

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

-----X
CENTENE CORPORATION, a Delaware :
corporation, :
: Index No.:
Plaintiff, :
: :
- against - :
: **COMPLAINT**
: Jury Trial Demanded
JAL EQUITY CORPORATION, a Nevada corporation, :
and ERAN SALU, an individual, :
: :
Defendants. :
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Plaintiff Centene Corporation (“Centene”), by and through its attorneys, brings this complaint against Defendants JAL Equity Corporation (“JAL”) and Eran Salu (“Salu”) and alleges as follows:

NATURE OF THE CASE

1. This action arises out of Centene’s efforts to recover millions of dollars that, through a contractual relationship for printing services, were entrusted to ColorArt, LLC (“ColorArt”) and held in escrow accounts for Centene’s benefit. Without explanation, these funds have now disappeared.

2. Over the past year, Centene worked with ColorArt to resolve and recover these undisputed millions, only to be met with a calculated campaign of delay and shifting excuses, which ultimately culminated in ColorArt’s filing for bankruptcy.

3. Critically, ColorArt did not act alone. JAL and its owner, Salu, exercised complete control over ColorArt, JAL’s wholly owned subsidiary, and orchestrated a scheme to misappropriate Centene’s funds, refuse repayment, and shield themselves from liability.

4. Centene seeks to hold the true actors accountable, pierce the corporate veil, and recover the funds that are rightfully and contractually owed.

PARTIES

5. Plaintiff Centene is a Fortune 500 company incorporated under the laws of the State of Delaware, with its principal place of business at 7700 Forsyth Blvd., St. Louis, Missouri 63105. Centene is a leading provider of managed healthcare services, serving approximately 28.6 million members across all 50 states.

6. Defendant JAL is a private equity firm organized under the laws of the State of Nevada, with its principal place of business at 17209 Chesterfield Airport Rd, Suite 292, Chesterfield, Missouri 63005. JAL acquires and operates middle-market companies in the marketing services, printing, e-commerce, and sign manufacturing industries.

7. Defendant Salu is the founder and Managing Director of JAL Equity Corp. Upon information and belief, Salu is a resident of Sarasota, Florida.

8. Defendants JAL and Salu, upon information and belief, are the ultimate owners and controlling persons of various entities involved in the marketing, printing, and e-commerce sectors, including but not limited to entities that contracted with Centene as described herein.

JURISDICTION AND VENUE

9. The Supreme Court of the State of New York possesses general original jurisdiction over all civil actions in law and equity. N.Y. Const. art. VI, § 7(a).

10. Personal jurisdiction and venue are proper pursuant to Section 11.12 of the Master Services Agreement (“MSA”) between Centene and ColorArt, which provides:

“This Agreement will be governed by and construed in accordance with the laws of the State of New York, without regard to any conflict of law principles. Any suit or proceeding relating to this Agreement shall be brought only in the state or federal courts located

in New York, New York, and each party hereby submits to the personal jurisdiction and venue of such courts.”¹

11. Venue is further proper under CPLR § 503(a) because, at all relevant times, none of the parties resided in the State of New York. Accordingly, venue is proper “in any county designated by the plaintiff.”

STATEMENT OF FACTS

I. Centene’s Relationship with ColorArt.

12. On February 24, 2020, Centene and Cenveo Worldwide Limited (“Cenveo”) entered into a MSA, which governed the provision of print and mail services for Centene’s health plans and compliance obligations. The MSA required Cenveo to provide timely, accurate, and compliant production and distribution of member materials, including identification cards, regulatory notices, and other essential communications.

13. The MSA incorporated, as an exhibit, a Master Statement of Work dated August 18, 2020 (“MSW”), which set forth operational details, service levels, and financial arrangements for the parties’ relationship.

14. The relationship between Centene and Cenveo was operationally and financially significant, involving large volumes of time-sensitive mailings and substantial prepaid balances to ensure uninterrupted service for Centene’s health plans nationwide.

15. In 2021, ColorArt, a North Carolina limited liability company formed on March 26, 2021, acquired certain assets of Cenveo, including all rights and obligations under the MSA, the MSW, and all related statements of work and exhibits. As a result, ColorArt became the successor-in-interest to Cenveo under the governing agreements with Centene.

¹ As set forth in the Statement of Facts, the allegations in this Complaint all relate to the relationships and terms set forth in this Agreement.

16. ColorArt is wholly owned by JAL Equity Corp., a Nevada corporation, which is in turn wholly owned and controlled by Eran Salu.

17. In 2021, ColorArt was acquired by Marketing.com,² which is similarly a wholly owned subsidiary of JAL Equity Corp. Following this, ColorArt became “a Marketing.com company.” For purposes of this Complaint, these companies will be referred to as “ColorArt/Marketing.com.”

18. Under the MSA and MSW, Centene and ColorArt/Marketing.com established a series of prepaid postage escrow accounts to ensure that sufficient funds were always available to cover postage and expedite the distribution of critical member materials.

19. Specifically, the MSW provides for the creation of a ColorArt/Marketing.com owned “Centene Escrow Account” under the “Postage/Freight Requirements” provision of the agreement:

“Cenveo pays the majority of Centene’s USPS and Pitney postage via a Cenveo owned CAPS account also known as the ‘Centene Escrow Account’. Centene funds this account via ACH payments at Cenveo’s request based on the incoming projects and reoccurring mailings.”

20. The use of prepaid postage escrow accounts is a common industry practice for large-scale print vendors and was essential to ensure timely distribution of Centene’s print materials, given the scale and urgency of Centene’s needs.

21. ColorArt/Marketing.com controlled a number of Centene Escrow Accounts, including (1) a general fund account; (2) accounts for several of Centene’s product lines and programs, including Ambetter (Centene’s branded marketplace health insurance offering) and

² See PitchBook Data, Inc., Marketing.com, LLC, <https://pitchbook.com/profiles/company/472545-91> (last visited Nov. 26, 2025).

“Smart Start for Your Baby,” (Centene’s flagship maternity program); and (3) accounts for state-specific health plans.³

22. The MSW further required ColorArt/Marketing.com to provide a monthly postage report (Attachment 3: “Reporting Schedule”), as well as detailed monthly invoices and supporting documentation for all services rendered and charges incurred (Attachment 2: “Invoicing”).

23. These escrow accounts only hold Centene’s money. The funds remain Centene’s property and were held by ColorArt/Marketing.com solely to cover postage costs for Centene’s mailings. Under the governing agreements, ColorArt/Marketing.com could only draw from these accounts when postage was actually incurred for Centene’s projects.

24. Indeed, Section 8.3 (“Effect of Termination”) of the MSA provides, in relevant part, that when the Agreements are terminated⁴ or expire, ColorArt/Marketing.com shall “deliver to Centene all fees paid by Centene for Services and Deliverables that remain unperformed or undelivered as of the date of termination, if any, as well as all Centene property and materials that are in the possession of Vendor, its employees, subcontractors and agents.”

25. This provision requires that any unused escrow funds or other prepaid amounts would be promptly returned to Centene, along with all work product and materials.

³ Centene had state-specific escrow accounts for Arkansas, California, Florida, Indiana, Iowa, Kansas, Louisiana, Missouri, Nebraska, Nevada, New Mexico, Oregon, Pennsylvania, South Carolina, Washington, and Wisconsin.

⁴ Under Section 8.2 of the MSA, Centene could terminate the Agreements “for convenience without cost or penalty at any time upon one hundred and twenty (120) days advance written notice to” ColorArt.

II. ColorArt/Marketing.com Misappropriated Centene's Escrow Funds and Engaged in a Calculated Campaign of Delay to Avoid Repayment.

26. From 2021 through the end of 2024, Centene maintained an ongoing business relationship with ColorArt/Marketing.com. During this time, Centene advanced substantial sums to the postage escrow accounts as required by the MSW.

27. For years, ColorArt/Marketing.com sent monthly postage and escrow reports reflecting postage used and remaining balances, consistent with the MSW. Centene relied on these reports when making payments to refill the escrow accounts and when tracking the status of funds.

28. Indeed, ColorArt/Marketing.com made express assurances to Centene that "the balance in the escrow is accurate" as of January 10, 2022 "and forward." Centene relied on this confirmation, together with the ongoing monthly reports, and continued to fund the escrow accounts.

29. In late 2024, Centene received a report from a former ColorArt/Marketing.com employee raising concerns about the integrity of the postage escrow accounting.

30. In response to these concerns, Centene immediately conducted a comprehensive internal audit of all relevant invoices, account statements, and supporting documentation.

31. The audit, completed in December 2024, confirmed that Centene's general ledger and internal records accurately reflected the prepaid balances and that, on paper, ColorArt/Marketing.com's own reports matched those balances.

32. On January 15, 2025, Centene formally requested a refund of \$2.9 million in unused prepaid postage from ColorArt/Marketing.com, as well as the return of additional funds in product-specific escrow accounts.

33. ColorArt/Marketing.com initially responded by requesting a meeting to discuss the refund and, over the following weeks, repeatedly assured Centene that the refund was being processed and that the funds would be returned.

34. On March 27, 2025, Nicole Williams, former Senior Vice President of Strategic Accounts at ColorArt/Marketing.com, confirmed that the refund was “on track” and that Steve Paley, EVP Vendor Relations & Supply Chain, would be handling the payment.

35. In April 2025, Centene provided all requested wire instructions and supporting documentation. On April 23, 2025, Steve Paley requested the wire instructions and confirmed that he would coordinate the payment.

36. On April 30, 2025, Paley informed Centene that the payment had been set up for the next ACH/wire run on May 6, 2025, and that ColorArt/Marketing.com would “do our best to process the payment before then, but in any case, [it] will be wired to you no later than EOD on 5.6.2025.”

37. On May 6, 2025, Paley reiterated that the wire transfer had been set up and was awaiting final bank approvals, and that the payment was “in process.”

38. On May 9, 2025, Paley confirmed that the wire would be released on Monday, May 12, 2025, and apologized for the delay.

39. On May 12, 2025, ColorArt/Marketing.com abruptly reversed course. Paley wrote that, following a review by the new CEO, Victor Susman, ColorArt/Marketing.com could not move forward with the payment because they “cannot validate that we actually received these funds when we acquired the business in June 2021.”

40. Despite this sudden reversal, ColorArt/Marketing.com continued to assure Centene that they were “committed to resolving this matter” and proposed a meeting to discuss a “clear go-forward plan.”

41. Over the following days, ColorArt/Marketing.com shifted its position, now asserting that it could not pay the full amount in a lump sum and requesting a structured payment plan.

42. On May 21, 2025, Centene reiterated its demand for a full cash refund of the promised amount within 30 days.

43. On May 29, 2025, Steve Paley, EVP Vendor Relations & Supply Chain at ColorArt/Marketing.com, confirmed in writing that ColorArt/Marketing.com was “not disagreeing to the amount owed” to Centene, but stated that they could not pay the amount upfront and requested to “work with you on a structured payment plan that aligns with our current operating cash flow.”

44. Over the next several months, Centene worked in good faith to accommodate ColorArt/Marketing.com’s requests for a payment plan, ultimately agreeing to a 12-month repayment schedule with interest.

45. In August 2025, Centene executed a promissory note reflecting the agreed 12-month repayment plan for the escrow funds and sent it to ColorArt/Marketing.com for countersignature. Despite repeated reminders throughout August, ColorArt/Marketing.com failed to sign or return the note, nor did they make any payment as promised.

46. During this period, ColorArt/Marketing.com began to manufacture new obstacles. In late August, they asserted that they could not make the first payment under the agreed plan and raised new concerns about their cash flow and ability to pay.

47. In early September 2025, Centene convened a meeting with ColorArt/Marketing.com's leadership, including CEO Victor Susman and legal counsel, to address the missed payments and the unsigned promissory note. At this meeting, ColorArt/Marketing.com admitted that they could not pay the Ambetter escrow funds in a lump sum as previously agreed and now sought to include those funds in the already-delayed 12-month payment plan.

48. Centene pressed for a concrete proposal and a timeline for repayment. ColorArt/Marketing.com promised to provide an updated payment plan by September 8, 2025. When that date arrived, ColorArt/Marketing.com instead proposed a new structure: repayment would be limited to the lesser of \$250,000 per month or 25% of Centene's ongoing billings for services—effectively conditioning repayment on Centene's continued business with ColorArt/Marketing.com.

49. Centene immediately rejected this coercive proposal, making clear that it would not agree to any arrangement that conditioned the return of Centene's property on Centene's continued patronage. Centene's counsel stated unequivocally that Centene would not renegotiate the repayment timeline unless it was to make it shorter and demanded a detailed written explanation for ColorArt/Marketing.com's inability to pay.

50. ColorArt/Marketing.com responded that "any proposal that is financially possible involves you being repaid through continuing to work with us," making clear that they would not return Centene's funds unless Centene continued to do business with them.

51. Throughout August and September, Centene continued to send reminders, requests for status updates, and demands for payment. ColorArt/Marketing.com's responses grew increasingly evasive, and no payments were ever made.

52. In October 2025, Centene learned that ColorArt/Marketing.com had defaulted on a \$26 million loan with Aequum Capital and was facing asset seizure. At this point, ColorArt/Marketing.com ceased meaningful communication.

53. On November 5, 2025, both ColorArt, LLC and its wholly owned subsidiary, Las Vegas Color Graphics, Inc., filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the District of Nevada.

54. In its bankruptcy filings, ColorArt, LLC listed Centene Corporation as its single largest unsecured creditor, with a disputed claim of \$4,041,223.00.

55. As of November 2025, Centene's losses are significant as a result of ColorArt/Marketing.com's actions.

56. The most substantial loss is the \$5,064,268.33 that Centene is owed as a refund of unused postage deposits across its various escrow accounts. These funds were advanced by Centene for the sole purpose of covering postage expenses, remained Centene's property at all times, and were required to be returned upon termination of the parties' relationship. The following chart reflects the remaining balances in each Centene escrow account as of November 2025:

Account Title	Postage Used	Deposits	Outstanding Balance
Ambetter	-\$17,623,300.59	\$18,459,381.74	\$836,081.15
Arkansas	-\$33,784.50	\$38,776.71	\$4,992.21
California	-\$535,729.17	\$719,370.50	\$183,641.33
Florida	-\$438,607.15	\$604,734.01	\$166,123.26
ICS	-\$4,203,063.74	\$4,203,059.96	(\$3.78)
Indiana	-\$771,133.28	\$890,539.05	\$119,406.37
Iowa	-\$8,360.43	\$72,000.00	\$63,639.57

Kansas	-\$541,519.25	\$544,452.52	\$2,933.27
Louisiana	-\$1,427,436.85	\$1,620,864.12	\$193,427.41
Missouri	-\$889,055.85	\$912,380.09	\$23,325.08
NCQA	-\$1,227,951.79	\$1,240,389.44	\$12,437.65
Nebraska	-\$387,838.63	\$441,866.00	\$54,027.47
Nevada	-\$283,229.57	\$418,651.63	\$135,422.06
New Mexico	-\$350,725.48	\$350,725.48	\$0.00
Oregon	-\$1,340,592.45	\$1,558,788.95	\$218,196.50
Pennsylvania	-\$727,317.15	\$788,823.68	\$61,508.51
South Carolina	-\$394,485.32	\$450,966.32	\$56,480.50
Start Smart	-\$1,134,120.14	\$1,159,693.09	\$25,572.95
Washington	-\$891,184.87	\$942,979.23	\$51,164.36
Wisconsin	-\$67,782.09	\$72,531.66	\$4,749.57
GenFund	-\$7,190,214.89	\$10,041,357.78	\$2,851,142.89
Total	-\$40,495,261.61	\$45,559,529.94	\$5,064,268.33

57. At no time did ColorArt/Marketing.com, under the direction of JAL and Salu, disclose that escrow monies were being drained or diverted, or that the balances reflected in monthly reports were inaccurate. They concealed the inconsistencies while assuring Centene that the reports and balances were accurate.

58. In addition to the unrecovered escrow funds, Centene has incurred \$522,760.05 in losses associated with postage, mailers, and other print inventory that are now unusable. These materials were specifically produced for Centene's programs, bear ColorArt/Marketing.com's

branding, and require vendor-specific postage. Because ColorArt/Marketing.com is no longer an active company and these materials cannot be repurposed, they are now worthless.

59. Centene has also incurred \$360,000 in additional costs for temporary staffing and emergency backfill projects. These expenses were necessary to ensure continuity of service, compliance with regulatory obligations, and the uninterrupted delivery of member communications after ColorArt/Marketing.com's abrupt failure to perform and refusal to return Centene's funds.

III. JAL and Salu's Web of Shell Corporations: Domination, Undercapitalization, and Fraud.

60. At all relevant times, ColorArt/Marketing.com did not act independently or exercise its own business discretion. Rather, the material actions taken by ColorArt/Marketing.com in connection with the events at issue in this case were made under the complete control of JAL and its owner, Eran Salu.

61. The corporate structure at issue in this case is a textbook example of domination and abuse of the corporate form.

62. At the apex of this structure is Eran Salu, who owns 100% of JAL. JAL, in turn, owns 100% of Marketing.com, LLC, ColorArt, LLC, and a sprawling network of dozens of other subsidiaries and affiliates. Indeed, a publicly filed Schedule to a June 6, 2024, Credit and Security Agreement⁵ (Schedule 9.16: "Parent, Subsidiaries & Affiliates") confirms that JAL wholly owns over twenty different subsidiaries, many of which wholly own at least several other subsidiaries.

⁵ This document is the Credit and Security Agreement between Aequum Capital Financial II LLC, ColorArt LLC, and Las Vegas Color Graphics, Inc., publicly filed as Exhibit A to Petition in *Aequum Capital Fin. II LLC v. ColorArt LLC*, No. 24SL-CC01234 (Mo. Cir. Ct. St. Louis County).

PARENT, SUBSIDIARIES & AFFILIATES

Entity	Domicile	Parent	% Owned By Parent
ACC Acquisition Holdings, LLC	DE	JAL Equity Corp	100%
American Stationery, LLC	MO	JAL Equity Corp	100%
Anchor Graphics, Inc.	TX	JAL Equity Corp	100%
Balmar, LLC	VA	HBP Marketing, LLC	100%
Brandt Instore Limited	Ontario, Canada	Marketing.com, LLC	100%
Business Card Express, Inc.	NY	JAL Equity Corp	100%
Byers Holding LLC	DE	Master Marketing Group LLC	100%
Byers Operating LLC	IL	Byers Holding LLC	98%
Capital Signs & Awnings, LLC	LA	JAL Equity Corp	50%
ColorArt LLC	NC	JAL Equity Corp	100%
ColorArt Printing LLC	MO	JAL Equity Corp	100%
Craftline, LLC	DE	JAL Equity Corp	100%
Creekside Operating LLC	IL	Byers Holding LLC	98%
Desert Paper and Envelope Company, Inc.	NM	ColorArt LLC	100%
Elections Operating LLC	MI	Byers Holding LLC	98%
Executive Mailing Services, LLC	DE	JAL Equity Corp	100%
Fisher, Incorporated	IA	Marketing.com, LLC	100%
Frye-Williamson Press, Inc.	IL	ColorArt LLC	100%
Garage Graphics & Visuals, Inc.	MO	JAL Equity Corp	100%
Gibson & Dehn, LLC	DE	JAL Equity Corp	93%
Graphic Arts, Incorporated	PA	Smith-Edwards-Dunlap Company	100%
Growmail, LLC	DE	Marketing.com, LLC	100%
HBP Marketing, LLC	MD	Marketing.com, LLC	100%
Horizon Fulfillment, LLC	MO	JAL Equity Corp	100%
Husky Envelope, LLC	MO	Marketing.com, LLC	100%
JAL Equity Corp	NV	Eran Salu	100%
Kappa Graphics, LLC	PA	JAL Equity Corp	100%
Kappa Product Fulfillment Services, LLC	PA	JAL Equity Corp	100%
Knepper Press Corporation	PA	Marketing.com, LLC	100%
KPC-NY, LLC	NY	Marketing.com, LLC	100%
Kubin-Nicholson Corporation	WI	Marketing.com, LLC	100%
Las Vegas Color Graphics, Inc.	NV	ColorArt LLC	100%
Marketing.com Holdings, Inc.	DE	JAL Equity Corp	100%
Marketing.com, LLC	MO	JAL Equity Corp	100%
Master Marketing Group LLC	NC	JAL Equity Corp	100%
Money Mailer Franchising, LLC	MO	JAL Equity Corp	100%
Money Mailer LLC	MO	JAL Equity Corp	90%
MoneyMailerUSA Inc	DE	JAL Equity Corp	49%
Mossberg & Company LLC	IN	JAL Equity Corp	100%
NPC LLC	MO	JAL Equity Corp	100%
ProList, LLC	MO	Marketing.com, LLC	100%
Regency Typographic Services, Inc.	PA	Smith-Edwards-Dunlap Company	100%
Reprocomm, Inc.	IN	ColorArt LLC	100%
Response Envelope, Inc.	CA	Marketing.com, LLC	100%
Sarasota Tennis Club Holdings LLC	FL	JAL Equity Corp	100%
Smith-Edwards-Dunlap Company	PA	Marketing.com, LLC	100%
Southland Envelope LLC	CA	Marketing.com, LLC	100%
Superb Selection LLC	TX	Tshirts.com, LLC	100%
Topform Data, Inc.	NM	JAL Equity Corp	100%
Tshirts.com, LLC	MO	JAL Equity Corp	100%
VECP, LLC	MO	JAL Equity Corp	30%

63. JAL and its subsidiaries, including Marketing.com and ColorArt, have consistently failed to observe basic corporate formalities. Public filings show that Eran Salu is listed as the sole member of Marketing.com, not JAL, and has held all officer and director positions at JAL, including Chairman, President, Secretary, Treasurer, and Director.

64. For example, JAL's 2022 Missouri registration lists Salu in every officer and director role. In JAL's September 25, 2025, annual registration report, Salu is listed as President, and Victor Susman (the CEO of Marketing.com) is listed as Secretary, Treasurer, and Director.

65. In the 2022 Articles of Organization for Marketing.com, Salu is again the only member, not JAL, disregarding the corporate form.

66. The 2025 North Carolina Annual Report for ColorArt LLC lists JAL Equity Corp as "Member" and Ian Barber, the General Counsel for JAL, as the "Authorized Representative."

67. There is significant overlap in ownership and governance across these entities. Salu has served as the sole member of both Marketing.com and JAL and has held multiple officer and director positions in both entities. Other executives, such as Victor Susman and Ian Barber, have held roles across multiple JAL-controlled companies.

68. JAL, ColorArt, and Marketing.com had shared common office space and principal places of business for at least two years at 101 Workman Court, Eureka, Missouri. This address appears on filings for JAL, Marketing.com, and ColorArt in both Missouri and North Carolina.

69. The JAL web is a complex network of shell corporations, as evidenced by the "Parent, Subsidiaries & Affiliates" chart in the Aequum Capital Credit Agreement. This chart lists dozens of entities, all ultimately controlled by JAL and Salu.

70. Many of these entities are undercapitalized, as demonstrated by the bankruptcy filings of both ColorArt LLC and its wholly owned subsidiary, Las Vegas Color Graphics, Inc., in November 2025.

71. JAL is not a passive investor. A JAL “Offering Memorandum,” dated July 1, 2025 and attached hereto as **Exhibit 1**, confirms that JAL “provides strategic capital and operational expertise to enable Marketing.com’s continued expansion,” and that “JAL Equity collaborates closely with portfolio companies to drive value creation through operational improvements and strategic acquisitions.” The memorandum describes JAL’s involvement as a “partnership model,” not a passive investment.

72. In reality, Salu and JAL exercised complete domination over ColorArt/Marketing.com and its affiliates, using them as mere instrumentalities to further their own interests and to perpetrate a fraud on creditors.

73. This domination is further evidenced by the events leading up to and following Centene’s demand for repayment. Despite repeated admissions by ColorArt/Marketing.com that the escrow funds were owed, Salu and JAL directed the company to refuse repayment, to manufacture new excuses, and to condition any repayment on Centene’s continued business with the group.

74. The Aequum Capital litigation, *Aequum Capital Fin. II LLC v. ColorArt LLC*, No. 24SL-CC01234 (Mo. Cir. Ct. St. Louis County), provides further corroboration of this pattern of conduct. There, Aequum alleged that, under Salu’s direction, the Borrowers (including ColorArt and Las Vegas Color Graphics, Inc.) “have begun diverting funds to other businesses owned by Salu to avoid paying back Aequum’s loan.” When confronted, Salu “admitted to the diversions

and in the past few days has said multiple times that he would do ‘whatever he had to do,’ including presumably stealing funds that had been pledged to and belonged to Aequum.”

75. These allegations mirror Centene’s own experience: JAL and Salu exercised complete control over ColorArt/Marketing.com and its affiliates, directed the misappropriation of Centene’s escrow funds, and orchestrated a campaign of delay and evasion with no intention of ever repaying Centene.

76. The totality of these circumstances—failure to observe corporate formalities, undercapitalization, overlapping ownership and governance, shared offices, lack of arm’s-length dealings, and the use of the corporate structure to perpetrate a fraud—demonstrate that ColorArt/Marketing.com and its affiliates were mere alter egos of JAL and Salu.

COUNT I: Breach of Contract
(Against JAL and Salu as Alter Egos of ColorArt/Marketing.com)

77. Centene restates and realleges the allegations set forth in the preceding paragraphs as though fully set forth herein.

78. Centene and ColorArt/Marketing.com entered into a valid and enforceable contract, which required ColorArt/Marketing.com to hold certain funds in escrow for Centene’s benefit and to return those funds upon termination of the agreement.

79. Centene performed all of its obligations under the contract or was otherwise excused from performance.

80. ColorArt/Marketing.com breached the contract by failing and refusing to return the escrow funds to Centene, despite repeated demands and express admissions that the funds were owed.

81. JAL and Salu exercised complete domination over ColorArt/Marketing.com with respect to the transaction at issue. This domination is evidenced by, among other things: (a) JAL’s

and Salu's control over all significant decisions of ColorArt/Marketing.com; (b) the undercapitalization of ColorArt/Marketing.com and its affiliates; (c) the overlap in ownership, officers, and directors, with Salu serving as the sole member of both JAL and ColorArt and holding multiple officer and director positions in both entities; (d) the sharing of common office space and principal places of business; (e) the shifting and interchanging of titles and roles among JAL entities on annual reports and LLC filings; and (f) the lack of observance of basic corporate formalities, including the listing of Salu—not JAL—as the sole member of ColorArt.

82. JAL and Salu used their domination and control over ColorArt/Marketing.com to wrongly orchestrate the misappropriation and diversion of escrow funds that were rightfully Centene's, and by directing ColorArt/Marketing.com's to refuse repayment, delay, and manufacture excuses to avoid honoring its contractual obligations.

83. As a direct and proximate result of the foregoing, Centene has suffered damages in the amount of \$5,064,268.33, representing the unrecovered escrow funds, plus additional consequential damages as set forth above.

COUNT II: Unjust Enrichment
(Against JAL and Salu)

84. Centene restates and realleges the allegations set forth in the preceding paragraphs as though fully set forth herein.

85. Centene conferred a substantial benefit on JAL and Salu by providing millions of dollars in escrowed funds, which JAL and Salu, through their domination of ColorArt/Marketing.com, misappropriated and retained for their own use.

86. JAL and Salu reaped the benefit of these funds without providing any corresponding goods, services, or value to Centene.

87. JAL and Salu's retention of these funds was at Centene's expense and was unjust and inequitable, as they used their control over ColorArt/Marketing.com to drain the escrow account and deprive Centene of its property.

88. Equity and good conscience require restitution to Centene for the funds wrongfully retained by JAL and Salu, in an amount not less than \$5,064,268.33.

COUNT III: Conversion
(Against JAL and Salu)

89. Centene restates and realleges the allegations set forth in the preceding paragraphs as though fully set forth herein.

90. Centene had a possessory right and interest in the escrow funds held by ColorArt/Marketing.com, which were to be returned to Centene upon termination of the agreement.

91. JAL and Salu, acting through their domination and control of ColorArt/Marketing.com, intentionally interfered with Centene's rights by exercising unauthorized dominion and control over the escrow funds, to the exclusion of Centene's rights.

92. JAL and Salu directed and orchestrated the misappropriation and diversion of the escrow funds for their own benefit, depriving Centene of its property.

93. As a result, Centene has been deprived of its property and suffered damages.

COUNT IV: Fraud
(Against JAL and Salu)

94. Centene restates and realleges the allegations set forth in the preceding paragraphs as though fully set forth herein.

95. JAL and Salu, acting through and dominating ColorArt/Marketing.com, made material misrepresentations of present fact to Centene, including: (1) monthly reports that

purported to accurately reflect escrow activity and balances; (2) explicit affirmations that the escrow balances were accurate; and, following Centene's termination, (3) assurances that the unused escrow funds would be promptly and fully returned, including repeated assurances that refunds were "in process" and would be wired imminently.

96. JAL and Salu omitted and concealed material facts they had a duty to disclose, including that escrow monies were being drained or diverted, that the reported balances were not accurate, and that they had no intent to return Centene's funds upon request or termination.

97. JAL and Salu intended to defraud Centene by inducing continued funding and maintenance of substantial prepaid balances and by forestalling legal action through repeated assurances, all to buy time to divert funds.

98. Centene reasonably relied on the monthly reports and the accuracy confirmations by continuing to fund the escrow accounts and later relied on the refund assurances by deferring legal action.

99. As a direct and proximate result of JAL and Salu's fraudulent misrepresentations and omissions, Centene suffered damages, including not less than \$5,064,268.33 in unrecovered escrow funds, plus \$522,760.05 in vendor-specific inventory rendered unusable and \$360,000 in temporary staffing and transition costs.

Request for Relief

Centene respectfully requests the following relief:

- A. That judgment be entered in its favor and against JAL and Salu for all damages which Centene is entitled in an amount to be proven at trial;
- B. An award for costs and attorneys' fees, as allowed by law;
- C. Punitive damages for Salu's and JAL's willful and egregious conduct; and

D. Such other and further relief as the Court deems just and proper.

Dated: December 29, 2025.

Respectfully submitted,

/s/ Nathan Rice

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