

2 ARIZONA CIVIL VERDICTS

9 \$10,594,400

Media Services Ltd. v. Pure Verge, L.L.C. dba ePoint Processing, Ltd., June An, and Cory Harris, Maricopa County Superior Court, CV 2004-005095

This was another fraud case, which also had claims for breach of contract, misrepresentation, negligence and conversion. A merchant account allows a company to offer payment processing to clients through credit and debit cards. Many of those transactions today are done over the Internet. Pure Verge, doing business as ePoint Processing, was a company that provided credit and debit payment processing to merchants over the Internet. June An and Cory Harris were the officers, directors and ultimate owners of ePoint and ran its day-to-day payment processing operations.

For three months, ePoint processed credit card transactions for Media Services Limited under their merchant service agreement. The defendants refused to pay the proceeds of the payment transactions due to Media Services. Media Services alleged that ePoint was the alter ego of An and Harris, and that they kept large amounts of the money for their personal use including luxury vehicles and homes. Defendants said they never received the money from the associated merchant bank, and that the bank had closed the account and seized millions of dollars.

The jury awarded \$6.8 million, including \$2.6 million in punitive damages. The jury allocated fault 50/50 to June An and Cory Harris. The court ruled on the equitable claims and, finding sufficient evidence to support them, awarded damages of \$1,900,750 against June An and \$1,893,650 against Cory Harris.¹⁵