

the transfer of securities, cash and assets from TFC assets or accounts to himself and/or to Defendant Entities.

102. Further, because of Epstein and/or the Defendant Entities' participation in the TFC Ponzi Scheme, Epstein and/or the Defendant Entities received improper disbursements of funds from TFC as payment for his "services," including broker's fees on investment advice, in the form of monthly checks.

103. Through these improper transfers, the intentional diversion of cash and assets, and the receipt of payment for "services" which amounted to defrauding hundreds of thousands of investors, Epstein, by and through the Defendant Entities, intentionally interfered with the rights of TFC, Plaintiffs and the Class and deprived them of the use and benefit of the cash and interest earned on the securities.

104. Epstein, by and through the Defendant Entities, have long benefitted, and continue to benefit, at the expense of the Plaintiffs and the Class, as these funds have been used to create and maintain Epstein's lavish lifestyle.

105. As a result of these improper acts by Epstein and/or the Defendant Entities, Plaintiffs and the Class have been damaged in an aggregate amount in excess of \$500,000,000.

FOURTH CAUSE OF ACTION
(Breach of Fiduciary Duty)

106. Plaintiffs repeat, reiterate and re-allege each and every allegation contained in all preceding paragraphs with the same force and effect as if more fully set forth herein.

107. As an associate and consultant to TFC, Epstein was a fiduciary and owed certain duties to TFC, Plaintiffs and the Class, including, but not limited to, the duty to exercise the highest degree of honesty, care, good faith and loyalty in handling the securities of TFC.

108. Upon information and belief, beginning in or around 1990, continuing through the