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CLERK OF THE SALINE COUNTY DISTRICT COURT CASE NUMBER: SA-2024-CV-000067

PII COMPLIANT

# IN THE DISTRICT COURT OF SALINE COUNTY, KANSAS

**TWENTY-EIGHTH JUDICIAL CIRCUIT**

Central National Bank, )

) Case No.

Plaintiff, )

) Division

1. )

) K.S.A. Chapter 60

Stuart Wells, )

)

and )

)

Wellness Financial Planning, Inc. )

)

Defendants. )

# PETITION

Plaintiff Central National Bank, and for its causes of action against Defendants Stuart Wells and Wellness Financial Planning, Inc., states and alleges as follows.

* 1. Central National Bank (“CNB”) is, and at all relevant times herein has been, a national banking association organized and existing under and by virtue of the laws of the United States with its principal place of business located at 802 North Washington Street, Junction City, Kansas 66441.
  2. Defendant Stuart Wells (“Wells”) is an individual who, upon information and belief, resides in Kansas.
  3. Defendant Wellness Financial Planning, Inc. (“WFP”) is a Kansas corporation owned and operated by Defendant Wells with business operations and its registered office located at 232a S Santa Fe Avenue, Salina, Kansas 67401.
  4. The Court has subject matter jurisdiction over this action pursuant to Kan. Const.

Art. 3, §§ 1 and 6, K.S.A. 20-301, and other applicable law.

* 1. Venue is proper in this Court pursuant to K.S.A. 60-603, 60-604, and 60-608 because, among other reasons, Defendant WFP has its registered office located in Saline County and certain of Defendants’ wrongful acts giving rise to this action occurred in Saline County.

# FACTUAL BACKGROUND

* 1. Plaintiff CNB employed Wells as a trust officer from 2017 until his involuntary termination in May 2023.
  2. Wells’ job responsibilities while employed by CNB included providing wealth management, financial advisory, and trust administrative services to CNB customers.
  3. CNB terminated Wells after an investigation revealed he engaged in serious misconduct and violations of the bank’s policies and procedures.
  4. On June 6, 2023, CNB commenced an action against Defendants Wells and WFP in Geary County, Kansas, asserting claims arising from Defendants’ wrongful competition, breaches of fiduciary duties, and fraud. That action is captioned *Central National Bank v. Stuart*

*E. Wells, et al.*, Case No. GE-2023-CV-000097 (the “Fraud Action”) and remains pending before the Hon. Ryan W. Rosauer.

* 1. Since commencing the Fraud Action, CNB has learned that Wells, in both an individual capacity and in his capacity as the owner of WFP, has made many false and disparaging statements regarding CNB and CNB representatives, both verbally and in writing, to third-parties in an effort to damage CNB and its representatives.
  2. The false and disparaging statements described in this petition were not made in pleadings, affidavits, depositions, or court proceedings in the Fraud Action, and were not published in connection with reports of those judicial proceedings. The statements are therefore not subject

to any absolute or qualified privilege applying to statements made in the course of judicial proceedings.

* 1. Representative but not all-inclusive examples of Wells’s false and disparaging statements include the following.
  2. In or around April 2023, Wells contacted the Chief Executive Officer of BankWest of Kansas, who was close friends with one of CNB’s customers for whom CNB served as trustee.
  3. In his communications with BankWest’s CEO, Wells made false and defamatory statements about CNB’s solvency.
  4. In attempting to get BankWest’s CEO to induce CNB’s customer to switch banks, Wells told BankWest’s CEO that CNB “was in trouble” and “was going under.”
  5. These remarks caused BankWest’s CEO concern about CNB’s solvency and ability to continue serving as trustee or hold or manage the assets of its customers.
  6. These remarks, in addition to being false, disparaging, and defamatory, are criminal false communications under K.S.A. section 21-6103 because Wells “recklessly ma[de], circulat[ed] or caus[ed] to be circulated a[] false report, statement or rumor with intent to injure the financial standing or reputation of a[] bank.”
  7. CNB is informed and believes (and believes discovery will show) that Wells made the same or similar false and disparaging statements about CNB’s financial standing or solvency to other third parties in or around the same time period.
  8. In addition, in or around July 2023, Wells contacted CNB customers and made false and disparaging statements to those customers (and presented the customers with false and

defamatory statements for them to publish to third parties), in an attempt to induce the customers to move their accounts from CNB.

* 1. One such example involved a CNB customer referred to herein as “G.C.” On or about June 20, 2023, Wells told G.C. that her CNB brokerage account was not “governed by the rules of FINRA and SEC,” that CNB “does not take regulatory responsibility for [G.C.’s] investment account,” and that CNB “pick[s] and choose[s] which rules to follow” with respect to G.C.’s brokerage account.
  2. Wells told G.C. these false and disparaging statements were true, prepared and wrote a letter containing these false and disparaging statements, and convinced G.C. to sign the letter.
  3. Wells then sent the letter with G.C.’s signature to Raymond James Financial Services, a third-party business partner of CNB.
  4. In the Fraud Action, Wells falsely testified under oath that G.C. was the one who typed, wrote, and sent the letter. But in fact, Wells prepared, wrote, and sent the letter himself. Indeed, G.C. testified in the Fraud Action that Wells was the one who prepared, wrote, and sent the letter.
  5. CNB is informed and believes (and believes discovery will show) that Wells made the same or similar false and disparaging statements to other CNB customers around the same time period.
  6. In addition to false and disparaging statements about CNB’s solvency or the regulation of customer brokerage accounts, Wells engaged in another letter-writing campaign after CNB served certain witnesses with valid subpoenas in the Fraud Action and, in doing so, Wells published additional false and disparaging statements about CNB.
  7. Specifically, Wells contacted at least seven subpoena recipients in or around September, November, and December 2023.
  8. Wells told the subpoena recipients that CNB’s valid subpoenas were “a blatant scare tactic,” “an abuse of the legal process,” and for at least one of the subpoena recipients, that the subpoenas were a form of “lawfare” designed to target that person’s religious affiliation.
  9. Again, Wells told the subpoena recipients these false and disparaging statements were true, prepared and authored letters containing these false and disparaging statements, and convinced customers to sign the letters.
  10. In at least one instance, these false and disparaging statements about CNB caused the customer to report CNB and/or its representatives or business partners to FINRA and the Kansas Bar Association, for supposedly targeting customers for subpoenas based on their religious affiliations.
  11. In addition, in or around January 2024, Wells sent a false and disparaging written statement to a former CNB employee referred to herein as “S.M.,” recounting false events of alleged race and religious discrimination at CNB.
  12. This written statement included false and disparaging events attributed to CNB representatives, one of whom Wells falsely quoted as having said “we already have a token black employee in in the trust department” and another of whom Wells accused of using a cash drawer against policy and without permission.
  13. Wells prepared and published these false and disparaging statements contending CNB discriminated against S.M. on the basis of her race.
  14. S.M. will confirm that the statements Wells prepared and published about her experiences working at CNB are false.
  15. In addition, in or around January 2024, Wells sent a false and disparaging written statement to another former CNB employee referred to herein as “B.F.,” falsely stating CNB’s conduct had caused “multiple inconsistencies regarding bank policy, industry norms, and regulations.”
  16. In an oral conversation around the same time period, Wells also told B.F. that CNB had violated “cash handling” requirements and that CNB was experiencing financial liquidity problems.
  17. Again, these actions, in addition to being false, disparaging, and defamatory, were criminal false communications under K.S.A. section 21-6103 because Wells “recklessly ma[de], circulat[ed] or caus[ed] to be circulated a[] false report, statement or rumor with intent to injure the financial standing or reputation of a[] bank.”
  18. CNB is informed and believes (and believes discovery will show) that Wells made the same or similar false and disparaging statements about CNB’s financial standing or solvency to other third parties in or around the same time period.
  19. Defendants’ false and disparaging statements have caused and continue to cause significant harm to CNB, including damage to its reputation, damage to its representatives’ reputation, loss of customer and public goodwill, and loss of business.
  20. The damages caused by Defendants’ false and disparaging statements about CNB and CNB’s representatives are in addition to and not duplicative of the damages sought by CNB in the separate, ongoing Fraud Action.
  21. Defendants’ efforts to defame CNB and CNB representatives are ongoing.
  22. Due to Defendants’ actions, CNB has been required to spend considerable time responding to the defamatory and disparaging statements, and it has also incurred significant

fees and costs to engage legal counsel to address the fabricated accusations, causing it to suffer economic injury in the State of Kansas.

# Count I - Defamation (Against Wells and WFP)

* 1. CNB re-alleges and incorporates by reference all prior allegations as if fully stated

herein.

* 1. Wells, individually and as an agent and instrumentality of WFP, has made false and defamatory statements about CNB to third parties, as more specifically described in Paragraphs 6–41 above.
  2. Defendants’ false and defamatory statements have damaged the reputation of CNB and CNB’s representatives.
  3. CNB has incurred damages and expenses in excess of $75,000 in lost business and to combat the spread of Defendants’ false statements, including fees and costs to engage attorneys and communications professionals and time spent by CNB executives to respond to the false and disparaging statements.

WHEREFORE, Plaintiff, Central National Bank, respectfully requests that the Court enter judgment in its favor and against Defendants, as follows:

* + 1. Permanently enjoining Defendants, their officers, agents, servants, employees, and attorneys, and all others who are in active concert or participation with them, from making false statements regarding CNB and CNB’s representatives to third parties;
    2. Awarding damages to Plaintiff in excess of $75,000, in an amount to be determined at trial, together with interest as allowed by law;
    3. Awarding Plaintiff its costs and expenses, including, without limitation, reasonable attorneys’ fees, incurred in the prosecution of this action; and
    4. Granting such other and further relief as the Court finds just and proper.

Respectfully submitted, SPENCER FANE LLP

*/s/ Michael W. Seitz*

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