costs of litigation, all in amounts to be proven at trial.

20 74. These actions by Defendants have affected the public interest. Seattle-First, American
21 Savings, and Rainier Bank issued numerous similar other bonds to numerous other people that
22 Defendants are refusing to redeem when presented with the original bond certificate.
23

1 **THIRD CAUSE OF ACTION – CONVERSION**

2 75. Plaintiffs re-allege and incorporate by reference each allegation set forth herein.

3 76. Defendants, as successors to Seattle-First, American Savings, and Rainier Bank, have
4 willfully deprived Plaintiffs of the principal amounts on their Bonds plus interest without
5 legal justification to do so and converted said funds to their own use.

6 77. As a direct and proximate result, Defendants are liable for damages to Plaintiffs equal
7 to the principal amounts deposited plus interest.

8 **FOURTH CAUSE OF ACTION – NEGLIGENCE**

9 78. Plaintiffs re-allege and incorporate by reference each allegation set forth herein.

10 79. Defendants owed common law and statutory duties of care to Plaintiffs arising from
11 the banks' receipt of funds, the establishment and management of the account relating to the
12 Bonds, which also necessarily included the duty to notify Plaintiffs of any account changes
13 and to pay Plaintiffs upon a withdrawal request.

14 80. Defendants breached the foregoing duties of care owed to Plaintiffs through its actions
15 and omissions by declining to redeem and pay the balance on the Bonds and by not providing
16 notices to Plaintiffs regarding bond renewal, non-renewal, or account dormancy.

17 81. Defendants take the position with no evidence that Plaintiffs' Bonds already has been
18 redeemed, even though Plaintiffs hold the original Bond. Plaintiffs have presented the original
19 Bond Certificates as required by the terms stated on the face of the Bond certificates.

20 82. If Defendants contend that the Bonds were redeemed, even though the original Bond
21 certificates were not surrendered, then Defendants, or its predecessors, were negligent in not
22 maintaining records of the redemption upon which the banks are now speculating.

1 83. As a direct and proximate result of the negligence of Defendants, Plaintiffs suffered
2 damages, including, but not limited to loss of principal and interest, attorneys' fees and related
3 costs of litigation, all in amounts to be proven at trial.

4 **FIFTH CAUSE OF ACTION – RESTITUTION FOR UNJUST ENRICHMENT**

5 84. Plaintiffs re-allege and incorporate by reference each allegation set forth herein.

6 85. Defendants were unjustly enriched by Plaintiffs equal to the principal amounts
7 deposited plus interest, for money had and received by the Defendants for the benefit of
8 Plaintiffs.

9 86. Plaintiffs have demanded payments from Defendants. No payment has been
10 made by the Defendants to Plaintiffs, and Plaintiffs are now owed the sum of not less than
11 the principal amounts deposited plus interest, costs and attorneys' fees.

12 **PRAYER FOR RELIEF**

13 WHEREFORE, Plaintiffs pray that this Court grant the following relief:


- 14 1. Judgment against U.S. Bank, Bank of America and Key Bank awarding Plaintiffs
15 damages in an amount to be proven at trial, including the face value of the Bonds,
16 plus accrued interest at the stated amount for the initial term of the Bond and at
17 "the maximum rate then paid by the Bank as of the first day of such renewal
18 period for time deposits of like maturity and principal amount" on the successive
19 automatic renewal dates for the Bond up to the date of the redemption request;
- 20 2. That Plaintiffs be awarded damages under the Consumer Protection Act, RCW
21 19.86, including treble damages, and costs and attorneys' fees;
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- 3. That Plaintiffs be awarded prejudgment interest from the date that redemption was denied through the date of judgment; and
- 4. For such other relief as the Court deems just and equitable.

RESPECTFULLY SUBMITTED this Thursday, February 28, 2019.

Attorney West Seattle, P.S.

By:  _____

Eric J. Harrison, WSBA# 46129

Attorney for Plaintiffs