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12 *Attorneys for Plaintiffs*

13 **SUPERIOR COURT OF ARIZONA**

14 **IN AND FOR THE COUNTY OF MARICOPA**

15 John Dorsey and Dorsey Family  
16 Holdings, LLC,

17 Plaintiffs,

18 v.

19 Dennis Gile, a single man,

20 Defendant.

Case No. **CV2022-012769**

**COMPLAINT**

**Commercial Court Assignment  
Requested**

21 Plaintiffs John Dorsey and Dorsey Family Holdings LLC (“DFH”) for their  
22 Complaint against Defendant Dennis Gile allege as follows:

23 **PARTIES, JURISDICTION, AND VENUE**

- 24 1. Plaintiff John Dorsey is an individual whose primary residence is in  
25 Arizona.
- 26 2. Plaintiff Dorsey Family Holdings, LLC (“DFH”) is an Arizona limited  
27 liability company.
3. Upon information and belief, Defendant Dennis Gile is a single individual  
who resides in Maricopa County, Arizona.
4. This Court has jurisdiction pursuant to A.R.S. § 12-123 and venue is  
proper because the acts giving rise to Plaintiffs’ claims occurred in Maricopa  
County. Plaintiff DFH and Defendant Gile further agreed to venue and jurisdiction in Maricopa

1 County, Arizona, in the Security Agreement (Paragraph 16).

2 5. This action presumptively qualifies as a Tier 1 case pursuant to Arizona  
3 Rule of Civil Procedure 26.2(c), as a simple case that can be tried on one or two days,  
4 though the damages Plaintiffs seek to recover exceed \$700,000.

5 **GENERAL ALLEGATIONS**

6 6. Plaintiff DFH and Gile executed a Security Agreement, with an effective  
7 date of April 9, 2021. In the Security Agreement, Gile acknowledged that he borrowed  
8 \$700,000. Gile granted DFH a security interest in Signing Day Sports, LLC, and  
9 pledged as collateral his three percent interest in Signing Day Sports, as well as all  
10 proceeds related to his ownership interest.

11 7. Gile was obligated to repay the \$700,000, plus interest, no later than April  
12 8, 2022.

13 8. Gile has failed to pay the amount due under the Agreement.

14 9. On May 16, 2022, Gile was put on written notice of his monetary default,  
15 as he failed to make any payments on the Note.

16 10. On May 18, 2022, Dorsey and Gile agreed that Dorsey would accept  
17 \$100,000 and allow Gile 90 additional days to pay the total remaining amount owed.  
18 Gile also agreed to grant Dorsey 200,000 shares in Signing Day Sports.

19 11. Gile paid \$100,000 on May 23, 2022, but made no additional efforts to pay  
20 down the remaining principal and interest on the remaining debt. Nor has he made any  
21 effort to document his agreement to grant Dorsey the 200,000 shares.

22 12. On August 26, 2022, Dorsey sent a letter to Gile notifying Gile that he was  
23 in default and demanded the payment for the total amount owed as of August 19, 2022.  
24 The total amount owed as of that date was \$655,830, which consists of

- 25 ○ \$600,000 in remaining principal,
- 26 ○ \$46,125 interest on the \$700,000 for one year, and
- 27 ○ \$9,705 in interest at 18% over the preceding 90 days.

28 13. Gile had until September 5, 2022 to pay the total amount due and perform

1 on his obligation to transfer 200,000 shares in Signing Day Sports, LLC and execute  
2 documents transferring 3% of shares in Signing Day Sports that he pledged as collateral.  
3 Gile did not perform.

4 14. Thus, Gile is in breach of the parties' agreements.

5 **COUNT ONE – BREACH OF CONTRACT**

6 **(\$700,000 DEBT)**

7 15. Dorsey incorporates by reference the allegations in the preceding  
8 paragraphs as though fully set forth herein.

9 16. The Security Agreement is a valid, binding, and enforceable contract.

10 17. Gile has refused to and continues to refuse to pay Dorsey the amounts due  
11 and owing as required by the Agreement.

12 18. Dorsey fully performed their obligations under the parties' Agreement.

13 19. Gile's lack of performance under the parties' Agreement was not excused.

14 20. To date, Gile has not paid Dorsey the total amount due and owing, which  
15 as of the date of this complaint, is greater than \$655,830.

16 **COUNT TWO – BREACH OF CONTRACT**

17 **(3% OF SIGNING DAY SPORTS' SHARES)**

18 21. Dorsey incorporates by reference the allegations in the preceding  
19 paragraphs as though fully set forth herein.

20 22. Gile's agreement to grant DFH three percent ownership interest in Signing  
21 Day Sports as collateral in the Security Agreement is a valid and binding term of the  
22 original loan.

23 23. Gile has refused to and continues to refuse to execute documentation  
24 effectuating DFH's 3 percent ownership interest in Signing Day Sports.

25 24. On information and belief, at the time Gile agreed to grant DFH 3 percent  
26 of the outstanding of Signing Day Sports, the company had approximately 42 million  
27 outstanding shares.

28 25. Gile is in breach of the Agreement and owes the collateral for the loans

1 that he obtained.

2 26. DFH is entitled to specific performance and to recover any damages  
3 caused by Gile's breach.

4 27. The provisions of A.R.S. § 47-9601 apply in favor of DFH and against  
5 Gile.

6 **COUNT THREE – BREACH OF CONTRACT**

7 **(200,000 SHARES)**

8 28. Gile's promise to transfer 200,000 shares in Signing Day Sports to Dorsey  
9 is a valid, binding, and enforceable contract.

10 29. Gile has failed to execute documentation to effectuate the transfer of  
11 200,000 shares in Signing Day Sports to Dorsey.

12 30. DFH is entitled to specific performance and to recover any damages  
13 caused by Gile's breach.

14 **PRAYER FOR RELIEF**

15 WHEREFORE, John Dorsey and Dorsey Family Holdings, LLC seek judgment  
16 against Defendant Dennis Gile, jointly and severally, as follows:

- 17 A. An award to Dorsey and DFH of damages in an amount to be proven at  
18 trial, and no less than \$600,000, the principal amount remaining owed by  
19 Gile;
- 20 B. Specific performance by Gile on his obligation to transfer 200,000 Signing  
21 Day Sports shares to Dorsey;
- 22 C. Specific performance by Gile on his agreement to provide 3% of the  
23 shares in Signing Day Sports as collateral for the \$700,000 he borrowed;
- 24 D. Pre- and post-judgment interest of 18 percent per the parties' agreement;
- 25 E. Attorneys' fees pursuant to the Security Agreement (Paragraph 15) as well  
26 as A.R.S. § 12-341.01(A);
- 27 F. Costs pursuant to the Security Agreement (Paragraph 15), as well as  
28 A.R.S. § 12-341, and any other applicable law; and

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G. Any other relief the Court deems just and proper.

DATED this 28<sup>th</sup> day of September, 2022.

PAPETTI SAMUELS WEISS MCKIRGAN LLP

/s/Bruce Samuels

Bruce Samuels

Jennifer Lee-Cota

*Attorneys for Plaintiffs*