

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

FUTURE MEDIA ARCHITECTS, INC.,

Plaintiff,

- against -

AKIN GUMP STRAUSS HAUER & FELD
LLP,

Defendant.

Index No. _____

Date Purchased: _____

SUMMONS

Venue is pursuant to CPLR § 503(a)

To the above named Defendant:

You are hereby summoned to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiff's attorney within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

The basis of the venue designated is CPLR § 503(a).

Dated: New York, New York
December 19, 2019

**MOSES ZIEGELMAN RICHARDS &
NOTARO, LLP**

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By: 
Adam Richards
Stephen T. Heiser

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

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FUTURE MEDIA ARCHITECTS, INC.,	:	
	:	Index No.
Plaintiff,	:	
	:	
-against-	:	<u>COMPLAINT</u>
	:	
AKIN GUMP STRAUSS HAUER & FELD LLP,	:	<u>Jury Trial Demanded</u>
	:	
Defendant.	:	
	:	
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Plaintiff Future Media Architects, Inc. (“FMA” or “Plaintiff”), by its attorneys, brings this action against Defendant Akin Gump Strauss Hauer & Feld LLP (“Akin Gump” or “Defendant”) and alleges as follows:

NATURE OF THE ACTION

1. Few professional relationships are accorded the privileged status of the attorney-client relationship. At its core is the fundamental trust that must exist between a client and her attorney in order to make our legal system function. For this reason, breaches of that trust are relatively rare, and they shock the conscience when they take place.

2. It is difficult to imagine a more egregious breach of the attorney-client relationship than a lawyer stealing from her client. Except perhaps, when that client is impaired by drug abuse and known mental health issues. This case involves both. The array of breaches of client trust in this matter are startling, all the more so because they involve attorneys from one of this country’s most prestigious law firms.

3. Plaintiff FMA is a family-owned company that strategically acquires internet domain names for eventual sale to the market. FMA’s two shareholders are Thunayan and Shareefah Al-Ghanim, brother and sister that each are 50% shareholders.

4. Thunayan was Chief Executive Officer and controlled the company, but by 2012 his health was in serious decline. Hobbled by substance abuse and mental health problems, Thunayan's leadership of FMA became erratic, leading to significant concern among his family and friends, and also to conflict with his sister Shareefah concerning FMA's business. Akin Gump, however, became FMA's and Thunayan's counsel, despite warnings from other lawyers to avoid entering into an attorney-client relationship with Thunayan because of his health problems.

5. Not long after becoming involved with FMA, Akin Gump became aware that Thunayan could not run the company effectively. Akin Gump's solution was to run it for him, including taking over FMA's finances and bookkeeping operations and directing and negotiating the sale of domain names, oftentimes with little input from Thunayan.

6. Initially, Akin Gump's meddling took the form of selling FMA's domain names to provide liquidity—Akin Gump's primary concern was getting paid. But eventually, Akin Gump—aware that Thunayan was in no condition to monitor either FMA's or Akin Gump's activities—took advantage of the opportunity to loot FMA's assets for personal profit, systematically prioritizing its needs ahead of its client.

7. Akin Gump's transgressions included: FMA-funded family vacations for Akin Gump personnel; the personal expenses of an Akin Gump attorney and her family members were paid for by FMA; numerous bank accounts were held jointly by an Akin Gump lawyer and Thunayan; jobs at FMA were given to the family members of an Akin Gump attorney, one of whom was directed by Akin Gump lawyers to live and travel with Thunayan; the unauthorized transfers of hundreds of thousands of dollars to accounts and entities jointly owned and/or run by an Akin Gump lawyer; establishing shell companies which were jointly owned and controlled by

an Akin Gump lawyer; and the sale of some of FMA's most valuable domain names in rushed and below-market transactions.

8. Faced with irrefutable proof of its lawyers' wrongdoing, Akin Gump grudgingly admitted that its representation of FMA "did not comport with the firm's policies and ethical requirements." This is an understatement. Akin Gump's myriad breaches of duties and ethical standards went far beyond failing to comport with internal policies—they were grotesque violations of their legal and ethical duties to FMA.

THE PARTIES

9. Plaintiff FMA is a family-owned closely held corporation that is primarily engaged in the registration, maintenance and sale of internet domain names. FMA is incorporated under the International Business Companies Ordinance of the Territory of the British Virgin Islands (the "BVI").

10. Defendant Akin Gump is a law firm that operates as a limited liability partnership under the laws and regulations of numerous jurisdictions both inside and outside the United States. Akin Gump has been registered as a Foreign Registered Limited Liability Partnership with the New York Department of State since 1994.

11. Akin Gump promotes itself as a "leading global law firm" and is a member of the Am Law 100 that employs over 200 lawyers in its New York City office and over 900 lawyers worldwide. In 2018 Akin Gump posted gross revenue of over a billion dollars and its profit per equity partner was \$2.4 million. On the 2019 Global 200 survey, Akin Gump ranked as the 39th highest grossing law firm in the world.

JURISDICTION AND VENUE

12. This Court has jurisdiction over Defendant pursuant to New York CPLR §§ 301, 302(a)(1) and 302(a)(2) because Defendant regularly transacts business in the State of New York, including through its permanent New York City office, substantial acts that are the subject of this complaint occurred in the State of New York, and Defendant and Defendant's agents committed tortious acts within the State of New York.

13. Venue is proper in New York County pursuant to New York CPLR § 503(a) because a substantial part of the events or omissions giving rise to the claims occurred in this county.

FACTS

14. FMA was incorporated in the BVI in 2002. FMA is one of the largest internet domain name holding companies in the world, at one point owning over 100,000 domains.

15. FMA has at all times been equally co-owned by Thunayan and his sister, Shareefah Al-Ghanim.

16. From June 2003 through December 2018, Thunayan was FMA's sole director and CEO. At the same time, Shareefah was FMA's Vice-President and Secretary. Shareefah also became a creditor of FMA in or around August 2013.

A. Akin Gump's Attorney-Client Relationships with FMA and Thunayan

17. On or about June 6, 2012, Akin Gump and FMA executed an engagement letter, which expressly limited Akin Gump's engagement to "providing advice in the formation of an entity to develop the domain name Media.com." Akin Gump and Thunayan executed a separate engagement letter dated August 7, 2013 for Thunayan's representation.

18. The “Statement of Firm Policies” accompanying the Akin Gump-FMA engagement letter explained that Akin Gump’s “engagement is limited to the matter identified in the [accompanying] engagement letter,” “[i]t is understood that [FMA is] not relying on [Akin Gump] for business, investment, or accounting decisions,” and that Akin Gump must “run a new conflicts check before undertaking any new matters with [FMA].” Akin Gump also pledged in its Statement of Firm Policies that “[u]nless we have [FMA’s] specific agreement that we may do so, we will not represent another client in a matter that is substantially related to a matter in which we represent [FMA] and in which the other client is adverse to [FMA]. We understand the term ‘matter’ to refer to transactions, negotiations, proceedings and other representations involving specific parties.”

19. During the course of Akin Gump’s relationship with FMA, Akin Gump’s representation broadened far beyond rendering advice in connection with the limited matters in its June 6, 2012 retainer and eventually included numerous legal matters and a host of non-legal matters. Indeed, as is detailed below, Akin Gump’s representation of FMA eventually became so all-encompassing, and its lawyers became so intertwined with the day-to-day operations and business of FMA, that Akin Gump’s representation evolved into a fiduciary relationship beyond that typical of an attorney-client relationship. However, Akin Gump never revised its narrow 2012 engagement letter with FMA until February 2016, when, after an internal investigation and review had brought to light the firm’s breaches, it proposed a “renewed” agreement with FMA.

20. As discussed herein, Akin Gump’s representation of FMA was tainted by several significant conflicts of interest that were non-waivable, and in any event, FMA never expressly waived or gave consent to any of Akin Gump’s conflicts.

21. The primary Akin Gump lawyers involved in representing FMA include:
- Heidi Liss (a/k/a Heidi Liss Stein) was formerly a Senior Counsel at Akin Gump's New York office. She was admitted to practice in New York in 1993.
 - Lawrence Lamade was formerly a Partner at Akin Gump's Washington, D.C. office. He was admitted to practice in D.C. in 1976 and is also admitted to practice in Maryland. He was Akin Gump's supervising and billing partner for FMA and Thunayan personally.
 - Karol Kepchar is a Partner at Akin Gump's Washington D.C. office. She was admitted to practice in D.C. in 2005 and is also admitted to practice in Virginia and Pennsylvania.
 - David Lee is a Senior Counsel at Akin Gump's Washington D.C. office. He was admitted to practice in D.C. in 2000 and is also admitted to practice in Virginia.

At all relevant times, each of the aforementioned lawyers were Akin Gump's agents; Liss and Lee were Akin Gump's employees and Lamade and Kepchar were partners in the firm.

22. Adel Al-Ali was formerly a Senior Advisor operating out of Akin Gump's Washington D.C. office. He is a resident of Maryland and a lawyer admitted to practice in Kuwait since 1980. Al-Ali worked with Akin Gump on FMA and Thunayan-related matters from approximately 2013 through 2016.

23. Akin Gump used Al-Ali to keep close tabs on Thunayan, to exert further control over FMA and Thunayan, and as an intermediary for providing non-legal advice to FMA and Thunayan.

24. Al-Ali frequently visited Thunayan in London and elsewhere and often stayed in the same hotel as Thunayan. Other Akin Gump lawyers including Lamade were in regular communication with Al-Ali while he was with Thunayan.

25. At all relevant times, Al-Ali was directly supervised and controlled by Akin Gump personnel, including Akin Gump partner Lamade. Al-Ali held himself out as, and was in fact, Akin Gump's agent with respect to both FMA and Thunayan. For example:

- a. Akin Gump's Deputy General Counsel admitted in a sworn declaration that Akin Gump was "in frequent contact with Adel Al-Ali, an attorney who performed legal and non-legal work for FMA and [Thunayan] Alghanim."
 - b. Lamade asked Al-Ali to review and approve Akin Gump's invoices before they were sent to FMA and Thunayan.
 - c. Al-Ali had access to and periodically used Akin Gump's offices.
 - d. Al-Ali was copied on emails sent by Akin Gump attorneys as "Adel Al-Ali – Akin Gump Strauss Hauer & Feld" or "DC Akin Gump Adel Al Ali."
 - e. Al-Ali sent correspondence to third parties regarding FMA on Akin Gump's letterhead, and Akin Gump legal assistants drafted correspondence for Al-Ali's signature.
 - f. Al-Ali had a personal assistant at Akin Gump's D.C. office.
 - g. An Akin Gump employee had Al-Ali's credit card information to pay bills.
 - h. On December 14, 2015, Al-Ali stated in an email that "previously I was a lawyer with the American law firm, Akin Gump, based in Washington."
26. Al-Ali was also named as a trustee of a trust set up by Akin Gump "for Thunayan to hold monies for investment." Akin Gump proposed that FMA would pay Thunayan via this trust, but this "project [wa]s on hold per instructions from" Thunayan.
27. FMA and Thunayan believed that Al-Ali was an Akin Gump lawyer and that Al-Ali was representing them. For example, as late as June 18, 2016, Thunayan expressed to Akin Gump's General Counsel that he thought Al-Ali was a "lawyer[] at your firm."

B. Akin Gump Was Aware of Thunayan's Health and Substance Abuse Issues

28. Akin Gump lawyers including Lamade and Al-Ali knew from at least 2013 onward that Thunayan suffered from oftentimes debilitating health issues, including mental health issues and substance abuse.

29. In August 2013, Salim Ali, a lawyer admitted to practice in Virginia, "strongly advise[d]" Lamade and Al-Ali "against retaining [sic] [Thunayan] now until after he receives treatment again." Salim Ali was "concerned over [Thunayan's] mental state" and "respectfully ask[ed] that [Lamade and Al-Ali] decline the representation until he is more fit." In September 2013, Salim Ali further warned Lamade and Al-Ali that Thunayan must "receive the necessary treatment he desperately needs." The lawyer recommended that Lamade "contact [Thunayan's] Psychiatrist in London and receive copies of his medical records to evaluate his current state of mind."

30. In October 2013, Lamade was informed in writing by a BVI lawyer representing FMA's 50% owner Shareefah that Thunayan had a "substance abuse problem." In November 2013, FMA's BVI counsel told Lamade that he was "concerned that Thunayan does not appear to be willing to express any independent opinion." Lamade replied that "Thunayan is naïve legally, but thoroughly trusts both Adel [Al-Ali] and me to point him in the right direction." Two weeks later, Lamade was forwarded an email from FMA's intellectual property counsel, Kenyon & Kenyon, LLP, stating that "[g]enerally, we would advise not making any changes to [FMA's domain name] portfolio until [Thunayan] is well again."

31. Throughout Akin Gump's representation of FMA and Thunayan, Thunayan made numerous statements to Akin Gump lawyers that raised obvious red flags about his well-being and that signaled to Akin Gump that Thunayan was incapable of properly running FMA.

32. In April 2014, upon being asked to authorize the transfer of an FMA domain, Thunayan emailed Lamade to tell him that that his “pc [is] in one of the rooms [I] am honestly scared to go in. I need to find a safe place that prat [sic] I know I will be happy there. Am safe in a room.”

33. In August 2014, Thunayan sent Lamade, Al-Ali, Kepchar and Lee several virtually incoherent emails proposing disjointed ideas for developing FMA-owned websites, stating things such as: “Oh and arabs.com pkus arabs.tv let it help us recondition to our mental wirigb for cash gwberation harmoni and ducation no war just banks,” and said “i am so excited cant get to sleep i hope this email is safe here” (all errors in original).

34. Less than two weeks later, Thunayan informed Lamade, Lee and Kepchar that he had just been arrested. Lee commented to Kepchar: “Arrested and just got home? Jesus.”

35. Moreover, Lamade, Liss and other Akin Gump lawyers reviewed filings made in the BVI Litigation, described below at ¶¶ 183-192, that set forth Thunayan’s health and substance abuse issues in detail. These court filings included allegations that Thunayan attended multiple substance abuse clinics in 2012 and 2013. Lamade, Kepchar and Lee, among others, drafted a December 3, 2014 affirmation for Thunayan, which directly addressed his health and treatment issues.

36. Thunayan’s mental health difficulties only worsened during Akin Gump’s representation of him and FMA. On July 7, 2015, Lamade sent an email to Al-Ali opining on Thunayan’s “drug induced paranoia” and the need to get Thunayan “medical help.” On August 11, 2015, Lee stated to Lamade that “[Thunayan’s] views are not necessarily based on facts” but rather “his perception and his reality.” On October 15, 2015, Lamade wrote to Thunayan that Akin Gump had been “required” to provide extensive non-legal services to FMA and Thunayan

due, in part, to “the circumstances of your situation.” On October 30, 2015, Lamade told Lee and Kepchar that “Thunayan is incapable of focusing on our bills or making a rational decision.” On June 1, 2016, Al-Ali told Thunayan that he had “agreed to be [Thunayan’s] lawyer (when no one else was willing to be your lawyer due to your irrational behavior).” Later that month, Thunayan wrote to the General Counsel of Akin Gump that Al-Ali, Lamade and Liss “were spreading the word” that he was “crazy since day one.”

37. Akin Gump personnel and their agents, including Al-Ali and Liss’s daughter Natasha Stein, frequently met with Thunayan and witnessed his behavior, which they reported back to other Akin Gump lawyers including Lamade and Liss.

38. However, Akin Gump lawyers did not endeavor to get Thunayan the help he apparently needed.

C. Akin Gump Participated in FMA’s Management and Provided Extensive “Non-Legal Services” to FMA

39. Akin Gump improperly managed FMA’s and Thunayan’s financial and business affairs, in violation of its duties to FMA and to the detriment of FMA and its shareholders.

1. Akin Gump Directed the Sale of FMA’s Domain Names

40. To maintain ownership of domain names, FMA must pay annual registration fees that in the aggregate can cost over one million dollars each year.

41. Until 2013, FMA did not sell any of its domain names. FMA had no revenue and lacked the liquid capital to pay its required renewal fees. Beginning in or around August 2013, Shareefah loaned over \$450,000 to FMA to fund renewal fees. These transactions kept FMA sufficiently capitalized to maintain its vast trove of high-value domain names.

42. In or around late 2013, FMA began monetizing its portfolio by selling certain valuable domain names to various third-party buyers. These domain name sales were intended solely to raise funds for renewal fees and avoid shareholder funding.

43. That strategy soon shifted with Akin Gump's encouragement, and FMA sold hundreds of domain names between 2013 and 2015. From 2013 through 2015, Akin Gump urged—and actively facilitated—the rapid sale of FMA domain names, frequently without seeking competitive bids and for far less than they were worth. Akin Gump lawyers billed FMA substantial fees for “advis[ing] on” the “direcction [sic] of sales” and similar matters, including whether to put specific domain names up for sale and whether to accept specific purchase offers. Akin Gump arrogated FMA's business to itself despite the fact that none of the Akin Gump lawyers had any prior experience with internet domain name pricing and sales. Akin Gump also undertook these activities knowing that Thunayan was suffering from significant mental health issues. At the same time, FMA was also paying substantial commissions to another third party, Uniregistry—which unlike Akin Gump had actual expertise in the field—for the vast majority of its domain name sales, typically at a rate of 12%.

44. Akin Gump's strategy was to provide FMA with sufficient liquidity to pay Akin Gump's bills for its representation of both FMA and Thunayan individually. Akin Gump also sought to provide Thunayan with as much money as possible to keep him happy, at the expense of and often in direct conflict with the interests of Akin Gump's other client, FMA.

45. Akin Gump also sought to ensure that Thunayan would have sufficient funds to bring proceedings against his sister to obtain control of FMA. Akin Gump advised Thunayan in connection with those proceedings in the BVI.

2. Akin Gump Directly Handled FMA's Bookkeeping

46. Throughout its engagement, multiple Akin Gump lawyers, and particularly Liss, managed FMA's bookkeeping including maintaining FMA's books and records, preparing its financial statements, "reconcili[ing] sales and inflows" and providing other related non-legal tasks.

47. On January 22, 2015, Lamade and Liss agreed that no one was currently "maintain[ing] books/records for FMA." Rather than alerting their client, Liss and Lamade concluded that Liss should "handle the accounting/admin paperwork for the time being."

48. Beginning in or around February 2015, Akin Gump brought in Withum Smith+Brown, PC ("Withum") ostensibly to handle certain additional "basic bookkeeping services" for FMA. Akin Gump nevertheless continued to direct all aspects of FMA's bookkeeping and financial recordkeeping. For example, Withum provided FMA with its standard engagement letter "based on a request from Akin Gump . . . but ultimately the engagement was focused on bill paying services."

49. Withum provided its services for FMA primarily "on site" at Akin Gump's New York office. Withum was provided financial information and documents by Akin Gump, not FMA, and Withum did not remove those documents from Akin Gump's New York office.

50. Withum's original engagement letter with FMA, dated May 19, 2015, was addressed to FMA "c/o Heidi Liss" at Akin Gump's New York office.

51. After FMA made numerous demands for financial records, Akin Gump and Withum prepared financial statements for FMA, as further detailed below at ¶¶ 203-205. Much of that work was also conducted at Akin Gump's New York office.

52. The Akin Gump team knew they were unqualified to handle bookkeeping and financial accounting tasks. For example, on March 30, 2016, Lee observed that "reconcile[ing]

the inflow of money with the sale information” was “the sort of activity that Akin Gump is not equipped to handle as it’s not a legal service.”

3. Akin Gump Took on Other Non-Legal and Ministerial Matters for FMA Including Bill-Paying and Travel Arrangements

53. In an interoffice memorandum dated August 11, 2015 Akin Gump described certain services in connection with “Non-Legal Matters” it provided to FMA including: “payment of FMA expenses”; “preparation of financial statements”; “funding to pay [Thunayan’s] travel expenses”; “travel matters” including “coordinat[ing] travel arrangements upon request”; and “[Thunayan] compensation.” Akin Gump apparently took on similar non-legal responsibilities such as bill-paying on behalf of Thunayan.

54. For all of these non-legal services, Akin Gump charged FMA its customary rates. In December 2014, Akin Gump was charging FMA \$770 per hour for Lamade’s time and \$700 per hour for Liss’s time. By May 2015 Lamade’s and Liss’s hourly rates had increased to \$825 and \$745, respectively.

D. Akin Gump Opened and Controlled FMA’s Bank Account at Citibank

55. In 2012, FMA opened a bank account with Barclays Bank in the Isle of Man. Thunayan, with Akin Gump’s encouragement, refrained from depositing any domain name sales proceeds in that account. This was primarily because Shareefah and their mother Souad Al-Nakib were authorized signatories of, and had access to, that account.

56. In late 2014, Lamade assisted Thunayan’s attempt to remove Shareefah and Souad Al-Nakib from the Barclays account. Lamade was authorized by Thunayan to “execute on behalf of [FMA] all documents required by [Barclays] Bank to give effect” to that resolution. Akin Gump lawyers arranged for this resolution to be notarized by a Maryland notary who was

not present for Thunayan's signature. However, in the midst of these efforts, on December 11, 2014, Barclays informed FMA that its Isle of Man account would be closed in early 2015.

57. Meanwhile, beginning in approximately mid-2014, Lamade and others at Akin Gump sought to open a new bank account for FMA that would be inaccessible to Shareefah.

58. Akin Gump attempted to open such an account in several locations including the United States and the BVI. As part of this effort, Akin Gump lawyers including Lamade, Liss and Al-Ali met with Thunayan in New York City for several days in mid-December 2014.

59. Following failed efforts to open a bank account in the BVI and elsewhere, Akin Gump "focused [their] efforts on trying to establish a bank relationship for FMA in New York." Eventually, in January 2015, Akin Gump personnel opened two Citibank accounts for FMA at a Citibank branch "located near Akin Gump's New York office." By early February 2015, FMA's Citibank account held over \$5.5 million from domain name sales.

60. Liss and Lamade had direct personal signature authority over, and were "authorized users" of, Akin Gump's own client's account at Citibank. They arranged this while ensuring that Shareefah was excluded from the account.

61. FMA's Citibank statements and correspondence were mailed to FMA "c/o Akin Gump et al/Heidi Liss," at Akin Gump's New York City office. Though Akin Gump eventually forwarded some Citibank statements to Thunayan after he raised questions about FMA's finances, he was sent virtually no financial information directly from Citibank during the time Akin Gump controlled and had signature authority over the FMA Citibank account.

62. As detailed below, Liss routinely signed checks and authorized numerous wire transfers from FMA's Citibank account—often without providing prior written notice to FMA—

including transfers to personal and corporate accounts she owned and controlled for, upon information and belief, her own personal enrichment.

63. Akin Gump eventually admitted to FMA that “the firm’s participation in managing FMA’s financial affairs . . . through the FMA account at Citibank . . . was not consistent with normal firm practices.”

E. Akin Gump Established Special Purpose Entities and Additional Bank Accounts

64. Despite the fact that FMA’s sole business is acquiring and selling domain names, and that it operated for years without opening subsidiaries or affiliates, Akin Gump directly established, or used influence over Thunayan to establish, numerous special purpose entities and additional bank accounts. These entities and accounts had no discernible purpose other than to funnel FMA funds to Akin Gump personnel, including Liss, as well as to Liss’s family members and others who had no legitimate relationship with FMA. Other Akin Gump employees including Al-Ali were well aware of the details surrounding several of these entities and accounts. The entities and bank accounts established by Akin Gump include those in paragraphs 65-77 below:

65. Future Media Architects LLC (“FMA LLC”) was established in Delaware on December 18, 2014. Thunayan was the sole member of FMA LLC. Thunayan’s address in FMA LLC’s Certificate of Formation was listed as Al-Ali’s home address in Potomac, Maryland. FMA LLC’s application for an IRS Employer Identification Number also lists Al-Ali’s Maryland residence.

66. Liss and others at Akin Gump were instrumental in FMA LLC’s formation. Liss had *de facto* control over FMA LLC.

67. In December 2014, Akin Gump personnel opened two accounts for FMA LLC at Santander Bank. Liss had access to and control over this account. Statements for this account were initially sent to Al-Ali's Maryland residence, and subsequently to FMA LLC "c/o Akin Gump / Heidi Liss" at Akin Gump's New York office. By December 2015, FMA LLC listed its address with Santander as Liss's residence in Weehawken, New Jersey.

68. Vista Global Advisors LLC ("Vista") was formed in Delaware on March 26, 2015. Vista is owned and controlled by Liss, and Liss and others at Akin Gump were instrumental in Vista's formation. Vista was ostensibly created to facilitate the reimbursement of expenses incurred by Thunayan, Liss, Liss's daughter Natasha Stein, and others.

69. Vista maintains a website at www.vistaglobaladvisors.com, which currently lists the company's address as 3 Columbus Circle in New York City—the same address Liss registered with the New York State bar.¹

70. Liss opened several bank accounts for Vista at Bank of America, with statements sent to either Liss's New Jersey residence or her office at 3 Columbus Circle. Liss also opened two accounts at Bank of America under the title "Natasha J Stein Vista Global Advisors LLC." Natasha Stein is Liss's daughter.

71. Thuman Holdings LLC ("Thuman Holdings") was also formed in Delaware on March 26, 2015. Thuman Holdings was also opened by Akin Gump personnel. Liss had *de facto* control over Thuman Holdings.

72. In or around April 2015, Akin Gump opened two bank accounts for Thuman Holdings at Bank of America's New York City branch. The account opening documents were

¹ Vista website last accessed on December 18, 2019.

signed by Liss as a “Manager” of Thuman Holdings. Statements for this account were sent to Al-Ali’s Maryland residence.

73. Accubon LLC (“Accubon”) was also formed in Delaware on March 26, 2015. Accubon was owned and controlled by Liss, and Liss and others at Akin Gump were instrumental in Accubon’s formation.

74. Liss also improperly established and/or joined several bank accounts that were co-owned by Thunayan. For example, Liss, Natasha Stein and Thunayan jointly owned two bank accounts—one checking account and one money market savings account—at Santander. Liss and Thunayan opened these two accounts at a New York branch of Santander on or about December 16, 2014. Statements for these accounts were mailed to Al-Ali’s home in Potomac, Maryland.

75. These Santander accounts were originally held in Thunayan’s name only, but in or around February 2015, Liss and Natasha Stein became joint owners of the accounts.

76. In March 2015, Liss established another account at Citibank—a “Citigold” checking account—that was also jointly owned by Liss and Thunayan. Statements for this account were mailed to “Heidi Liss Thunayan Al-Ghanim” at Liss’s New Jersey residence.

77. Liss and other Akin Gump personnel communicated with and met with bank officials in New York on several occasions in connection with opening and maintaining the bank accounts described above. In addition, Liss met with a branch manager in New York on March 3, 2015 in an attempt to open a “foreign account.” It is unknown whether any such foreign account was successfully opened.

F. Akin Gump Lawyer Liss Executes Accubon Consulting Agreement With FMA to Install Her as CFO for FMA

78. Accubon, which was wholly owned and controlled by Liss, entered into a highly irregular and improper “consulting agreement” with FMA. The Accubon agreement, dated February 15, 2015, was executed by Liss and Thunayan. This agreement installed Liss as FMA’s “Interim CFO” and as “an interim member of [FMA’s] executive management team.”

79. The agreement authorized Liss, who was still employed at Akin Gump, to “make staffing/hiring decisions appropriate to the needs of the organization” and conduct “financial accounting and reporting, financial planning, budgeting and analysis, investor relations, treasury and tax, risk management, travel and facilities.”

80. The Accubon consulting agreement required FMA to pay Liss \$395 per hour and included a \$180,000 penalty in the event of any early termination of the agreement’s one-year term, unless the termination was for “fraud or embezzlement.” The agreement is governed by and construed under New York law.

81. Thunayan later told Akin Gump’s General Counsel that Liss asked him to sign the Accubon consulting agreement even though it “had not been adequately explained” to him.

G. Akin Gump Persuades FMA to Hire Two Close Relatives of Liss

82. Akin Gump lawyers, including Lamade, Liss and Al-Ali, devised a scheme to cause FMA to hire Liss’s then 22-year-old daughter, Natasha Stein, as a salaried employee. Akin Gump wanted FMA to hire Natasha Stein for the dual purposes of (a) enriching the Liss family, and (b) further controlling FMA and Thunayan. Indeed, Natasha Stein was instructed to live and travel with Thunayan on a day-to-day basis in the U.K. and elsewhere.

83. On February 5, 2015, following a meeting in New York City among Lamade, Al-Ali, Liss and Natasha Stein, Lamade told Thunayan that “I believe that Natasha can be of great

help to you. You will find her to be just what the doctor ordered.” On the next day Liss and her daughter “put together a brief job description” whereby Natasha Stein would be designated the “FMA CEO Executive Personal Assistant.” On February 10, 2015, after Kepchar told Lee that she was “happy to have [Liss] take responsibility for the business of FMA,” Lee replied “[i]t’s a done deal, her daughter is going down to be Thunayan’s assistant.”

84. From February 18, 2015 through February 22, 2015, Liss, Al-Ali and Natasha Stein traveled to the Cayman Islands to meet with Thunayan. In anticipation of the introductory meeting with Natasha Stein, Lamade told Thunayan “[b]elieve me, you will be in good hands. Enjoy and get a lot done. I truly believe that, as they say, ‘The best is yet to come.’”

85. Thereafter, from February 22, 2015 through March 1, 2015, Thunayan, Liss, Al-Ali and Natasha Stein held a series of meetings in New York City.

86. Thunayan executed an employment agreement between FMA and Natasha Stein, which was effective as of February 18, 2015. Thunayan and Natasha Stein apparently executed this agreement during their meetings in New York City in late February 2015.

87. Under this employment agreement, which was prepared by Akin Gump lawyers, Natasha Stein would serve as an “executive assistant” to FMA and she would, among other things, “[c]oordinate with [Liss] to maintain [FMA’s] books and records,” “[a]ttend meetings with” Thunayan, “[r]eport to Adel Al-Ali and [the Akin Gump] team” and “[p]repare summary reports from meetings as requested.”

88. The agreement provided Natasha Stein with a \$120,000 annual salary, reimbursed travel expenses and included the possibility of additional “bonus compensation.”

89. The agreement also anticipated that if Thunayan “shall (i) threaten or commit any offense involving moral turpitude or (ii) use or abuse alcohol or controlled substances in a

manner that, in [Natasha Stein's] reasonable judgment, affects or may adversely affect [her, she] shall have the right to terminate this Agreement effective immediately."

90. No other candidates were considered for this "executive assistant" position; the job was created solely at the behest of Akin Gump personnel.

91. Between March 2015 and July 2015, Natasha Stein received a twice-monthly salary of \$5,000 from FMA's Citibank account. At least one such payment was via a check signed by her own mother, Liss, and drawn from FMA's Citibank account.

92. Natasha Stein also received funds directly from FMA that were apparently for personal expenses, including a wire transfer of \$9,350 on July 31, 2015, designated in bank records as "compensation – med expense."

93. The total amount paid by FMA to Natasha Stein was no less than \$64,350.

94. None of FMA's money that was paid to Natasha Stein was refunded by Akin Gump, Liss or Natasha Stein, except for the \$9,350 "compensation – med expense," as discussed below at ¶ 113.

95. No one was hired to replace Natasha Stein after her employment was terminated effective July 30, 2015.

96. Liss caused FMA to pay a second close family member, Claudia Stein. Specifically, in or around August 2015, Claudia Stein sent Liss a \$3,120 invoice for "Future Media Architects – Quickbooks project July/August 2015." On August 12, 2015, Liss paid Claudia Stein \$3,120 from a personal bank account that Liss jointly owned with her husband. Months later, on October 30, 2015, Liss's company Vista submitted a \$5,000 invoice to FMA which included a line item for \$3,120 for "Office Assistant Reimbursement: Paid Intern – July and August, 2015."

97. On November 3, 2015, Akin Gump caused FMA's Citibank account to pay Vista \$5,000 for the aforesaid October 30, 2015 invoice. This money has never been refunded.

H. Akin Gump's Misappropriation and Misuse of FMA Funds

98. Akin Gump took money from FMA. As set forth in more detail below, this includes \$600,000 in transfers to FMA LLC and Vista; improper double billing; improper and unauthorized spending and expense reimbursement; checks issued from FMA's account on behalf of Vista and others; and attorneys' fees, travel sprees, and additional benefits to Akin Gump attorneys.

99. All of the following acts of misappropriation, double billing and unauthorized spending occurred while Lamade was Akin Gump's supervisory partner, and while Lamade had direct access to, and signature authority over, FMA's Citibank account.

\$600,000 in Transfers from FMA to FMA LLC and Vista

100. On or about March 2, 2015, at Liss's direction, \$500,000 was transferred from FMA's Citibank account into FMA LLC's Santander account. In August 2015, a Withum employee explained that Liss had transferred this \$500,000 "to a new account as a reserved/security account for future expenses. She wanted it treated [for bookkeeping purposes] as expense instead of current asset. She doesn't want [Thunayan] to see it as cash, because she feels like if he sees it, he might spend it."

101. In September 2015, Liss diverted \$100,000 from FMA. This was accomplished through two separate transactions without FMA's knowledge or authorization.

102. First, on September 8, 2015, \$63,015 was transferred by Liss from FMA's Citibank account to Vista's Bank of America account. Second, on September 17, 2015, \$37,000 was transferred by Liss from FMA's Citibank account to Vista's Bank of America account.

103. In August 2015, a Withum employee explained that Liss was planning to “open another account for \$100,000 as a reserve for credit card payments. The credit card that he is using is not under his own name.”

104. Akin Gump has admitted that Liss transferred this \$100,000 from FMA to Vista without Thunayan or FMA’s “knowledge or authorization,” and that Liss “acknowledged that this money [had to] be returned to FMA.”

105. As discussed below, Akin Gump conducted an internal investigation and review after Thunayan raised questions about Akin Gump’s representation of FMA and Thunayan. After being caught, Liss caused FMA LLC to return \$500,000 to FMA’s Citibank account on December 14, 2015, and another \$100,000 was returned to FMA on April 4, 2016, via a wire payment from Akin Gump’s trust account.

Improper Double Billing

106. Liss also stole \$92,970.66 from FMA by double billing FMA for expenses on two separate occasions. Akin Gump has admitted that these “transactions were not authorized.” To make matters worse, these double-paid bills include illegitimate and non-business-related expenses that have never been reimbursed to FMA.

107. First, Akin Gump admitted that Liss “caused FMA to reimburse [Liss] for \$57,065.21 in expenses incurred on her American Express credit card for which FMA had already paid American Express directly.” This unauthorized double-payment was made by FMA to the Bank of America account owned by Liss’s company Vista on June 16, 2015. After being caught during Akin Gump’s internal investigation, Vista returned this unauthorized transfer to FMA’s Citibank account on January 14, 2016. Inexplicably, this \$57,065.21 credit in FMA’s Citibank account was described in the general ledger prepared by Withum as a “domain sale receivable” from Vista.

108. Second, Akin Gump admitted that “in July and August 2015, Ms. Liss caused FMA to reimburse her twice for \$35,905.45 in expenses incurred on her Bank of America Credit card, through payments from FMA’s Citibank account to Vista Global LLC, an entity that Ms. Liss owns and controls.” This unauthorized double-payment was made by FMA to Vista’s Bank of America account on July 23, 2015. Again, after being caught during Akin Gump’s internal investigation, Liss returned this unauthorized transfer to FMA’s Citibank account on December 15, 2015.

Improper and Unauthorized Spending and Expense Reimbursements

109. Akin Gump and others inappropriately charged FMA for many expenses that were unrelated to FMA’s business.

110. Following its internal review, Akin Gump stated that it “believe[d] that certain expenses charged to [Thunayan’s personal] account by Ms. Liss or Ms. [Natasha] Stein, and charges that Ms. Liss caused to be paid out of FMA’s Citibank account, which could total up to \$100,000 but are likely substantially less, were not authorized by [Thunayan] and/or FMA.” Akin Gump specifically conceded that “some [charges], such as travel by Ms. [Natasha] Stein’s friend Richard Ivan, charges for Ms. Stein’s hair care at Louis Licari, and Ms. Stein’s three-night stay in the Cayman Islands following her termination, were unauthorized.”

111. A small amount of improper charges were thereafter refunded to FMA.

112. Specifically, Liss sought reimbursement from FMA for over \$80,000 in expenses that were allegedly incurred in November 2015 and later. On March 7, 2016, at Akin Gump’s request, FMA transferred \$86,212 to Akin Gump’s trust account. Akin Gump told FMA that “[t]his amount will be held in an Akin Gump escrow account on Thunayan’s and FMA’s behalf, and ultimately transferred” to Liss, “once we have ensured that she has returned to FMA the

\$100,000 that she transferred to Vista Global in September 2015, and other transfers to Vista Global that do not appear to have been appropriate.”

113. Akin Gump subsequently determined that \$12,184 of the aforementioned \$86,212 should be returned to FMA. The deduction covered illegitimate spending including the “compensation – med expense” payment of \$9,350 to Natasha Stein, a \$1,231.40 plane ticket from Newark New Jersey to Frankfurt Germany for Claudia Stein, \$765.52 spent on luxury women’s clothing and \$750 spent at a Park Avenue hair salon. On April 11, 2016, Akin then transferred \$12,184 from its trust account to FMA’s Citibank account.

114. Substantial sums that were wrongfully taken from FMA have never been returned. The following are examples of purchases that appear to have been improperly charged to and paid by FMA but never refunded:

- On March 23, 2015, FMA paid off Liss’s American Express credit card bill that included a charge for \$2,788 worth of Broadway tickets (the “Book of Mormon” and “Kinky Boots”), a \$175 charge at MOMA and a \$130 charge at an online fashion retailer.
- On April 15, 2015, FMA paid off Liss’s American Express credit card bill that included a \$142 charge at Nordstrom and a \$82.50 charge at a duty-free store.
- On April 15, 2015, FMA paid off Natasha Stein’s Barclays credit card bill that included a \$138.38 charge at H&M.
- On June 3, 2015, FMA paid off Liss’s American Express credit card bill that included a \$200 donation to an education-related nonprofit and a \$193.98 charge at TJ Maxx.
- On June 4, 2015, FMA paid off Natasha Stein’s Barclays credit card bill that included a \$355.30 charge at a hair salon and a \$45 payment for gym dues.
- On July 23, 2015, FMA paid off Liss’s American Express credit card bill that included a \$149 charge at TJ Maxx and a \$63.50 charge at Zara.
- On August 21, 2015, FMA paid off Liss’s Bank of America credit card that included a \$765.52 charge at an online fashion retailer.

- And on September 24, 2015, FMA paid off Liss's Bank of America credit card bill that included a \$240.28 charge at Lord & Taylor.

115. Many other expenses were paid indirectly through Vista, a company owned and controlled by Liss, which in turn had its invoices paid by FMA. The total amount that was transferred from FMA's Citibank account to Vista-related bank accounts in 2015 was at least \$228,497.46, before certain deductions and repayments.

Checks Issued from FMA's Account on Behalf of Vista and Others

116. Several check payments were issued from FMA's Citibank account with Liss's New Jersey residence listed as FMA's address. Other checks issued from FMA's Citibank account also listed the payor as "Vista Glo LLC" or Natasha Stein.

117. These peculiar transactions raised red flags with at least one third party. On December 24, 2015, a bookkeeper at Withum told Citibank that, as he "was familiarizing [himself] with the FMA account [he] noticed something a bit odd – checks were paid out of the [FMA Citibank] account using payor names other than" FMA, including Natasha Stein, which he found "truly strange, at least to me."

Attorneys' Fees, Travel Sprees and Additional Benefits to Akin Gump Lawyers

118. On March 26, 2015, FMA paid Akin Gump \$570,694.56 in legal fees. This large payment was made via a wire transfer from FMA's Citibank account to Akin Gump's account at Citi Private Bank. FMA did not authorize this payment. This payment was also made just two days after Lamade wrote a memorandum to Akin Gump's "Compensation Committee" touting the value of FMA as a client.

119. Akin Gump also had FMA pay its bills for work that Akin Gump performed for Thunayan individually. On March 7, 2016, a year after it had made its initial \$570,694.56 unauthorized payment, Akin Gump had FMA pay an additional \$258,394.22 to Akin Gump's

account at Citi Private Bank. Even after its own internal investigation had uncovered its wrongdoing, Akin Gump was still pre-occupied with FMA paying its bills—even for work that it had not performed for FMA. This payment, made pursuant to a March 4, 2016 request by an Akin Gump lawyer involved in Akin Gump’s continuing internal investigation and review, was for invoices incurred by Thunayan individually, and not for any invoices incurred by FMA. Withum described this payment in FMA’s general ledger as a transaction covering Akin Gump’s “Legal Fees.”

120. Separately, Akin Gump agent Al-Ali sent three invoices to FMA: for \$150,000 on March 2, 2015; for \$13,909.81 on April 15, 2015; and for \$300,000 on June 6, 2016. FMA paid at least \$163,909.81 to Al-Ali, on March 2, 2015 and June 16, 2015. On June 17, 2015, an additional \$125,400 was wired from Thunayan and Liss’s joint Santander account to Al-Ali.

121. On December 28, 2015, Al-Ali asked that Shareefah transfer \$500,000 from her National Bank of Kuwait account to Thunayan’s National Bank of Kuwait account. That transfer was completed on December 30, 2015. The next day, on December 31, 2015, approximately \$500,000 (denominated as 158,000 Kuwaiti Dinars) was transferred from Thunayan’s account to an account held by Al-Ali’s wife. Thunayan was not copied on this correspondence.

122. Akin Gump and their affiliates also used FMA money to fund travel sprees and other lavish spending.

123. Liss and Natasha Stein traveled to the Cayman Islands in April 2015. This jaunt cost FMA well over \$10,000 in expenses, including \$8,698.65 spent at the Ritz Carlton, as well as \$19,072 in billed attorney time by Liss—including eight hours by Liss on April 8, 2015 for “travel to Grand Cayman; discussed FMA issues; kiwi.com.”

124. Liss's visit to the Cayman Islands was more of a "family vacation" than a substantive business trip. The trip straddled a weekend, and during the trip Liss spent significant time attending to Thunayan's Cayman Island condominium purchase (as discussed more fully below including at ¶¶ 144-145, 151-154) and engaging in numerous leisure activities such as jet skiing and fine dining, rather than attending to FMA matters.

125. Akin Gump personnel have raised questions about Liss's billing on several occasions. For example, an unidentified Akin Gump employee questioned why Liss had billed FMA for "more than 5hrs / day almost every day in Feb" 2015.

126. On October 30, 2015, in an effort to obtain further payment from FMA and/or Thunayan, Lamade proposed to Lee and Kepchar that a third party review Akin Gump's bills with Thunayan "and reach an agreement with us on payment." Lamade admitted that "in going over the bills with [the third party, Thunayan] will see that there is not a lot of personal items," and that "if we have to, we will recognize that Heidi [Liss] took too long to accomplish certain tasks." Similarly, on December 15, 2015, a former partner at Akin Gump told Liss that "it looks like you spent a lot of time on" transition work related to FMA in November 2015, and that "it appears the firm will not compensate you for the 30 hours of professional reading."

I. Akin Gump's Conflicts of Interest

127. Considerable conflicts of interest clouded Akin Gump's entire representation of FMA. Akin Gump was simultaneously representing two clients—Thunayan and FMA—whose interests were frequently at odds. When those interests were unaligned, Akin Gump consistently took the side of, and helped aggrandize, one client—Thunayan—to the detriment of the other—FMA.

128. Akin Gump's conflicts also include: Thunayan's exorbitant salary and other compensation; representing both sides in a so-called loan of \$3 million from FMA for

Thunayan's purchase of a Cayman Islands condominium in the name of a shell company; the sharing of joint bank accounts; and the misappropriation of funds by an Akin Gump attorney.

1. Conflicts Arising from the Exorbitant Compensation and Other Payments from FMA to Thunayan

129. Akin Gump lawyers were deeply involved in procuring significant payments from one client, FMA, to their other client Thunayan. Multiple Akin Gump lawyers including Lamade and Liss frequently billed FMA for these services, and FMA paid Akin Gump for such invoices, even though they were substantially for the benefit of their other client Thunayan.

130. As early as January 2015, Akin Gump lawyers were considering "paying [Thunayan's] expenses out of FMA's [Citibank] account," "paying him a salary as CEO and the brains behind FMA" and paying a "bonus . . . to reward Thunayan for his service to FMA in years 2001-2014." By March 25, 2015, Lee bluntly told Kepchar that Liss "just wants to give Thunayan a bag of money because there is now money in the account."

131. In April 2015, Thunayan passed a resolution providing himself with \$300,000 in annual salary from FMA, and further stating that FMA "shall advance to and/or reimburse Mr. Thunayan Al-Ghanim for reasonable business expenses incurred in connection with his service to the Company." This resolution was crafted and encouraged by Akin Gump lawyers.

132. Akin Gump endeavored to justify paying Thunayan even more compensation—at least \$500,000—from FMA. Liss wrote in an April 21, 2015 memorandum reviewed by Lamade: "FMA to pay [Thunayan] annual compensation the amount of USD 500,000."

133. Akin Gump did not procure a third-party opinion letter purporting to justify these increased compensation measures until nearly five months later, on September 17, 2015. It was only then that Akin Gump retroactively sought to have a Melville, New York-based recruiting firm, Brookfield Associates, write that FMA was justified in paying Thunayan \$500,000 in

annual compensation. Liss drafted the substantive terms of this opinion letter, sent it to the recruiting firm and asked it to “put the letter on [its] letterhead and then send it to me.”

134. The actual money paid by FMA to Thunayan in 2015 was well in excess of his \$500,000 of supposed salary.

135. FMA’s payments to Thunayan in 2015 included:

- On February 24, 2015, FMA paid \$50,000 to Thunayan’s Santander account that he jointly owned with Liss and Natasha Stein.
- On March 16, 2015, FMA paid \$50,000 to Thunayan’s “Citigold” account that he jointly owned with Liss.
- On March 24, 2015, FMA paid \$50,000 to Thunayan’s Santander account that he jointly owned with Liss and Natasha Stein.
- On April 21, 2015, FMA paid \$50,000 to Thunayan’s Santander account that he jointly owned with Liss and Natasha Stein.
- On June 16, 2015, FMA paid \$150,000 to Thunayan’s Santander account that he jointly owned with Liss and Natasha Stein.

136. Another \$150,000 was paid to Thunayan via eight periodic installments of \$18,750, commencing on or about May 26, 2015. The first six installments were paid into Thunayan’s “Citigold” account that he jointly owned with Liss. The last two installments were paid in November and December 2015 to Thuman Holdings’ Bank of America account.

137. In addition, FMA issued a \$50,000 check to Thuman Holdings on April 17, 2015.

138. On June 1, 2015, FMA paid \$25,025.41 to the Santander account that Thunayan jointly owned with Liss and Natasha Stein, ostensibly to cover an April 22, 2015 invoice from Thunayan. At least \$5,000 of that amount was not to reimburse past expenses.

139. FMA also paid Thunayan periodic installments of \$5,000, most of which were deposited into Thunayan’s Santander account that he jointly owned with Liss and Natasha Stein.

These payments totaled approximately \$110,000. Akin Gump and Withum treated some of these \$5,000 payments as prepaid travel expenses in FMA's books.

140. The above payments directed into Thunayan's and Thuman Holding's bank accounts equals approximately \$685,000.

141. Starting on or around December 22, 2015, the \$5,000 installment payments that were periodically made to Thunayan's Santander account (which he jointly owned with Liss and Natasha Stein), and the \$18,750 installment payments that were periodically made to Thuman Holdings' Bank of America account, were directed to an account under Thunayan's name in Kuwait.

142. The above transactions do not include several hundred thousand dollars in exorbitant "expense" payments that were made either directly on FMA Citibank debit cards, or were reimbursed by FMA to Bank of America, American Express and other credit cards issuers, for payments that were for ostensibly for the benefit of Thunayan or others affiliated with FMA. Many of those charges, in turn, appear to have been improper and unauthorized, as discussed above at ¶¶ 109-115.

143. Akin Gump knew that Thunayan's main source of income during the relevant time period was FMA and that Thunayan needed sufficient funds from FMA in order to pay Akin Gump's bills that were incurred in his individual capacity. Akin Gump, therefore, advocated for FMA to provide Thunayan with excess funds, in part, because Akin Gump knew it would increase the likelihood of getting its bills paid, all at the expense of its other client, FMA.

2. Akin Gump Represented Both Sides to a \$3 million "Loan" from FMA to Thunayan

144. Akin Gump orchestrated a loan from FMA to Thunayan for \$3 million with a 1% interest rate per annum (i.e., \$30,000 per year) despite Akin Gump's clear conflict of interest in

representing both sides of the transaction. Thunayan is not required to repay the principal and interest on the loan until April 15, 2020—about five years from the date of the loan.

145. Most of the money lent to Thunayan was purportedly for the purchase of a 2,400 square foot luxury condominium at The Residences at the Ritz-Carlton, Grand Cayman.

146. Akin Gump intended from the outset that the loan would secretly serve as a form of compensation to Thunayan. Just as with the other payments to Thunayan, Akin Gump advocated for this loan, in part, because it knew it would increase the likelihood of getting its bills paid.

a. The Terms of the \$3 million Loan

147. In or around April 2015, FMA resolved to loan \$3 million to Thunayan via a promissory note. The \$3 million promissory note was signed by Thunayan and witnessed by Liss. The accompanying board resolution was also executed by Thunayan.

148. The board resolution was improperly backdated to April 1, 2015. Both the resolution and the promissory note were not finalized and executed by Thunayan until many weeks after April 1, 2015.

149. The board resolution authorizing the loan was backdated because the first tranche of money was transferred out of FMA's Citibank account in connection with the loan on April 2, 2015—well before the promissory note and resolution were agreed upon, finalized and executed.

150. The promissory note further mandates that such payment “shall be paid to Future Media Architects Inc. c/o Heidi Liss, Akin Gump, LLP, One Bryant Park, New York, NY 10036,” or such other place as FMA designates.

b. *The Loan Proceeds Were Used to Buy a Cayman Islands Condominium in the Name of Redstone Holdings*

151. On April 2, 2015 and April 9, 2015, FMA made payments from the loan proceeds to “Appleby Trust Account” totaling \$2,317,674.72. Appleby is a law firm that facilitated Thunayan’s purchase of the Cayman Island condominium.

152. The Cayman Islands condominium is owned by yet another special purpose entity established by Liss, Redstone Holdings Ltd. (“Redstone Holdings”). Redstone Holdings was incorporated and registered in the Cayman Islands on April 2, 2015. Until March 2016, Liss was the sole director of Redstone Holdings and she held Redstone Holdings shares as a nominee for Thunayan.

153. The Offer of Purchase for the condominium was dated March 31, 2015 and was made by “Heidi Liss on behalf of an entity to be formed.” Liss, as Director of Redstone Holdings, authorized and approved the condominium purchase. A Deed of Assignment was made from Liss to Redstone Holdings on April 2, 2015. Liss attended the April 10, 2015 closing in the Cayman Islands, and on that date she, as Director of Redstone Holdings, signed the lease transfer agreement.

154. The Condominium cost \$2,100,000 with \$1,895,532 attributed to the value of the land and more than \$200,000 attributed to the value of chattel property, such as a \$5,101.40 “Custom King Bed,” a \$2,000 armoire and \$3,000 for “TV, A/V Equipment.”

155. On or around July 31, 2019, Redstone was struck from the Cayman Islands company registrar and, as a consequence, ownership of the condominium has reverted to the Crown. Redstone’s registered agent has also resigned.

*c. The Remaining Loan Proceeds Were Deposited
in a Liss-Thunayan Joint Account*

156. \$682,325.28 remained in surplus funds from the \$3 million loan after the condominium purchase. On May 27, 2015, Liss caused FMA to wire these funds to Thunayan's and Liss's jointly-owned "Citigold" account.

157. On December 17, 2015, this \$682,325.28, along with other amounts previously transferred from FMA to the Liss-Thunayan joint "Citigold" account (as discussed above at ¶¶ 135-136), plus interest, totaling \$845,030.82, was transferred to Akin Gump's IOLA-Trust account.

158. Plaintiff does not know why these funds were transferred or how these funds were disposed.

*d. The \$3 million Loan Was Intended as
Retroactive Pay to Thunayan*

159. Akin Gump's contemporaneous communications reflect that the \$3 million loan was intended to be forgiven by FMA and was effectively compensation to Thunayan. On February 7, 2015, Liss told Lamade that "[i]n terms of how we might re-order the steps to purchase [the condominium] sooner rather than later, Thunayan, as the Director of FMA, could declare a bonus for his service for years 2002-2014 for the purchase price."

160. On March 18, 2015, Liss told Lamade that Akin Gump should discuss with FMA's BVI counsel "Bonus or Retroactive Pay. Thunayan received zero compensation for 2002-2014. Now that FMA is reaping the rewards of Thunayan's efforts and has cash, it would be appropriate for FMA to pay Thunayan a generous bonus...Can FMA make a loan to Thunayan which would be forgiven over time[?]....[i]f Thunayan rents an apartment in Grand

Cayman, can FMA agree to pay the rent (either as an FMA expense or as additional compensation)?”

161. In an April 21, 2015 memo reviewed by Lamade, Liss wrote that “[i]n addition to salary, FMA to forgive loan to [Thunayan] over (4) years as bonus.”

162. Liss then wrote an April 27, 2015 email to FMA’s BVI counsel and Lamade stating that “it is intended that FMA will forgive the [\$3 million] loan over a period of 3-5 years provided that Thunayan continues to provide services for FMA.”

163. In November 2013, FMA’s BVI counsel had expressly warned Akin Gump lawyers, including Lamade and Al-Ali, that “if [Thunayan] tries to make a claim for retrospective fees at this stage we are providing fodder for an argument of oppressive or prejudicial conduct.”

e. Akin Gump’s Conflict of Interest

164. Akin Gump was heavily involved in structuring, encouraging and authorizing this one-sided loan transaction, even though Akin Gump simultaneously represented and acted on behalf of the lender (FMA), the borrower (Thunayan) and the ultimate purchaser of the condominium (Redstone).

165. Upon information and belief, Akin Gump billed FMA for all or most of the attorney time spent engineering this transaction for the benefit of Thunayan and Redstone. For example, Akin Gump billed FMA for Lamade’s March 17, 2015 “conference . . . re setting up structure to purchase condo for business use” and for Lamade’s March 27, 2015 “Tel con with H. Liss re purchase of condo in Grand Cayman.”

166. Akin Gump has tacitly admitted that it was conflicted in connection with the loan transaction and the other exorbitant payments to Thunayan, stating in its December 8, 2015 letter to Thunayan that Akin Gump “can no longer represent you or FMA in matters where your

personal interests may conflict with those of FMA's," and "may not advise you or FMA with respect to issues concerning your compensation or use of FMA funds."

3. Conflicts Arising from the Existence of the Joint Bank Accounts and Liss's Misappropriation of Funds

167. It was also an obvious conflict for Akin Gump personnel to share joint bank accounts and commingle funds with their client Thunayan. As Akin Gump admitted in its February 4, 2016 letter, Akin Gump "believe[d]" that Liss "comingl[ed] her personal funds with [Thunayan's] and FMA's funds" and "fail[ed] to place client funds in an escrow account." This violation of the attorney-client relationship is particularly egregious here because the commingled funds all originated from or were derived from Akin Gump's other client FMA.

168. Indeed, as shown above at ¶¶ 135-139, 156-158, the vast majority of Thunayan's "compensation," alleged expense "advances" and reimbursements, and the \$682,325.28 in excess loan proceeds, were transferred from FMA's corporate Citibank account into bank accounts that were jointly owned by Heidi Liss, and in some cases also jointly owned by Liss's daughter Natasha Stein, even though all of these funds were for the benefit of Thunayan only.

169. In total, at least \$1,279,850.00 was transferred from FMA's Citibank account to bank accounts that were jointly owned and controlled by Liss.

170. Akin Gump has further admitted "that certain expenses charged to [Thunayan's] personal...account by Ms. Liss or Ms. Stein...were not authorized" by Thunayan.

4. Conflicts Arising from Self-Dealing Such as the Hiring of Liss's Family Members and the Accubon Consulting Agreement

171. Contemporaneous communications show that Akin Gump lawyers knew of the conflicts inherent in representing FMA on the one hand and themselves or their affiliates on the other.

172. On both July 23, 2015 and August 7, 2015, Thunayan expressed to Liss, Lamade and Al-Ali that there had been a “conflict” between Akin Gump’s representation of FMA and Thunayan on the one hand and FMA’s employment of Liss’s daughter Natasha Stein on the other.

173. On September 23, 2015 Thunayan stated to Lee, Kepchar and Al-Ali that Liss had “made [him] sign alot [sic] of papers about her doing [work] for me like [external] payment[s] and she said its better and the firm knows of such things.”

174. On September 29, 2015, Lee reported to Lamade, Liss and Kepchar that Thunayan wanted copies of, and an “explanation” about, the “[p]apers Thunayan signed pursuant to Heidi [Liss’s] request.”

175. Douglass Maynard, Akin Gump’s General Counsel, stated on February 4, 2016 that “[w]hen we met, [Thunayan] told us that Ms. Liss asked you to sign [the Accubon consulting] agreement, but did not fully explain its implications to you, did not advise you that her dual capacity as your and FMA’s lawyer and a prospective consultant to FMA created a conflict of interest for you and FMA, and did not provide you with a copy of the executed agreement despite your requests.”

176. First, it was a conflict of interest for Akin Gump lawyers to induce FMA to make hiring decisions in favor of Liss’s direct family members Natasha Stein and Claudia Stein.

177. Second, it was a conflict of interest for Akin Gump lawyer Liss to convince FMA to enter the Accubon consulting agreement, especially since it was to enrich herself and gain further control over FMA.

178. Third, it was a conflict of interest for Liss to take on additional roles relating to FMA and/or Thunayan, including becoming the sole director of Redstone, the “manager” of Thuman Holdings and the *de facto* manager of FMA LLC.

179. Akin Gump ultimately conceded that these acts of self-dealing were improper, stating in its February 4, 2016 letter that Akin Gump “believe[d]” that Liss had created “a conflict of interest by purporting to act on FMA’s behalf in negotiations between herself and the company, her daughter [Natasha Stein] and the company, and Accubon and the company.”

5. Conflicts Arising from Akin Gump’s Active Attempts to Undermine and Remove Shareefah as FMA’s 50% Owner

180. Shareefah was a 50% shareholder in FMA. It was a breach of Akin Gump’s duty to FMA to undermine Shareefah’s interest in FMA in favor of Thunayan, especially because these actions furthered Akin Gump’s pecuniary interest.

181. Akin Gump lawyers repeatedly analyzed potential dividend payments (billing FMA for the work) but never declared a dividend, in order to avoid distributing funds equally to Thunayan and Shareefah. Similarly, FMA, with Akin Gump’s encouragement, did not re-pay Shareefah the \$450,000 she had loaned to FMA in or around August 2013, while simultaneously seeking to maximize the funds paid by FMA to Thunayan, as alleged herein.

182. Liss made Akin Gump’s view explicit in a January 23, 2015 email to Lamade and Al-Ali, where she stated:

As we discussed, since FMA is owned 50/50 by Thunayan and Sharifa [sic], any distributions from FMA that are treated as dividends will be shared 50/50 by Thunayan and Sharifa. However, to my knowledge, Thunayan created and runs FMA (and Sharifa is merely a “silent partner”). Thus, there should be no dispute that Thunayan is entitled to a generous salary. In addition, there should be no dispute that Thunayan earned a bonus for his unsalaried years of service from 2001-2014 now that FMA has liquidity. Such salary and bonus and other company expenses (legal fees, accounting fees, travel expenses etc.) should all be paid prior to the payment of any dividend.

Al-Ali replied “Larry, I totally agree with Heidi.”

183. Moreover, Akin Gump extensively advised both Thunayan and FMA in the BVI Litigation against FMA’s other 50% shareholder, Shareefah. Just as Akin Gump sought to preclude Shareefah from having access to books and records or other corporate documents, Thunayan and Akin Gump’s overarching goal in the BVI Litigation was to prevent Shareefah from participating in FMA’s business.

184. Prior to Akin Gump’s involvement with FMA, the Al-Ghanim siblings were historically part of a close, supportive, and cooperative family. The BVI Litigation arose primarily out of disagreements between Shareefah and Thunayan over whether FMA should relinquish certain low-value domain names and how the company would be funded going forward, whether from loans by Shareefah to FMA, the sale of domain names or another source. Additionally, Shareefah was increasingly concerned about Thunayan’s ongoing mental health and substance abuse issues and apparent mismanagement of FMA.

185. Shareefah commenced the BVI litigation in 2013 seeking the appointment of a receiver and, later, a provisional liquidator to protect and preserve FMA’s assets. Shareefah’s request for a receiver was granted in October 2013 but the request for a provisional liquidator was denied in December 2014. Thunayan persuaded the BVI Court in the latter proceedings, with Akin Gump’s assistance, that he was not unfit to run the business, but as shown herein Akin learned that he was in fact entirely unable to do so.

186. Akin Gump was heavily involved in the BVI Litigation, and Akin Gump concedes that it was “in frequent contact with a BVI law firm that represented FMA and [Thunayan] Alghanim in the BVI proceedings initiated by” Shareefah.

187. Both during and after the BVI Litigation, Akin Gump worked at FMA's expense to remove Shareefah from FMA, to cut her out of the business and to sue her on FMA's behalf.

188. For example, Kepchar billed FMA in 2015 for "work[ing] on strategies for removing Shareefah from FMA's business," for "review[ing] strategies for removal of Shareefah," for "work[ing] on analysis of claims on behalf of FMA against Shareefah," for "investigat[ing] potential claims against Shareefah" and for reviewing "research on common law duties and other possible causes of actions against Shareefah under BVI law."

189. Lamade similarly billed FMA in 2015 for "attention to removal of Shareefah as secretary treasurer." On March 24, 2015, Lamade also wrote in a memorandum to the Akin Gump "Compensation Committee" that his team was "considering a breach of fiduciary duty claim" against Shareefah and further suggested such a lawsuit would be "valued at over \$60M."

190. On October 4, 2013, Lamade emailed Shareefah directly and erroneously asserted that if she did not pay certain FMA domain name renewal invoices out of her joint bank account with Thunayan, it "will be considered a breach of your fiduciary duty" as an FMA shareholder and that she "thus will be held personally liable" for any expiration of FMA's domain names. On January 16, 2014, in the midst of the BVI Litigation, Lamade and another Akin Gump partner wrote directly to Shareefah and her mother Souad Al-Nakib to accuse them of engaging in "criminal acts, including theft and fraud," and threatened to "seek redress through the criminal and civil legal process."

191. Akin Gump knew Shareefah was represented by counsel in connection with the BVI litigation at the time and threatened criminal prosecution to obtain an advantage in a civil matter.

192. Only after conducting an internal investigation concerning its representation of FMA—long after billing for its representation in the BVI Litigation and related matters—did Akin Gump eventually acknowledge the conflict created by representing both FMA and Thunayan against Shareefah. On December 8, 2015, Akin Gump told Thunayan that “[g]oing forward, Akin Gump may not advise you or FMA in connection with any disputes with FMA’s other shareholder.”

6. Conflicts Inherent in Akin Gump’s
Sale of Domain Names on Behalf of FMA

193. During its dual representation of FMA and of Thunayan, Akin Gump undertook to sell tens of millions of dollars of domain names, selling the names rapidly, often without seeking competitive bids and for far less than they were worth. Akin Gump lawyers urged FMA to sell domain names quickly and at a high volume, even where FMA should have, and could have, received a better price or retained them as an appreciating asset.

194. Akin Gump implemented this strategy to provide FMA with sufficient liquidity so that, among other things, Akin Gump’s bills for representing FMA and Thunayan would get paid; to provide Thunayan with as much money as possible at the expense of FMA; and so that Thunayan would have sufficient funds to bring proceedings against Shareefah (which in turn would generate further fees for Akin Gump).

195. FMA never paid Akin Gump a retainer fee, and for months at a time, hundreds of thousands of dollars in legal fees remained due and owing to Akin Gump. Akin Gump lawyers, in particular senior billing partner Lamade, knew that FMA and Thunayan lacked sufficient funds to pay those bills and had to sell assets in order to pay Akin Gump and others.

196. For example, Lamade told FMA’s BVI lawyer in November 2013, “[a]s far as payment is concerned, we are working as rapidly as we can to sell assets that [Thunayan] has in

his own name.” In a March 24, 2015 “appeal” to the Akin Gump “Compensation Committee,” Lamade argued that FMA was a valuable client because, among other things, “FMA sold rangers.com to the Texas Rangers for \$375,000 and 333.com for \$750,000.” Then, as noted above, Akin Gump caused FMA to pay Akin Gump \$570,694.56 in legal fees just two days after Lamade submitted his “appeal.”

197. Thunayan, whom Akin Gump knew suffered from serious mental health and substance abuse issues, followed Akin Gump’s business advice including about the sale or retention of particular domain names. For example, in October 2014 Thunayan told three Akin Gump lawyers including Lamade that while he “thought bit.com could be a future project” related to Bitcoin and should be retained, “if you all disagree we sell.” Bit.com was indeed sold soon thereafter for \$300,000—far less than it could have received.

J. Thunayan Raises Questions About Akin Gump’s Representation

198. On May 13, 2015, Thunayan requested a summary of Akin Gump’s legal fees paid to date. Liss responded that FMA paid \$570,694.56 to Akin Gump. Liss informed Lamade of Thunayan’s question about fees and that her daughter, Natasha Stein, had stated that “Thunayan is meeting with Adel [Al-Ali] (privately). Not sure what they are discussing.” Lamade then told Liss to instruct her daughter to “keep her ear to the ground.” On May 20, 2015, Al-Ali emailed Liss, Lamade and Thunayan and stated that he wanted “copies of detailed accounting / financial reports of FMA accounts. P.S. Thunayan as I have been mentioning and contending to you I will make sure that no one can take any advantage of you.”

199. On July 7, 2015, Thunayan decided to fire Natasha Stein.

200. On July 20, 2015 Thunayan sent Liss two emails in which he said, among other things: “the team no one bothered to really listen to me...”; “I think it goes like this...you guys meet and think I need dr may[be] because you are all meds”; “I need lawyers not lawyers who

think they are mental health experts”; “I reached this point of life because none of you ever listens to me...”; and “I never ever got an email whats going on you also never bothered although i asked many time about what funds what was transfered etc I asked monthly report nothing until today about fma money...no one listens to me fma bills paid i never saw an invoice i was never notified my money was out of bank a big sum you never even bothered you tell me until i asked you thats very dangerous you pushing large sums freely ... i know nothing about nothing” (all errors in original).

201. On the same date, Thunayan told Uniregistry personnel to “not copy natasha [Stein] and heidi [Liss] in future emails.” Thunayan then told Lee that he thought “Heidi has no idea what domain pricing is.”

202. On August 2, 2015 Thunayan conveyed to Lee that Liss had “mov[ed] a big sum of money from FMA account over half a million to pay Akingump [sic] without my knowledge nor [sic] authorization.” Lee then asked Lamade if he was “aware of this,” and Lamade replied: “[t]hanks for the pass along. These are the issues that we are working through.”

203. On August 4, 2015, Al-Ali told Lamade and Liss that Thunayan wanted financial statements from Akin Gump. For the next two months, Liss, Lamade and Kepchar billed FMA for considerable time for the preparation of financial statements and related materials, demonstrating that Akin Gump was not properly maintaining FMA’s financial books and records despite undertaking that non-legal task. Indeed, just days before Al-Ali’s request, on July 30, 2015, Liss wrote a memo to Lamade and Al-Ali stating that “[t]o our knowledge, FMA has never prepared a financial statement.”

204. In October 2015, Lamade admitted that FMA did not “maintain financial records nor did it produce a financial statement” through the year 2015, and that FMA’s financial

statements were “long overdue.” Lamade further conceded that the “sales information which [Akin Gump] did have was incomplete and extraordinarily difficult to reconcile,” even though Akin Gump was intimately involved in—and at times dictated—all of FMA’s domain name sales since 2013.

205. The general ledger and other financial statements that were eventually rendered by Akin Gump and Withum were inaccurate and incomplete, evincing that Akin Gump personnel including Liss were wholly unqualified to prepare such statements.

206. On August 7, 2015, Thunayan stated to Liss that “in newyork [sic] you made me sign a lot of papers.” This was an apparent reference to the Accubon consulting agreement, the Natasha Stein employment agreement and/or other agreements at issue in this dispute. Thunayan also proclaimed to Lamade and Liss that they should have “focus[ed] on FMA, not being a travel agent or real estate agents, as you are my lawyer[s] only.”

207. On the same day, Thunayan objected to the size of Akin Gump’s bills and the amounts that Akin Gump charged per hour.

208. Also that same day, in response to receiving a “rough breakdown” regarding FMA’s Citibank account, Thunayan told Liss, Lamade, Lee and Al-Ali that:

Heidi so many months I asked you for an email and monthly report even [Al-Ali] asked you many times why now. You just dismissed me. Now lets go back to the payment of FMA. Who authorized it and why I was never even considered. This I want to know I cant wait more. Who moved the money and on what authority. This is no joke. Until today I have no idea what amount it was ... I am the CEO and I never authorized anything of such transfer. All the past months I ask you all ignore me now give me an answer who moved that big sum of money without my knowledge like I am irrelevant. This must be dealt with utmost seriousness over half a million dollars moved from fma account like its yours.

(all errors in original).

209. On August 10, 2015, Al-Ali wrote to Thunayan, Lamade and Liss and stated that “I travelled to New York, and on Thursday July 29, I met with Mr. Lamade and Mrs. Heidi Liss. Among other things, and per [Thunayan’s] request I informed both of them of your strong desire to terminate the employment contract with Natasha Stein.” On August 11, 2015, Thunayan remarked to Lee that FMA had been paying Natasha Stein even though “she was doing nothing for him and not staying with him.”

210. On September 23, 2015, Thunayan told Lee, Kepchar and Al-Ali that he wanted Akin Gump’s management to be notified about his concerns. On the same date, Lee told Lamade and Al-Ali that Thunayan had called him and was “quite upset over a few things, namely the funds taken out from FMA’s account to pay Akin’s bills and the situation with Natasha.” Lee proposed giving Thunayan “information that will allay his concerns and provide comfort.”

211. On October 15, 2015, months after initially requesting financial information, Thunayan emailed Lee and Al-Ali and again asked “how much is in FMA account why all of you complicating the matter ... its my right its my company as I asked for many months.”

212. On or about that same day, Lamade sent a letter to Thunayan purporting to respond to “various questions you have raised about FMA, including FMA’s Citi Bank account, and to provide a comprehensive summary of all the work that we have performed for you and FMA to date.” This letter was reviewed and approved by multiple Akin Gump lawyers including Lamade, Liss, Lee, Kepchar and Al-Ali. In the letter, Akin Gump sought to justify and defend a multitude of “both legal and non-legal” actions it had taken vis-à-vis FMA and Thunayan. As Lamade stated in a September 3, 2015 internal email, “[t]he purpose of the letter is part cya, part an effort to get us paid, and most importantly the structure of our relationship in the short term

and going forward.” In the letter, Lamade admitted that he had instructed Liss to pay the Akin Gump bill of \$570,694.56 out of FMA’s Citibank account without specifically “inform[ing FMA] before the payment was made.”

K. Akin Gump’s Internal Investigation and Admissions of Wrongdoing

213. From November 2015 through at least April 2016, Akin Gump’s General Counsel Douglass Maynard and other Akin Gump lawyers working out of the firm’s New York office conducted an investigation and review of Akin Gump’s dual and inherently conflicted representation of FMA and Thunayan. According to Akin Gump, this internal review was instigated because Thunayan had raised questions including that Akin Gump used FMA funds “to pay an Akin Gump invoice without [Thunayan’s] prior authorization.” Thunayan had also expressed that he “did not receive financial information [he] requested, the firm’s fees may have been excessive, and [he] was asked to sign documents that had not been adequately explained.”

214. On December 7, 2015, Akin Gump lawyers Maynard, Lee, Al-Ali and Deborah Newman, an Akin Gump attorney involved in the internal investigation and review, met with Thunayan in London to discuss “how the firm has handled your matters and [to] make sure everything is done properly going forward.” In a letter dated December 8, 2015 memorializing the December 7, 2015 meeting, Maynard admitted “on behalf of Akin Gump” that “certain aspects” of Akin Gump’s representations of FMA and Thunayan “did not comport with the firm’s policies and ethical requirements and warranted further scrutiny.” Akin Gump also stated that it was “conducting a detailed review” of FMA’s Citibank accounts, it would endeavor to remove Lamade, Liss and Natasha Stein from all FMA-related bank accounts and that Akin Gump “cannot continue to provide bill-paying services” to FMA.”

215. On February 1, 2016, Maynard, Lee, Al-Ali and Newman again met with Thunayan in London to “update[] you and FMA on the results of our review and discuss[] related

issues.” In a letter to Thunayan dated February 4, 2016, Akin Gump admitted that “a number of [FMA bank] transactions were not authorized,” including many of the transactions described in this Complaint.

216. Akin Gump also stated in its February 4, 2016 letter that it “believe[d] that Ms. Liss committed several violations of the rules of professional conduct” including (a) “misappropriation” of FMA’s and Thunayan’s funds; (b) “comingling her personal funds” with FMA’s and Thunayan’s funds; (c) “failing to place client funds in an escrow account”; and (d) “creating a conflict of interest by purporting to act on FMA’s behalf in negotiations between herself and the company, her daughter and the company, and Accubon and the company.”

217. Akin Gump also stated in the letter that it did “not believe” that Lamade “committed any violations” of the applicable rules of professional conduct.

L. Liss is Fired and Akin Gump Returns Some Funds to FMA

218. Akin Gump terminated Liss’s employment but, upon information and belief, did not terminate any other employee in connection with the Akin Gump-FMA dispute. Lamade is no longer employed by Akin Gump.

219. Akin Gump deducted the fees billed to FMA by both Liss and Lamade after January 1, 2015. Upon information and belief, Akin Gump also deducted some or all of Liss’s and Lamade’s 2015 fees incurred by Thunayan personally.

220. According to Akin Gump’s records, as of February 3, 2016, Akin Gump had billed FMA \$1,124,514.84 in total fees; Liss and Lamade had billed FMA \$585,413.50 in fees in 2015; FMA had paid Akin Gump \$571,028.66 in total fees in 2015; and, after deducting Liss and Lamade’s fees for 2015, Akin Gump owed FMA a refund of \$31,927.32. Thus, Akin Gump’s non-refunded bills to FMA through February 3, 2016 totaled \$539,101.34.

221. On March 4, 2016, Akin Gump told FMA that it would “apply FMA’s credit to any amounts that FMA owed Akin Gump for work performed after January 19, 2016.”

222. Akin Gump also returned to FMA some but not all of the misappropriated funds, and certain funds remaining “in bank accounts Ms. Liss or Ms. Stein had the ability to control,” as outlined above at, e.g., ¶¶ 104-105, 107-113.

223. Lamade and Liss were removed as signatories to FMA’s Citibank account. The Liss-Thunayan joint bank accounts at Santander were closed in December 2015. FMA LLC’s Santander bank accounts were closed on or about December 23, 2015.

224. FMA LLC and Thuman Holdings were dissolved in February 2016.

225. The Accubon-FMA consulting agreement was nullified by Liss on April 5, 2016. Liss agreed that “no funds or benefits of any kind based on the [Accubon] Agreement are owed by FMA to Accubon, or by Accubon to FMA.”

226. Despite her multiple ethical infractions, including but not limited to her and her family’s theft of client funds, Liss was not referred by Akin Gump to the New York State Disciplinary Committee for her misconduct. Akin Gump was incentivized to not report Liss to the Disciplinary Committee because it would potentially lead to these troubling matters “becom[ing] public” and because it would open up others at the firm, including partner Lamade, to possible scrutiny.

227. Based upon Lamade’s own wrongdoing, including his admission that he authorized Liss to pay Akin Gump’s bill from FMA’s Citibank account without first seeking FMA’s permission, and his failure to properly supervise Liss while she looted client funds—including from FMA’s Citibank account over which Lamade had direct access and signature

authority—Akin Gump should also have reported Lamade to the appropriate attorney disciplinary authority, but did not.

M. Akin Gump's Continuous Representation and Renewed Engagement With FMA

228. Throughout the time of its internal investigation and review, Akin Gump repeatedly made it clear that FMA should wait for Akin Gump to complete its review before taking any action vis-à-vis Akin Gump. FMA and Thunayan, in turn, waited patiently for Akin Gump to complete its internal investigation and to institute certain curative measures before taking any action.

229. For example, Akin Gump conveyed in its December 8, 2015 letter to FMA that it was “conducting a complete review of the firm’s representation of you and FMA” and that it “expect[s] to conclude our review in the near future and will provide you and FMA with our conclusions at that time.”

230. On January 13, 2016, Lee told Thunayan that “[a]s you will recall, during our last visit [in London on December 7, 2015], we noted that a more detailed review of the work that was previously done for you and FMA would be conducted [and] we want to report to you what we believe happened and the steps that were taken to help address the issues that were identified.”

231. Then on February 1, 2016, Akin Gump lawyers including the General Counsel met with Thunayan in London for a second time, and on or about February 2, 2016, Thunayan, as FMA’s CEO, executed a “renewed engagement” letter proposed by Akin Gump.

232. The “renewed” engagement letter superseded the June 6, 2012 engagement letter and purported to narrow the scope of Akin Gump’s representation of FMA compared to the unlimited scope of the prior representation. The renewed engagement letter defined the scope of

Akin Gump's representation as "advising FMA with respect to its worldwide trademark portfolio, assisting FMA in maintaining that portfolio, and advising FMA on intellectual property issues relating to FMA's portfolio of Internet domain names." The renewed engagement letter also included a "Records Retention" clause that stated, among other things, "[f]ollowing termination, [Akin Gump] will return to [FMA] all documents and things that you provided to us in connection with [Akin Gump's] representation," and "[i]f you instruct us to do so, [FMA's] files will be returned to you."

233. Even after execution of the February 2, 2016 renewed engagement letter, Akin Gump continued to represent FMA in connection with the transactions at issue here, and about which Akin Gump had earlier recognized as being problematic or subject to conflicts. For example, in March 2016 Akin Gump requested that FMA make a payment of \$86,212 to Akin Gump's trust account and a payment of \$258,394.22 to Akin Gump's corporate bank account as a result of its internal review, in April 2016 Akin Gump made two corrective payments totaling \$112,184 to FMA's Citibank account following further investigation and review, and as late as May 20, 2016 Kepchar billed FMA for advice on "settlement on domain name proceeds with client's sister."

234. On June 17, 2016, Akin Gump sent a "termination letter" to FMA, purporting to "terminate [Akin Gump's] representation of FMA in connection with maintaining its trademark portfolio and advising FMA on intellectual property issues relating to FMA's portfolio of Internet domain names."

N. Akin Gump's Remedial Measures Were Inadequate

235. There were additional remedial acts that Akin Gump was obligated to take.

236. Akin Gump admitted in a February 4, 2016 letter to Thunayan that it "believe[d]" that Liss had "misappropriate[ed]" FMA's funds. However, Akin Gump did not return or refund

all misappropriated and miscategorized funds that were taken from FMA, including the numerous improper credit card expenses and other charges that are described in this Complaint at ¶¶ 114-115.

237. Akin Gump also did not endeavor to refund FMA money that was paid inappropriately to agents and affiliates of the law firm, including Natasha Stein and Claudia Stein.

238. While some attorneys' fees were refunded to FMA, Akin Gump did not refund any bills to FMA aside from Liss's and Lamade's time after January 1, 2015. Akin Gump's non-refunded bills through February 3, 2016 totaled \$539,101.34.

239. Akin Gump also inappropriately encouraged and accepted FMA's March 7, 2016 payment of \$258,394.22 for invoices that were incurred by Thunayan individually. Remarkably, this payment occurred *after* Akin Gump admitted that one of its lawyers had systematically misappropriated funds from FMA and that Akin Gump's dual representation of FMA and Thunayan was fundamentally flawed. Akin Gump has not refunded any of the money that was paid by FMA to cover Thunayan's bills.

240. All told, FMA's non-refunded fee payments to Akin Gump total at least \$797,495.56.

241. As noted above, FMA also directly paid at least \$163,909.81 to Akin Gump's agent Al-Ali, which has likewise never been refunded.

242. A significant portion of Akin Gump's non-refunded bills were incurred for either conflicted matters such as the BVI Litigation against Shareefah and the excess compensation and loan to Thunayan, or for non-legal ministerial tasks such as "admin paperwork," "maintenance of all of FMA's domain named registrations" and "coordinat[ing] travel arrangements."

243. Further, Akin Gump did not thoroughly investigate or seek to remedy the other conflicts of interest that were inherent in its dual representation of Thunayan and FMA, including but not limited to the excessive payments to Thunayan, the lopsided \$3 million “loan” for the Cayman condominium, the role of Liss and Redstone Holdings in the acquisition of the Cayman condominium, or the under-market sales of domain names, even though Akin Gump eventually conceded that it could “no longer represent [Thunayan] or FMA in matters where [Thunayan’s] personal interests may conflict with those of FMA’s.”

244. In addition, while Akin Gump advised Thunayan that FMA should “consider retaining independent counsel” in its December 8, 2015 and February 4, 2016 letters, Akin Gump never affirmatively advised FMA that it had a possible claim against Akin Gump or any of its agents.

245. Even after conducting an internal investigation and review which, by Akin Gump’s own admission, revealed serious wrongdoing including misappropriation of client funds and inherent conflicts of interest, Akin Gump *still* continued to represent FMA under its new engagement letter despite the existence of the very same substantial and obvious ongoing conflict of interest.

246. For example and as noted above, in a letter to FMA dated February 4, 2016—two days after Akin Gump had FMA execute the renewed retainer agreement—Akin Gump conveyed that it “believe[d]” its employee Liss had “committed several violations of the rules of professional conduct” including misappropriation of FMA’s funds, and openly referenced the possibility of FMA “decid[ing] to pursue legal action against Ms. Liss and/or Akin Gump.”

247. This placed Akin Gump in the untenable position of being interested in mitigating its own damages in a potential lawsuit rather than zealously advocating for its client because Akin Gump's representation would be materially limited by Akin Gump's own interests.

248. In October 2016, a few months after Akin Gump's June 2016 "termination letter" to FMA, Citibank required additional "standard" Know Your Customer information for FMA's account including information about the beneficial owners of FMA. Thunayan asked a Withum employee to obtain the necessary information from FMA's former lawyers at Akin Gump. Withum then asked Akin Gump, on both October 7, 2016 and November 9, 2016, for the required corporate documents, which Akin Gump had in their files. Despite being told that "Citibank is threatening to close the FMA accounts by 12/6," Akin Gump never provided the required documents to Withum. As a result, Citibank closed FMA's bank account in December 2016 and issued two checks to FMA for \$77,135.38 and \$4,733.

249. In the midst of this discussion about keeping FMA's Citibank account open, the Withum employee erroneously conveyed to Citibank that he believed Thunayan was "probably" the 100% beneficial owner of FMA. As discussed above at ¶¶ 48-51, Withum gained its knowledge about FMA primarily from Akin Gump.

250. FMA later made millions of dollars in additional domain name sales proceeds that, upon information and belief, were never deposited in an FMA-owned account because FMA's only corporate bank account had been shut down.

251. Even now, Akin Gump is still unable to account for all of the domain name proceeds that accrued to FMA during Akin Gump's domination of FMA's business. On August 21, 2019, Akin Gump informed FMA that there is still a \$157,056 discrepancy between (a) the net proceeds owed to FMA for the sale of FMA's domain names through November 13, 2015,

and (b) money that was either deposited into FMA's Citibank account or was otherwise applied to FMA-related expenditures such as domain name registration fees.

O. Change of Control of FMA

252. Withum ended its relationship with FMA in August 2017 after Thunayan became unreachable, and by 2018 the BVI government had struck FMA from its register of companies.

253. In November 2018, a BVI court authorized a meeting of the members of FMA. At the member meeting in December 2018, Shareefah was appointed as the sole director of FMA, Thunayan was removed as director of FMA and, subsequently, he was removed as CEO of FMA.

254. Akin Gump, through its counsel, acknowledges that Shareefah is now the controlling director of FMA (which has been returned to the BVI register of companies through Shareefah's efforts).

255. FMA and Akin Gump entered into a one-year tolling agreement effective December 28, 2018.

CAUSES OF ACTION

**FIRST CAUSE OF ACTION
(Breach of Fiduciary Duty)**

256. Plaintiff repeats and realleges all the allegations in this Complaint as if fully set forth herein.

257. Akin Gump is responsible and vicariously liable for the acts and omissions of its partners, employees and agents as alleged herein.

258. Specifically, FMA sustained loss and injury due to the wrongful acts and breaches of duty by Akin Gump partners, employees and agents who were acting in the ordinary course of

their employment and within the scope of the business of the partnership, rendering the partnership liable.

259. Akin Gump personnel misapplied FMA's funds that were in the custody of the partnership, such that the partnership is bound to make good the loss.

260. Moreover Akin Gump is liable for any of its agents' wrongful acts that were undertaken with apparent authority.

261. By virtue of Plaintiff's entrustment of the management of FMA to Akin Gump and Akin Gump's unusual authority and control over FMA's business and finances, including the ability to directly access funds and make payments from FMA's corporate bank account, a confidential and fiduciary relationship of trust was created between FMA and Akin Gump, beyond even that found in a typical attorney-client relationship.

262. Among other things, Akin Gump personnel controlled FMA's financial affairs—including through their command over FMA's corporate bank account at Citibank—and actively managed FMA's business and sales strategy, bookkeeping, bill-paying, travel arrangements and various other legal, business and non-legal matters.

263. Akin Gump's fiduciary obligations to FMA were further heightened because Akin Gump personnel were intimately aware of the health and substance abuse issues afflicting FMA's sole director and CEO.

264. Akin Gump therefore owed FMA the highest of fiduciary obligations and the utmost duties of loyalty, good faith, fair dealing and full disclosure. Akin Gump personnel were obligated as fiduciaries to not engage in self-dealing or otherwise promote their interests at the expense of and to the detriment of FMA.

265. Akin Gump fostered a culture of self-interest, self-dealing and disloyalty that permeated its entire relationship with FMA. By reason of their intentional, knowing and wrongful acts, including but not limited to repeatedly promoting their own financial interests to the detriment of FMA, Akin Gump personnel breached their fiduciary duties to FMA.

266. FMA was severely damaged by Akin Gump's breaches of its fiduciary duties. FMA suffered direct damages with respect to: (a) the improper transfer of \$600,000 from FMA's Citibank account, including \$100,000 that was misappropriated directly to an entity owned and controlled by Liss; (b) Liss's improper double billing of \$92,970.66 in expenses; (c) the charging of FMA for improper and unauthorized expense payments and/or reimbursements equaling many thousands of dollars; (d) the additional inappropriate benefits enjoyed by Akin Gump personnel and their friends and family at FMA's expense, including lavish worldwide travel sprees; (e) the billing of FMA for conflicted and inappropriate non-legal and ministerial tasks including working as FMA's "travel agent[s] or real estate agents," and for numerous accounting and bookkeeping matters, all at the customary rates for the provision of legal services; (f) the hiring of and/or payment to close relatives of Akin Gump personnel, including Natasha Stein and Claudia Stein; (g) the issuance of checks from FMA's Citibank account with the payor inexplicably listed as "Vista Glo LLC" or "Natasha Stein"; and (h) the rapid sale of FMA's domain names for less than they were worth in order to, among other things, ensure payment of Akin Gump's bills.

267. In addition, but for Akin Gump's conflicts of interest and self-dealing, FMA would not have transferred at least \$1,279,850 of funds directly into bank accounts that were co-owned by Liss. The transfers of money to accounts jointly owned by Liss and Thunayan are also

clear violation of Rule 1.15(a) of the Rules of Professional Conduct (“Prohibition Against Commingling and Misappropriation of Client Funds or Property”).

268. FMA was further damaged by Akin Gump’s concerted efforts to undermine and remove FMA’s other 50% owner, to the detriment of FMA and for the benefit of Thunayan and Akin Gump.

269. And, upon information and belief, Akin Gump billed FMA rather than Thunayan for all or most of the work associated with the aforementioned financial transactions, the litigation against Shareefah and other work that was wholly for the benefit of Thunayan, Akin Gump and Liss, and not FMA.

270. None of the aforementioned damages would have been suffered by FMA but for Akin Gump’s breaches of fiduciary duty.

271. Moreover, the transfers, reimbursements and other financial transactions at issue were made without the knowledge and/or without the proper authorization of FMA.

272. Akin Gump has not made FMA whole for the losses it sustained as a result of these acts.

273. Akin Gump is liable to FMA for its clear and serious breaches of duty, and to compensate FMA for any unreturned funds as well as for any period of time when FMA was deprived of its rightful property. Indeed, Akin Gump’s misdeeds are no less odious because it was caught and *only then* returned some money to FMA.

274. Akin Gump, therefore, should be required to disgorge all of its collected fees, whether under the “faithless servant” doctrine or other rules governing the conduct of lawyers.

275. Akin Gump’s pattern of conduct with respect to FMA was so egregious, morally repugnant, willfully and intentionally malicious and dishonest, and was for a wrongful and

corrupt purpose, that Akin Gump should be ordered to pay punitive damages to FMA in addition to forfeiting the remainder of its unrefunded fees and paying compensatory and consequential damages.

276. As a direct and proximate result of Akin Gump's breaches of its fiduciary duties to FMA, FMA has sustained injuries for which compensation is sought in the form of (i) compensatory, consequential and punitive damages in an amount to be determined at the time of trial, but in the amount of at least \$20 million dollars; and (ii) disgorgement of all non-refunded fees paid by FMA to Akin Gump totaling at least \$797,495.56, and paid by FMA to Al-Ali totaling at least \$163,909.81.

**SECOND CAUSE OF ACTION
(Malpractice)**

277. Plaintiff repeats and realleges all the allegations in this Complaint as if fully set forth herein.

278. Akin Gump and FMA maintained an attorney-client relationship from June 2012 through June 2016.

279. Akin Gump lawyers had a duty to use such skill, prudence, and diligence as members of the legal profession commonly possess and exercise, in providing the legal services to FMA described herein.

280. Akin Gump lawyers also had the duty to deal fairly, honestly and with undivided loyalty toward FMA—including by avoiding conflicts of interest.

281. Akin Gump breached FMA's trust, Akin Gump's handling of its representation of FMA was negligent and Akin Gump's representation fell below the applicable standard of care in multiple respects.

282. First, Akin Gump personnel breached their duties of care and loyalty to FMA by simultaneously serving as FMA's and Thunayan's lawyers. FMA and Thunayan were frequently on the opposite sides of financial transactions and other matters where their interests were unaligned. This divided loyalty compromised the level of advocacy Akin Gump provided to FMA and caused FMA to directly sustain actual monetary losses.

283. Moreover, Akin Gump was motivated to provide Thunayan with exorbitant funds from FMA, in part, to ensure that Thunayan would pay his individual bills to Akin Gump and to keep Thunayan happy, often at the expense of Akin Gump's other client FMA.

284. But for Akin Gump's conflicts of interest and ethical lapses, FMA would not have suffered damages with respect to: (a) the compensation, reimbursements and other payments paid directly by FMA to Thunayan in 2015, equaling approximately \$685,000; and (b) the inappropriate and lop-sided \$3 million "loan" from FMA to Thunayan.

285. Second, Akin Gump personnel breached their duties of care and loyalty to FMA by becoming inappropriately involved in the financial and business affairs of the company, including via Liss's and Lamade's signature authority over FMA's Citibank account. Compounding this breach, Akin Gump lawyers failed to provide Thunayan and FMA with even the bare minimum of financial information from Citibank and elsewhere. Akin Gump failed to provide such financial information even despite FMA's repeated requests, to the point that FMA was surprised to learn that Akin Gump had previously transferred over half a million dollars from FMA's account to itself.

286. Third, during its internal review, Akin Gump did not thoroughly investigate or seek to remedy certain conflicts of interest that were inherent in its dual representation of Thunayan and FMA, including through the compensation and loan made to Thunayan.

Remarkably, in the midst of Akin Gump's internal investigation and review, Akin Gump encouraged and accepted a payment of \$258,394.22 from FMA's corporate bank account for invoices *incurred by Thunayan*.

287. Finally, Akin Gump personnel engaged in other serious misconduct including: (a) threatening FMA's 50% owner Shareefah with criminal prosecution while she was represented by counsel in the BVI Litigation; (b) backdating a board resolution; (c) arranging for another resolution to be notarized by a notary who was not present for the signature; (d) failing to maintain proper books and records; (e) neglecting to affirmatively advise FMA that it had a possible legal claim against Akin Gump and/or its agents; (f) failing to report Liss, Lamade or any other Akin Gump lawyer to the appropriate disciplinary authority after Akin Gump had concluded its internal investigation of its representation of FMA and Thunayan; (g) continuing to represent FMA even after the possibility of a substantial lawsuit against Akin Gump, Liss and others became clear; and (h) being unable, to this day, to account for at least \$157,056 in FMA's domain name proceeds that occurred while Akin Gump dominated and controlled the business of FMA.

288. In addition to being negligent, the foregoing conflicts violate several New York Rules of Professional Conduct, including Rule 1.7 ("Conflict of Interest: Current Clients") and Rule 1.8 ("A lawyer shall not enter into a business transaction with a client if they have differing interests"). And Akin Gump's threat of criminal prosecution against Shareefah is clear a violation of Rule 3.4 of the Rules of Professional Conduct ("Fairness to Opposing Party and Counsel").

289. As a direct and proximate result of Akin Gump's myriad conflicts of interest and other ethical breaches, FMA has sustained injuries for which compensation is sought in the form

of (i) compensatory, consequential and punitive damages in an amount to be determined at the time of trial, but in the amount of at least \$20 million dollars; and (ii) disgorgement of all non-refunded fees paid by FMA to Akin Gump totaling at least \$797,495.56, and paid by FMA to Al-Ali totaling at least \$163,909.81.

**THIRD CAUSE OF ACTION
(Constructive Fraud)**

290. Plaintiff repeats and realleges all the allegations in this Complaint as if fully set forth herein.

291. Akin Gump and FMA were in a fiduciary and confidential relationship warranting FMA to repose its confidence in Akin Gump as a firm, and in Akin Gump lawyers individually, including Liss and Lamade.

292. FMA and Akin Gump were dealing on unequal terms due to Thunayan's weakened condition, due to Akin Gump's overmastering influence and control over FMA and Thunayan, due to Akin Gump's superior knowledge of the facts, including about FMA's finances, and due to the dependence and trust that FMA justifiably reposed in its lawyers at Akin Gump.

293. Akin Gump personnel induced FMA to: (a) sign contracts and other "papers," including the Accubon agreement and the Natasha Stein employment agreement, that were not adequately explained to FMA; (b) upon information and belief, to enter into other agreements without sufficient knowledge or consent; (c) to surreptitiously make payments directly to an Akin Gump lawyer, to affiliated companies including Vista, and to family members including Claudia Stein; and (d) to make payments and expense reimbursements to Liss, Natasha Stein and others that ostensibly appeared to be, but were actually not, related to the business of FMA.

294. Akin Gump and/or its agents stood to benefit directly from these transactions.

295. Akin Gump made material, false and/or incomplete statements and representations in connection with these agreements and transactions as alleged herein.

296. Akin Gump unduly influenced FMA to enter into these agreements and transactions.

297. FMA and Thunayan justifiably relied upon Akin Gump's statements and omissions, and they were induced by Liss and others at Akin Gump to enter into these agreements and to agree to these transactions.

298. As a direct and proximate result of Akin Gump's fraudulent conduct, FMA has sustained direct pecuniary loss for which compensation is sought in the form of compensatory, consequential and punitive damages in an amount to be determined at the time of trial, but in the amount of at least \$20 million dollars.

**FOURTH CAUSE OF ACTION
(Unjust Enrichment)**

299. Plaintiff repeats and realleges all the allegations in this Complaint as if fully set forth herein.

300. FMA conferred a benefit upon Akin Gump to which Akin Gump is not entitled, which Akin Gump accepted and has retained, and which in equity and good conscious should be re-paid to FMA.

301. As alleged herein, Akin Gump's entire representation of FMA was marred by serious and un-waived conflicts, self-dealing, misappropriation and other pervasive wrongdoing.

302. Akin Gump has been unjustly enriched by the receipt and retention of hundreds of thousands of dollars in attorneys' fees and other property from FMA and FMA has been and will continue to be irreparably damaged until that property is returned.

**FIFTH CAUSE OF ACTION
(Negligent Hiring, Supervision and Retention)**

303. Plaintiff repeats and realleges all the allegations in this Complaint as if fully set forth herein.

304. In the event that any of Liss's wrongful acts are found to be outside the scope of her employment with Akin Gump, Akin Gump is alternatively liable to FMA for its negligent hiring, supervision and/or retention of Liss.

305. Liss was unfit for employment by Akin Gump.

306. Akin Gump had actual and/or constructive knowledge, and knew or should have known, of Liss's unfitness. Akin Gump lawyers including supervising partner Lamade directly knew of Liss's unfitness, they were ethically obligated to supervise Liss's work (including by Rule 5.1(d) of the Rules of Professional Conduct), and, in the case of Lamade, had direct access to the Citibank accounts and other information that, upon reasonable investigation, would have put Akin on notice of Liss's ongoing misappropriation and other wrongdoing both during and after it occurred.

307. Liss would not have had any involvement with FMA but for FMA's retention of Akin Gump as a law firm. Indeed, FMA had no relationship with Liss whatsoever until Akin Gump's supervising partner Lamade brought Liss in to work on FMA and Thunayan-related matters.

308. FMA sustained damages as a result of Liss's actions and as a result of Akin Gump's negligent hiring, supervision and retention of her.

309. Liss's misconduct, and FMA's damages resulting from that misconduct, were foreseeable.

310. In the event that any of Al-Ali's wrongful acts are found to be outside the scope of his employment with Akin Gump, Akin Gump is alternatively liable to FMA for its negligent hiring, supervision and/or retention of Al-Ali.

311. Al-Ali was unfit for employment or retention by Akin Gump.

312. Akin Gump had actual and/or constructive knowledge, and knew or should have known, of Al-Ali's unfitness. Akin Gump lawyers including supervising partner Lamade directly knew of Al-Ali's unfitness, they were ethically obligated to supervise Al-Ali's work (including by Rule 5.1(d) of the Rules of Professional Conduct), and they had sufficient information that, upon reasonable investigation, would have put them on notice of Al-Ali's wrongdoing.

313. FMA sustained damages as a result of Al-Ali's actions and as a result of Akin Gump's negligent hiring, supervision and retention of him.

314. Al-Ali's misconduct, and FMA's damages resulting from that misconduct, were foreseeable.

315. As a direct and proximate result of Akin Gump's negligent hiring, supervision and retention of Liss and Al-Ali, FMA has sustained direct pecuniary loss for which compensation is sought in the form of compensatory, consequential and punitive damages in an amount to be determined at the time of trial, but in the amount of at least \$20 million dollars.

**SIXTH CAUSE OF ACTION
(Equitable Accounting)**

316. Plaintiff repeats and realleges all the allegations in this Complaint as if fully set forth herein.

317. Akin Gump entered into a fiduciary and trust-based relationship with FMA concerning the matters at issue in this Complaint, and FMA has an absolute right to an accounting from Akin Gump.

318. Akin Gump is in possession of or controls property, including, but not limited to, no less than \$797,495.56 in attorneys' fees paid by FMA as of February 3, 2016.

319. FMA is entitled to and has requested an accounting of all of the assets, monies and property owned, held or maintained by Akin Gump that originated with or were related FMA. While Akin Gump has provided some accounting materials to FMA, to date it has not produced a full accounting.

320. FMA is also entitled to and has requested an accounting of all of FMA's domain name sales proceeds during Akin Gump's relationship with FMA. Akin Gump has admitted that it cannot account for \$157,056 in such sales proceeds.

321. FMA is therefore entitled to a full and equitable accounting from Akin Gump—including regarding the whereabouts of all funds that originated with, passed through or are or were owed to FMA—in the interests of justice.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that a judgment and order be issued against Defendant as follows:

- A. For disgorgement of all non-refunded fees that were paid by Plaintiff to Defendant, totaling at least \$797,495.56;
- B. For an award of monetary damages in an amount to be determined at trial, including without limitation:

1. Compensatory damages for \$55,000 in non-refunded salary paid to Natasha Stein, \$3,120 in non-refunded payments to Claudia Stein and \$163,909.81 in non-refunded payments to Adel Al-Ali;
2. Compensatory damages for at least \$600,000 in unauthorized transfers to FMA LLC and Vista and at least \$92,970.66 in improperly double-billed expenses that were paid to Liss;
3. Compensatory damages for any and all unauthorized and illegitimate expense reimbursements and other payments to Akin Gump that have never been reimbursed to FMA;
4. Compensatory damages for the travel sprees and other unauthorized lavish spending engaged in by Akin Gump personnel and their family members;
5. Compensatory damages for the \$3 million loan from FMA to Thunayan, consisting of \$2,317,674.72 for the Cayman condominium and \$682,325.28 in cash, the latter amount of which was transferred from FMA to Thunayan's and Liss's jointly-owned "Citigold" account and subsequently transferred to Akin Gump's IOLA-Trust account;
6. Compensatory damages for the transfer of at least \$1,279,850 of FMA funds directly into bank accounts that were co-owned by Liss; and, primarily as a sub-part part of that amount, the compensation, reimbursements and other payments directed from FMA to both Thunayan's and Thuman Holding's bank accounts in 2015 equaling at least \$685,000;

- 7. Consequential and compensatory damages for the sale and loss of valuable domain names for less than they were worth;
- C. For punitive damages for Defendant's egregious and shocking behavior, in an amount not less than \$20 million;
- D. For an accounting of all funds that originated with, passed through or are or were owed to Plaintiff;
- E. That Plaintiff be awarded all pre-judgment interest allowable by law;
- F. That Plaintiff be awarded its costs of suit as allowable by law; and
- G. For such further relief as the Court may deem just and proper.

JURY DEMAND

Plaintiff hereby demands a trial by jury on all issues of fact and damages stated herein.

Dated: New York, New York
December 19, 2019

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