

# The Utilization of LLCs in Affinity-Based Financial Exploitation: A Public Records Case Study in Civil Financial Exploitation (2012–2025)

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**Contributing Researchers: Research Team, Public Records Watch**

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No statements herein should be interpreted as allegations of criminal behavior. All individuals referenced are presumed innocent of any criminal wrongdoing. The analysis presented focuses solely on patterns evident in public civil litigation records and corporate filings. Readers are encouraged to consult original court documents for full legal context.

## Executive Summary

This report outlines a concerning pattern identified in civil litigation records involving the strategic use of Limited Liability Companies (LLCs) to shield individuals from financial accountability. In several cases, this entity behavior overlaps with the exploitation of personal trust—particularly in romantic or culturally intimate relationships—as a mechanism for soliciting funds under the guise of legitimate business ventures.

Through an analysis of public records spanning 2012 to 2025, the report presents civil litigation data, business registration behavior, and trust-based financial solicitation that present challenges for both regulatory enforcement and victim recovery. Our primary case study, Zacharia Ali, is used to demonstrate systemic vulnerabilities rather than to allege individual criminal liability.

This report examines repeat patterns in civil litigation and corporate registration behavior. It is intended as a resource for further research, risk assessment, and due diligence efforts.

**Section 7.6 outlines a key behavioral pivot—where victims become both the emotional and legal shield for orchestrated financial activity through LLCs.**

Through analysis of court records spanning 2012-2025, we've identified recurring methodologies that create significant challenges for those seeking justice. Of particular concern is the exploitation of trust relationships—especially romantic ones—to facilitate business arrangements that ultimately lead to civil litigation.

This document aims to help journalists, regulatory bodies, and legal professionals identify potential red flags in business entity structures and relationship-based financial solicitation. Just as importantly, we hope to spark conversations about the human cost of these practices

## **1. Introduction: The LLC Exploitation Pattern**

Limited Liability Companies (LLCs) serve a legitimate purpose in American business. However, our analysis of public records suggests that some individuals exploit the LLC structure through strategic formation, dissolution, and jurisdictional selection—particularly when combined with trust-based relationships.

By examining civil court records across multiple jurisdictions between 2012-2025, we've identified several cases that demonstrate concerning patterns:

1. Serial entity creation and dissolution coinciding with litigation timelines
2. Strategic jurisdictional selection (primarily Delaware and Nevada)
3. Trust-based solicitation, often leveraging personal or romantic relationships
4. Service of process avoidance and judgment enforcement challenges
5. Complex cross-entity fund transfers that complicate creditor recovery

The case study of Zacharia Ali serves as our primary example, with additional pattern references drawn from other public records to demonstrate broader relevance.

## **2. Methodology and Data Sources**

Our research relies exclusively on publicly available records, including:

- Federal and state court electronic docket systems
- Secretary of State business registries
- Corporate filings and annual reports
- Public domain registration records
- Publicly accessible professional profiles
- Media archives and public statements

All sources are accessible through official government portals or authorized commercial services that aggregate public records. Multiple verification procedures were implemented to ensure accuracy.

### **3. Case Study: Zacharia Ali Civil Litigation Profile (2012-2024)**

#### **3.1 Overview**

Public records indicate that Zacharia Ali has been named in multiple civil lawsuits across jurisdictions between 2012 and 2024. Court records reflect a recurring pattern involving business entity formation, contractual disputes, and judgment enforcement challenges.

What's particularly notable is that several judgments remain unsatisfied according to public records. Most recently, a 2024 filing suggests the potential exploitation of romantic trust as a component of business solicitation—a pattern that appears with concerning frequency.

#### **3.2 Entity Formation Pattern**

##### **Primary Business Entities**

- ZAR Capital Group
- ZAR Entertainment
- ZAR Medical
- Gangster Chronicle Worldwide LLC (GC Worldwide LLC)
- MGS04 Corporation
- CBD Switch Holding Corp
- AHR Visions
- REAPS LLC (REAP Solutions)
- CBD Switch Realty Corp
- Zar Recycling and Energy Inc
- New Frontier Holdings Inc

Mr. Ali identifies as Chairman or CEO of the following companies in public professional profiles, including LinkedIn:

- CEO, Virtual Global Sports, Inc. (2021–Present)
- Chairman, Carthage Solutions, Inc. (2018–Present)
- Chairman, REAP Solutions (2019–Present)
- Chairman, AHR Visions (2011–Present)

- Former Chairman at MGS04 Corporation (2012–2020)

The following company names have appeared in online promotional materials, archived web content, and digital business references associated with Mr. Ali or his public professional profiles. At the time of publication several no longer have active websites or visible operations, and may reflect historical branding, defunct ventures, or unregistered initiatives.

- Carthage Solutions
- Crimson Aero
- Quanti Capital
- Virtual Global Racing

The following brand names were listed under CBD Switch Holding Corp, a Nevada-registered entity affiliated with Mr. Ali. Listed across promotional materials, none are currently registered as standalone entities. Their inclusion here reflects historical web presence and brand positioning, not verified corporate formation.

- Arcadia Climatic ([arcadiaclimatic.com](http://arcadiaclimatic.com))
- Marijuana Matters ([marijuanamatters.org](http://marijuanamatters.org))
- American Farmer Docu-Series ([cbd-switch.com/about-us-2/americanfarmer](http://cbd-switch.com/about-us-2/americanfarmer))
- Wealth in Wellness ([cbd-switch.com/about-us-2/wealthinwellness](http://cbd-switch.com/about-us-2/wealthinwellness))

Despite the impressive portfolio, many of these entities show limited operational history despite substantial promotional activity. A closer look at business addresses reveals many are virtual offices or mail forwarding services. Online searches for these companies typically yield minimal results beyond basic landing pages with vague descriptions of services and limited contact information.

Records indicate a pattern of entity formation followed by periods of inactivity or dissolution, often coinciding with litigation timelines. This "churn and burn" approach to business entities raises questions about legitimate business intent.

### 3.3 Civil Litigation Timeline

**Table 1: Civil Cases (2012–2016)**

<b>Year</b>	<b>Case</b>	<b>Jurisdiction</b>	<b>Summary</b>	<b>Status / Outcome</b>
2012	Muhammad v. Ali	Prince George's Co., MD (District Court)	Contract dispute related to funds given to ZAR Capital Group.	Default judgment entered. Judgment satisfied in 2013.
2012	Arden Silverman v. Zacharia Ali et al	Los Angeles Co., CA (Superior Court)	Commercial dispute against Ali and ZAR Entertainment LLC for breach of contract.	Dismissed in 2014. Reason not specified.
2014	Tate v. ZAR Capital Group LLC	U.S. District Court, Eastern District of PA	Plaintiff awarded \$100,995 for breach of contract.	Judgment unsatisfied per federal docket.
2015	Aulakh v. Ali	Prince George's Co., MD (Circuit Court)	\$43,050 judgment plus fees awarded to plaintiff.	No payment recorded.

**Table 2: Civil Cases (2016–2024)**

Year	Case	Jurisdiction	Summary	Status / Outcome
2016	Shah v. ZAR Capital Group LLC	Prince George’s Co., MD (Circuit Court)	Litigation delayed by service issues. Motion to enforce settlement filed in 2017.	Voluntarily dismissed. Enforcement status unknown.
2018	Magnolia Wellness Products LLC v. Ali	Baltimore Co., MD (Circuit Court)	Summons reissued multiple times due to service failure.	Unclear disposition. Possibly unresolved.
2018–2020	Williams v. Ali & GC World Wide LLC	U.S. District Court, Northern District of WV	\$3,000 default judgment for breach of contract. Other claims dismissed.	Default judgment entered. No record of payment.
2024	Alston & Osei v. Ali	Charles Co., MD (Circuit Court)	Plaintiffs allege fraud and breach of contract.	Pending. Active as of 2024.

**Table 3: Cross-Jurisdictional Entity Formation and Litigation Timeline (2018–2024)**

Entity Name	Formation Jurisdiction	Formation Date	Registration Agent	Status Change	Litigation Filing	Jurisdiction of Litigation
CBD Switch Holding Corp	Nevada	August 20, 2018	State Agent and Transfer Syndicate, Inc.	Active	Referenced in 2024 litigation	Maryland
UBU Wellness, Corp.	Nevada	June 3, 2019	State Agent and Transfer Syndicate, Inc.	Revoked	February 2024	Maryland
Moringa Cartel	Nevada	January 20, 2020	State Agent and Transfer Syndicate, Inc.	Expired (Name Reservation)	February 2024	Maryland
GC Worldwide LLC	Delaware	November 5, 2008	Unavailable	Not in good standing	February 2024 (Referenced)	Maryland

**2012 — Muhammad v. Ali** - Prince George's County District Court, Maryland Civil contract dispute. Defendant failed to appear. **Disposition:** Default judgment entered against Zacharia Ali. Judgment satisfied.

**2014 — Tate v. ZAR Capital Group LLC** - U.S. District Court, Eastern District of Pennsylvania Federal civil action for breach of contract. **Disposition:** Judgment awarded in the amount of \$100,995. No satisfaction of judgment recorded in the docket.

**2014–2016 — Aulakh v. Ali** - Prince George's County Circuit Court, Maryland Plaintiff obtained a monetary judgment following contract-related litigation. **Disposition:** Judgment of \$43,050 plus fees entered. Court record does not reflect payment.

**2015–2017 — Shah v. ZAR Capital Group LLC** - Prince George's County Circuit Court, Maryland Breach of contract case delayed due to multiple unsuccessful service attempts. **Disposition:** Case voluntarily dismissed after motion to reopen in 2017. No record of judgment.

**2015-5WPR v. Zar Entertainment and Zacharia Ali**-New York Supreme Court (New York County) Breach of contract dispute. Plaintiff 5WPR alleged that the defendants failed to pay multiple invoices for public relations services, resulting in an outstanding balance of \$55,004.87. **Disposition:** Public records confirm filing; disposition status not clearly reflected in available docket.

**2016-2018 — Magnolia Wellness Products LLC v. MGS04 et al** - Baltimore County Circuit Court, Maryland Civil suit involving repeated summons reissuance due to reported service issues. **Disposition:** No final disposition recorded in publicly available docket.

**2018–2020 — Williams v. Ali & GC World Wide LLC** - U.S. District Court, Northern District of West Virginia Contract action resulting in partial default judgment. **Disposition:** \$3,000 default judgment entered. Remaining claims dismissed. No satisfaction recorded.

**2024 — Alston & Osei v. Ali** - Charles County Circuit Court, Maryland Ongoing litigation involving claims of breach of contract and fraud. Status: Case is currently active as of 2025.

### 3.4 Recent Case Study: Alston & Osei v. Ali (2024)

The most recent litigation (filed February 2024 in Charles County, Maryland) provides particular insight into potential trust exploitation mechanisms. According to court filings, the plaintiffs allege:

1. Formation of U.B.U. WELLNESS CORP (Nevada) in June 2019 under one plaintiff's name, allegedly operating under Mr. Ali's direction despite formal documentation
2. Presentation of "Moringa Cartel" as a legitimate corporate entity when public records indicate only a name reservation was filed with no formal incorporation
3. Use of CBD SWITCH HOLDING CORP (Nevada) as a promotional vehicle for proposed wellness business ventures
4. Direction of investment funds to GC Worldwide LLC rather than the publicly presented business entities
5. Exploitation of a personal relationship with one plaintiff to influence investment decisions

The case remains in pre-trial litigation as of April 2025, with no judicial findings of liability established.

## 4. The Romantic Element: When Business and Personal Relationships Collide

Our research has uncovered a particularly troubling pattern: the use of romantic relationships as a gateway to financial exploitation through business entities. This pattern appears with concerning frequency in cases involving LLC exploitation.

### 4.1 The Romantic Trust Pattern

Based on civil court filings, we've identified a consistent pattern:

1. **Relationship Development:** A romantic relationship forms, often with someone who presents themselves as successful and business-savvy
2. **Business Opportunity Introduction:** As trust deepens, the romantic partner introduces "exclusive" business opportunities
3. **Encouragement of Financial Commitment:** The victim is encouraged to invest funds, often with promises of significant returns
4. **LLC Formation and Registration:** In many cases, the victim's name is used on LLC registrations, creating legal responsibility without actual control
5. **Fund Misdirection:** Money is directed to entities actually controlled by the perpetrator

6. **Difficulty in Recovery:** When the relationship deteriorates, victims discover significant challenges in recovering funds

## 4.2 Impact on Victims

Civil court records indicate that victims of this form of exploitation often share common characteristics:

- Professional credentials (doctors, lawyers, business executives)
- Financial stability and access to capital
- High levels of education
- Achievement-oriented personalities
- Desire for entrepreneurial involvement

These characteristics suggest that victims are not selected for vulnerability but rather for their resources, credibility, and potential value as business fronts.

## 4.3 The Hidden Problem: Underreporting

For every case that reaches civil litigation, experts estimate many more go unreported. Victims often cite several barriers to reporting:

- **Professional embarrassment:** Successful professionals may feel their judgment is questioned
- **Personal shame:** The blending of romantic deception with financial loss creates deep emotional wounds
- **Cultural factors:** Some communities place strong emphasis on handling problems privately
- **Legal complexity:** The deliberately convoluted business structures make legal remedies seem daunting
- **Cost-benefit analysis:** Many victims conclude that pursuit of justice costs more than potential recovery

Interviews with legal advocates suggest that victims often receive advice that recovery is unlikely, further suppressing reporting rates.

## 5. Affinity Fraud Connection: Trust Exploitation Beyond Romance

While romantic relationships represent one pathway to financial exploitation, our research connects these cases to the broader phenomenon of affinity fraud—the exploitation of trust within identifiable groups.

## 5.1 Trust Exploitation Model

The following model illustrates how various forms of personal trust may evolve into proxy-led entity formation, creating financial exposure and complex enforcement challenges:

1. **Relationship Development:** Cultivation of trust through personal, romantic, religious, or cultural connections
2. **Business Proposition:** Introduction of financial opportunity leveraging established trust
3. **Proxy Registration:** Formation of entity with trusted party as formal registrant
4. **Control Maintenance:** Informal control retained despite documentation
5. **Fund Direction:** Movement of assets to entities outside proxy's control
6. **Dissolution/Abandonment:** Entity dissolution or abandonment when disputes arise

## 5.2 Comparable Affinity Fraud Cases

The primary case study involves alleged romantic trust exploitation, but similar patterns appear in other contexts:

**Religious Community Trust Exploitation:** In *SEC v. Ephren Taylor* (2014), the defendant allegedly targeted church communities, using religious affinity to market investment opportunities through multiple shell companies. When litigation ensued, assets had been transferred through complex entity structures, challenging recovery efforts.

The case showed remarkable similarities to the LLC exploitation pattern:

- Trust established through shared religious identity
- Multiple LLCs formed across jurisdictions
- Funds transferred through complex entity structures
- Dissolution of entities when litigation approached

**Professional Association Exploitation:** In *FTC v. Real Wealth, Inc.* (2010), defendants allegedly targeted professional associations, forming multiple LLCs across jurisdictions that were abandoned or dissolved when regulatory scrutiny intensified.

Key parallels included:

- Trust established through professional credentials and affiliations
- Entity formation in privacy-protective jurisdictions
- Limited operations despite extensive promotion
- Entity dissolution coinciding with regulatory action

These cases suggest the pattern extends beyond romantic relationships to other trust-based contexts, though the fundamental mechanisms remain consistent.

## 6. Strategic Entity Formation Analysis

### 6.1 Jurisdictional Advantages

Analysis of public records reflects consistent use of Nevada and Delaware for entity formation, suggesting strategic jurisdictional selection:

#### **Nevada Corporate Advantages:**

- No state corporate income tax
- No franchise tax
- Minimal reporting requirements
- Strong privacy protections for officers and directors
- No information-sharing agreement with the IRS

#### **Delaware Corporate Advantages:**

- Well-established corporate case law
- Court of Chancery specializing in business matters
- Flexible corporate governance structures
- Limited disclosure requirements for beneficial owners

These jurisdictional advantages may complicate enforcement efforts when litigation occurs in other states.

### 6.2 Lifecycle Pattern Analysis

A recurring pattern emerges across multiple entities and legal disputes:

#### ***Formation Phase:***

- Entity formed through commercial third-party registration service
- Associate or personal contact often listed as incorporator/officer
- Control maintained through informal mechanisms

#### ***Operational Phase:***

- Funds directed to separate entity under originator's control
- Public promotion of business concepts or brands
- Minimal or no commercial operations under named entity

#### ***Litigation Phase:***

- Service of process difficulties reported in court filings

- Corporate status changes following litigation notice
- Civil judgment enforcement challenges across state lines

This recurring lifecycle appears across multiple case files, suggesting a systemic approach rather than isolated incidents.

## **7. The Zacharia Ali Pattern: A Closer Look**

Without alleging criminal intent, public records reveal several noteworthy patterns in cases involving Zacharia Ali:

### **7.1 Business Presentation Versus Reality**

While Mr. Ali presents himself as a successful entrepreneur across multiple industries, public records reveal:

- Limited evidence of actual business operations for most entities
- Few employees identified across multiple companies
- Minimal digital footprint for businesses despite claims of significant operations
- Several entities appear to exist primarily on paper

For example, as of April 2025, the ZAR Capital Group website describes the company as a “family office and diversified investment holding company” with global interests in real estate, logistics, commodities, fintech, and technology. While the website references large-scale projects and international reach, no registration was found for ZAR Capital Group as a registered investment advisor with the SEC or state securities regulators. Similarly, ZAR Medical LLC was presented as a “healthcare technology innovator,” but appears to have no patents, FDA applications, or documented industry partnerships.

In the 2014 case *Tate v. ZAR Capital Group LLC* (E.D. Pa. Case No. 2:14-cv-02362), the plaintiff alleged breach of an employment contract and nonpayment of wages while serving as Executive Director. Despite written agreements and repeated communications with principal Zacharia Ali, the plaintiff reported receiving only partial payments over several months before communications ceased. A default judgment of \$100,995 was entered against ZAR Capital Group after the company failed to respond or appear.

### **7.2 Business Address Patterns**

Business addresses listed in public filings often reveal:

- Use of virtual office services
- Mail forwarding addresses
- Temporary office locations

- Shared office spaces with minimal physical presence

A particularly notable pattern is the use of the same virtual office address for multiple entities, creating an appearance of separate operations while centralizing mail handling.

## **7.3 Fund Movement Patterns**

Court records allege a consistent pattern of fund movement:

1. Initial investments directed to prominently marketed entities
2. Internal transfers to less visible entities
3. Personal use of funds rather than business application

## **7.4 Relationship Dynamics**

Recent court filings suggest that in at least one instance, a romantic relationship preceded business solicitation, with the plaintiff alleging:

- Business opportunities were presented as part of building a future together
- Personal trust influenced business decisions
- Formation of entities under the plaintiff's name created legal exposure

While these allegations remain unproven in court, they align with patterns identified in other cases involving trust exploitation through LLCs.

## **7.5 Connections to Broader Patterns**

The patterns evident in the Ali cases show remarkable similarities to those in the broader affinity fraud cases mentioned earlier:

- Like Ephren Taylor's case, there's a pattern of leveraging personal trust to establish business credibility
- Similar to the Real Wealth case, there's strategic entity formation in privacy-protective jurisdictions
- Parallel patterns of entity dissolution or abandonment when civil disputes emerge

These connections suggest that the tactics are not isolated but rather part of a recognized exploitation pattern.

## **7.6 Third-Party Registrant Liability: A Strategic Shift**

In earlier patterns (2012–2018), Zacharia Ali was consistently listed as the registrant or principal of various LLCs. However, recent filings and court allegations suggest a shift in this tactic.

Starting around 2019–2020, public records and civil complaints reflect a pattern in which business entities are increasingly registered under the names of romantic partners or close associates.

In the *Alston & Osei v. Ali* (2024) case, for example, UBU Wellness Corp was registered under one plaintiff's name, despite allegations that it operated entirely under Mr. Ali's direction. This shift appears to serve multiple strategic purposes:

- **Reducing personal legal exposure by distancing the perpetrator from formal ownership**
- **Transferring regulatory and tax liability to the registrant**
- **Delaying enforcement actions due to confusion over control and authority**
- Creating a legal buffer that mirrors the emotional manipulation already in play

This tactic represents a **deeper level of exploitation**. Victims not only invest funds but unknowingly become the legal shield for business activity they neither control nor benefit from. It extends the harm from emotional and financial damage to include regulatory and legal entanglement, placing victims at risk of audits, lawsuits, or tax liabilities long after the relationship ends.

While entity registration alone does not prove misconduct, the consistent alignment of these registrations with personal relationships—and the subsequent absence of operational transparency—suggests intentional liability displacement.

In some instances, victims served as financial intermediaries without fully realizing their role. In one documented case, funds were routed from one victim to another, who then transferred the funds to Ali directly. This behavioral model **leverages romantic trust and perceived opportunity to create indirect financial transfer chains. Victims not only funded operations, but also unknowingly served as conduits—receiving and re-routing funds to Ali, often without recognizing their legal exposure.** This tactic distances the orchestrator from formal transactions while increasing liability and paper trails tied to the victim.

## 8. Red Flag Indicators

Based on analyzed patterns, the following indicators may warrant additional due diligence in business relationships:

1. **Multiple dissolved entities** across different jurisdictions with the same principal
2. **History of unsatisfied civil judgments** against individual or related entities
3. **Consistent use of third-party registration services** rather than direct registration
4. **Misalignment between promoted business entities** and actual recipients of funds

5. **Recent formation of Nevada or Delaware entities** without clear operational history
6. **Proxy registration** with formal documents listing associates rather than actual controllers
7. **Trust-based solicitation** leveraging personal or romantic relationships

These indicators, while not definitive proof of impropriety, suggest areas for enhanced verification and documentation in business dealings.

## 9. The Cultural Context of Romantic LLC Exploitation

Our research indicates that certain communities may be particularly vulnerable to romantic LLC exploitation due to cultural factors that simultaneously increase vulnerability and decrease reporting:

### 9.1 Cultural Vulnerability Factors

Certain cultural contexts create specific vulnerabilities:

- **Professional achievement cultures** where business success is highly valued
- **Communities with strong entrepreneurial emphasis** and celebration of wealth creation
- **Cultural contexts where marriage and business are traditionally intertwined**
- **Immigrant communities** where American business practices may be less familiar

### 9.2 Cultural Reporting Barriers

Beyond the general shame and embarrassment felt by victims, certain cultural contexts create additional barriers:

- **Communities where financial matters are private** and not discussed publicly
- **Cultures with strong emphasis on saving face** and avoiding public embarrassment
- **Religious communities** where trust and forgiveness are emphasized over legal remedy
- **Tight-knit professional networks** where reputation damage is particularly concerning

A legal advocate who specializes in affinity fraud cases noted: "Many of my clients fear judgment from their community more than they desire financial recovery. The cultural stigma of being deceived often outweighs the financial loss in their decision-making."

## 10. Protecting Yourself: Practical Steps

If you're considering entering a business relationship, especially one that involves a personal connection, consider these protective measures:

1. **Separate romantic relationships from business dealings** whenever possible

2. **Conduct comprehensive entity searches** across multiple jurisdictions
3. **Verify physical business operations** beyond website claims
4. **Document all agreements formally** with clear terms
5. **Maintain control of your own financial resources** until clear documentation and verification is established
6. **Trust but verify** – conduct due diligence regardless of relationship trust
7. **Consult independent legal counsel** before forming or investing in LLCs

## 11. Conclusion and Recommendations

This research identifies concerning patterns in entity formation and civil litigation that suggest potential exploitation of LLC structures for liability avoidance. The combination of strategic entity formation, cross-jurisdictional complexity, and trust-based relationships creates particular challenges for judgment enforcement and creditor protection.

The exploitation of romantic relationships adds a particularly troubling dimension to these practices, creating both financial and emotional harm for victims. While many cases go unreported due to shame or embarrassment, increased awareness may help potential victims recognize warning signs before significant harm occurs.

### Recommendations for Stakeholders:

#### For Regulatory Bodies:

- Consider enhanced information sharing between state business registries
- Develop flagging systems for serial entity formation and dissolution patterns
- Review service of process requirements for cross-jurisdictional entities

#### For Legal Practitioners:

- Implement enhanced asset preservation strategies when patterns suggest strategic entity formation
- Consider early veil-piercing arguments when entity patterns align with identified red flags
- Develop cross-jurisdictional enforcement strategies before pursuing litigation

#### For Potential Business Partners:

- Conduct comprehensive entity history searches across multiple jurisdictions
- Verify satisfaction of prior judgments before entering business relationships
- Document clear entity responsibility when multiple related entities are involved
- Exercise particular caution when business solicitation occurs in context of close personal relationships

#### Future Research Directions

This analysis suggests several areas for future research:

1. Quantitative analysis of entity dissolution rates following civil litigation
2. Cross-jurisdictional comparison of judgment enforcement outcomes
3. Psychological dimensions of trust exploitation in business solicitation
4. Policy analysis of potential regulatory responses to identified patterns

By better understanding these patterns, stakeholders can develop more effective protective measures while preserving the legitimate benefits of limited liability business structures.

## 11.1 Policy Considerations for Legislative and Regulatory Response

Given the systemic nature of these patterns, we recommend further consideration of the following:

- Cross-jurisdictional collaboration between Secretaries of State on serial entity behavior
- Expansion of beneficial ownership transparency requirements across high-privacy jurisdictions
- Development of red-flag monitoring tools in business registration systems (e.g., alerts for multiple dissolved LLCs under the same registrant)
- Legislative support for faster judgment recognition across state lines when fraud-like patterns are established in civil litigation
- Civil court data-sharing agreements between states to track repeat judgment debtors with unpaid awards

## Appendix A: Business Entities and Civil Litigation Chronology

### Documented Legal Patterns Associated with Zacharia Ali

(Based on Court Records)

Pattern	Description	Supporting Cases / Evidence
Default Judgments Due to Non-Appearance	At least three cases resulted in default judgments due to failure to appear or respond to the court.	Muhammad v. Ali (2012), Williams v. Ali (2020), Tate v. ZAR Capital (2014)
Unsatisfied Judgments	Judgments awarded in multiple cases show no court record of satisfaction or payment.	Tate v. ZAR Capital (\$100,995), Aulakh v. Ali (\$43,050), Williams v. Ali (\$3,000)
Alleged Evasion of Service	Affidavits and docket notes cite issues with serving Ali and his entities, delaying litigation.	Shah v. ZAR Capital (2016), Magnolia Wellness v. Ali (2018)
Voluntary Dismissals and Reopened Cases	Cases were reopened after dismissal to pursue enforcement or hearings.	Shah v. ZAR Capital (reopened 2017), later voluntarily dismissed again
Multiple State & Federal Jurisdictions	Cases span various courts in Maryland, Pennsylvania, West Virginia, California, and the federal system.	MD Circuit & District Courts, U.S. District Courts (PA, WV), L.A. Superior Court
Named in Personal and Entity Capacity	Lawsuits often name both Zacharia Ali and related LLCs (ZAR Capital, GC World Wide, Zar Entertainment).	Seen in Tate v. ZAR Capital, Shah v. ZAR Capital, Silverman v. Ali et al

### Delaware Business Entities Associated with Zacharia Ali

Entity Name	File Number	Formation Date	Current Status
ZAR Capital LLC	3386480	April 30, 2001	Not in Good Standing
ZAR Capital Group, LLC	4424735	September 18, 2007	Not in Good Standing
GC Worldwide, LLC	4619811	November 5, 2008	Not in Good Standing
ZAR Medical, LLC	4872967	September 16, 2010	Not in Good Standing
ZAR Entertainment LLC	Unknown	August 22, 2011	Not in Good Standing

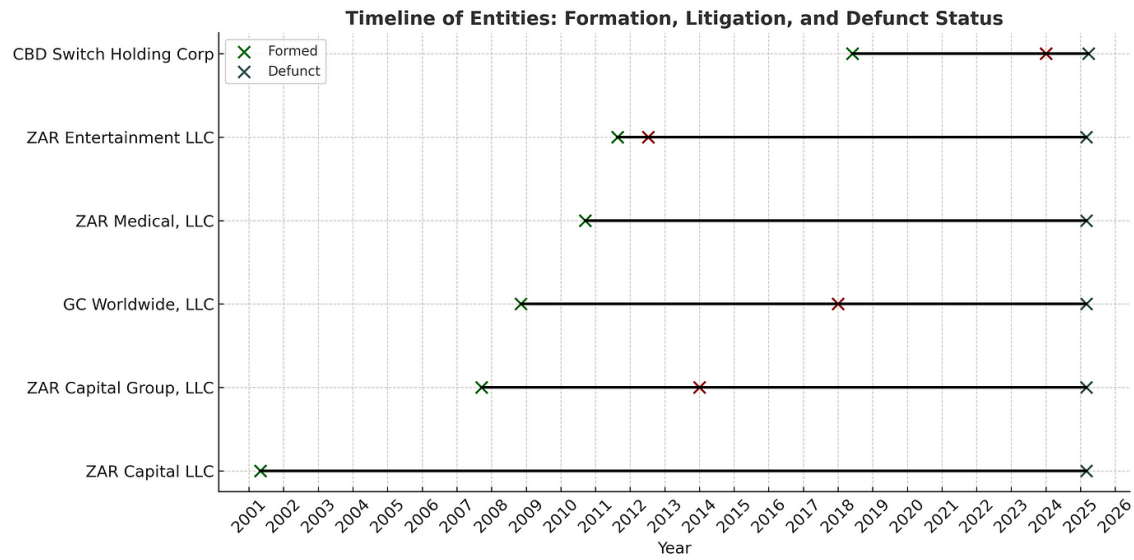
## Nevada Business Entities Associated with Zacharia Ali

Entity Name	Formation Date	Current Status	Registered Agent
CBD Switch Holding Corp	August 20, 2018	Good Standing	State Agent and Transfer Syndicate, Inc.
CBD Switch Realty Corp	August 20, 2018	Revoked	State Agent and Transfer Syndicate, Inc.
Zar Recycling and Energy Inc	March 1, 2011	Revoked	State Agent and Transfer Syndicate, Inc.
New Frontier Holdings Inc	April 17, 2020	Dissolved	Northwest Registered Agent, LLC

ZAR Capital LLC	3386480	Apr 30, 2001	None linked	N/A	Not in good standing
ZAR Capital Group, LLC	4424735	Sept 18, 2007	<i>Tate v. ZAR Capital Group</i> (E.D. Pa.)	\$100,995 judgment, unsatisfied	Not in good standing
GC Worldwide, LLC	4619811	Nov 5, 2008	<i>Williams v. Ali &amp; GC World Wide LLC</i> (N.D. W.Va.)	\$3,000 default judgment, unsatisfied	Not in good standing
ZAR Entertainment LLC	5027427	Aug 22, 2011	<i>Silverman v. Ali et al</i> (L.A. Superior Court, BC478464)	Case dismissed (reason unknown)	Not in good standing
ZAR Medical, LLC	4872967	Sept 16, 2010	No known litigation	Referenced in other filings & incorporations	Not in good standing

**Figure 1: Lifecycle Timeline of Business Entities (2001–2025)**

Each bar represents the lifecycle of a business entity linked to Zacharia Ali, based on public records. Dots indicate formation (green), litigation (red), and inactive or defunct status (gray)



The data reveals strategic approaches to entity formation that align with protective structuring techniques documented in corporate law literature (Bebchuk & Cohen, 2003):

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