

UNITED STATES DISTRICT COURT
for the
SOUTHERN DISTRICT OF NEW YORK

ABHISHEK VERMA

Plaintiff

v.

C. EDMONDS ALLEN

Defendant

Civil Action No.

12 CV 1182

JUDGE CARTER

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address)

C. EDMONDS ALLEN
123 E. 54th Street, Suite 8-E
New York, New York 10022

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

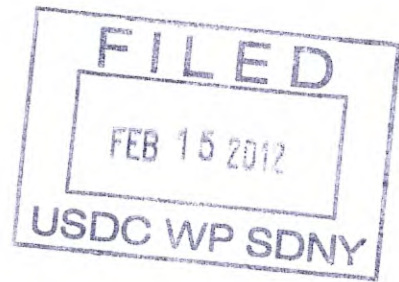
LYNN E. JUDELL, ESQ.
SHECHTMAN HALPERIN SAVAGE LLP
One North Broadway, Suite 1004
White Plains, New York 10601

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

Date: FEB 15 2012

CLERK OF COURT
CLERK
Signature of Clerk or Deputy Clerk

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



ABHISHEK VERMA,

Plaintiff,

Civil Action No. _____

-against-

C. EDMONDS ALLEN,

Defendant.

COMPLAINT
12 CV 1182

JUDGE CARTER

Plaintiff Abhishek Verma ("Verma" or "Plaintiff") by and for his Complaint against Defendant C. Edmonds Allen ("Defendant") alleges as follows:

NATURE OF THE ACTION

1. Plaintiff, a citizen of India, brings this action for breach of a written agreement, entered into in April 2000, whereby Defendant, a business advisor based in New York, agreed to invest and manage personal assets of Plaintiff in the amount of \$205 million. Over an eleven year period, Defendant managed and invested Plaintiff's money. Recently, as a result of a falling out between the parties, Plaintiff sought to terminate the relationship and the agreement. However, Defendant, despite receipt of clear instructions requiring him to immediately return the funds to Plaintiff, has failed and refused to comply with Plaintiff's instructions. As a result, Defendant has breached the agreement and caused Plaintiff to sustain damages of at least \$205 million.

THE PARTIES

2. Plaintiff is a prominent businessman and philanthropist who resides in New Delhi, India.

3. On information and belief, Defendant is an attorney admitted to practice in Commonwealth of Virginia who resides in New York, New York. On information and belief, Defendant is not admitted to practice in New York but his letterhead states that his "Law Offices" are located at 123 East 54th Street, Suite 8-E, New York, New York, 10022.

JURISDICTION AND VENUE

4. The Court has subject matter jurisdiction over this action pursuant to 28 USC § 1332(a)(2) because the matter in controversy exceeds the sum of \$75,000, exclusive of interest and costs, and is a controversy between a citizen of New York and a citizen or subject of a foreign state.

5. The Court has personal jurisdiction over Defendant because Defendant is a resident of this District.

6. Venue is proper pursuant to 28 USC § 1391(a)(1).

FACTS

7. Plaintiff a native of New Delhi India was born into a politically prominent family; his father, mother and foster mother were all members of India's Parliament. He started a company, ESAM Indian Limited which operated an airline in the Indo-Russian and Indo-Gulf areas. ESAM expanded into other businesses, including international finance, trade and the defense industry.

8. Plaintiff also established the Verma Foundation in India for scientific, educational and charitable purposes; the foundation makes grants to many kinds of organizations, established medical clinics, raised funds for cancer treatment equipment for local hospitals and donated funds to the Prime Minister's Relief Fund and to victims of earthquakes and for burn victims in India.

9. As a result of his success and charitable work, Plaintiff developed extensive international business contacts and relies on trusted advisors to manage his assets and investments in India and in other countries.

10. On or about February 2000 Defendant was introduced to Plaintiff by Stephen Karolyi and Yelitza Karolyi, both residents of New York at that time. Over the next few weeks, the two men became friends and business associates. Defendant touted his skills as a business advisor and money manager and urged Plaintiff to invest money with him. As a result, in 2000, Plaintiff agreed to deposit \$205 million in cash with Defendant for the purpose of investing in US government funds, money market and "other liquid funds."

11. Accordingly, on or about April 5, 2000 the parties entered into a written agreement (the "Agreement") pursuant to which Defendant was appointed as agent for Plaintiff and agreed to manage \$205 million on Plaintiff's behalf ("the Funds"). (A copy of the Agreement is annexed hereto as Exhibit A.)

12. As maintaining liquidity was primary goal of Plaintiff, the Agreement provided:

So long any portion of Funds are held by Agent ... Agent shall cause such Funds to be invested and reinvested in interest bearing money market accounts and or time deposits and/or such readily liquid investments with maturities not to exceed 90 days at such banks or other financial institutions as Agent shall select.

13. The Agreement also provided, in relevant part:

Agent shall continue to hold the Principal Amount and Interest thereon in its possession pursuant to the terms hereof, until it receives written original notices signed by the Depositor that said funds may be released to the Depositor, and/or paid to third parties. Agent shall then within 3 working days release Principal Funds to the Depositor and/or paid to third parties, pursuant to Depositor's instructions.

14. The Agreement states that it shall be governed and construed in accordance with New York law.

15. Pursuant to the Agreement, Plaintiff deposited \$205 million with Defendant who acknowledged receipt of the Funds.

16. Plaintiff agreed to pay Defendant 10% of the Principal Amount (as defined in the Agreement) as compensation for his services.

17. In the period 2000 until 2011, Defendant invested in, *inter alia*, treasuries, bonds, and money market accounts.

18. Over the same period, 2000 until 2011, Defendant deducted a portion of the Principal Amount as compensation.

19. As further evidence of the trust placed in Defendant by Plaintiff, on or about September 1, 2008, Plaintiff gave Defendant a durable power of attorney with respect to other financial matters.

20. Beginning in the fall of 2011, Plaintiff and Defendant's relationship soured and Plaintiff decided to terminate the Agreement (and subsequently to revoke the power of attorney).

21. On January 18, 2012, in accordance with the Agreement, Plaintiff sent Defendant a written notice instructing Defendant to release the Funds along with any interest and profits thereon, to Plaintiff on or before January 23, 2012.

22. Defendant received Plaintiff's instructions to release the Funds. (A copy of the notice to Defendant and fax confirmation is annexed hereto as Exhibit B.)

23. Despite Plaintiff's instructions, Defendant has failed and refused the release the Funds to Plaintiff.

24. Defendant's failure to release the Funds to Plaintiff constitutes a breach of the Agreement.

25. Moreover, in addition to Defendant's willful breach of the Agreement, Defendant has waged an all-out campaign to destroy Plaintiff's reputation, sending almost daily defamatory e-mails about Plaintiff to Plaintiff's network of business associates and colleagues.

First Cause of Action

(Breach of Contract)

26. Plaintiff repeats and realleges each of the allegations set forth in paragraphs 1 through 25 above as if fully set forth herein.

27. The Agreement constitutes a valid and enforceable contract.

28. Plaintiff has performed his obligations under the Agreement.

29. Defendant has breached the Agreement by, among other things, ignoring Plaintiff's written request and failing to release the Funds to Plaintiff.

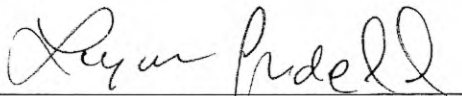
30. As a result of the Defendant's breach of the Agreement, Plaintiff has sustained damages in an amount to be determined at trial, but in no event less than \$205 million, plus interest and profits thereon.

WHEREFORE, Plaintiff requests that judgment be entered against Defendant as follows:

- (a) awarding Plaintiff damages in the amount of \$205 million, plus interest and profits;
- (b) awarding Plaintiff attorneys' fees, costs and expenses incurred in bringing this action; and
- (c) awarding Plaintiff such further and other relief as this Court deems just and proper.

Dated: White Plains, New York
February 15, 2012

SHECHTMAN HALPERIN SAVAGE, LLP

By: 

Lynn Judell (1210)
Attorney Bar Code: 2243665

Shechtman Halperin Savage LLP
One North Broadway, Suite 1004
White Plains, NY 10601
(914) 946-1888

Attorneys for Plaintiff

EXHIBIT A

AGREEMENT

THIS AGREEMENT (this Agreement), dated as of the 5th day of April, 2000, by and between C.Edmnds Allen, having an address at 123 East, 54 St. Suite 8-E, New York, NY 10021, USA (Agent) and Mr.Abhishek Verma, having an address at Four Safdarjung Lane, New Delhi-110011, India(Depositor):

WITNESSETH:

WHEREAS, Depositor is interested in placing certain assets in escrow with Agent for the purpose of having Agent invest said assets in U.S. government funds, money market funds and other readily liquid investments;

WHEREAS, Depositor has agreed to deposit the sum of Two Hundred and Five million US dollars and no cents (\$205,000,000=00) pursuant to this Agreement which sum is deemed to be the Escrow hereunder.

NOW, THEREFORE, in consideration of the mutual covenants and premises contained herein, the parties hereto agree as follows:

1. Appointment of Agent

- (a) Depositor hereby appoints Agent to act as his Agent for the Funds on the terms and conditions hereinafter set forth, and Agent accepts such appointment.
- (b) Agent agrees to hold for, and on behalf of Depositor the Funds (as defined herein) and all interest and other earnings paid in respect thereof and to take such actions with respect to the Funds as are provided for herein.

2. Delivery of the Funds

Depositor hereby delivers to Agent, and Agent hereby acknowledges receipt of, cash in the amount of Two Hundred and Five million US dollars and no cents (\$205,000,000=00) (the "Funds") of which US Dollars One Hundred Seventy Nine Million and Ten Thousand and no cents (\$179,010,000=00) is referred to as the Principal Amount and

[Handwritten signatures]

US Dollars Twenty Five Million and Nine Hundred and Ninety Thousand and no cents (\$25,99,000=00) is referred to as the Secondary Amount.

3. Holding and Investment of Funds

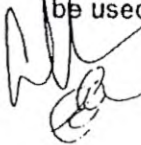
So long as any portion of the Funds are held by Agent hereunder, Agent shall cause such Funds to be invested and reinvested in interest bearing money market accounts and/or time deposits and/or other readily liquid investments with maturities not to exceed ninety (90) days at such banks or other financial institutions as Agent shall select.

The Agent shall have the power to sell or liquidate the foregoing investments as necessary for it to release all or any portion of the Funds of the Principal Amount and the Secondary Amount. Interest shall be subject to Agent's obligation to invest and re-invest as described above.

Agent shall have no liability for investment losses resulting from the investment, re-investment, sale or liquidation of the Funds or Interest, including any unpaid interest and other earnings accrued, except if such losses are due to the gross negligence or willful misconduct of Agent.

4. Disposition of the Funds

- (a) Agent shall continue to hold the Principal Amount and Interest thereon in its possession pursuant to the terms hereof, until it receives written original notices signed by the Depositor that said funds may be released to the Depositor, and/or paid to third parties. Agent shall then within 3 working days release the Principal Funds to the Depositor and/or pay to third parties, pursuant to Depositor's instructions.
- (b) Agent shall continue to hold the Secondary Amount and Interest thereon in its possession pursuant to the terms hereof until such time as it is directed in any written notice signed by the Depositor to release or otherwise dispose of all or a portion of the same.
- (c) The parties hereto understand and acknowledge that under no circumstances shall (i) any of the Principal Amount be used to satisfy any payment of the Secondary Amount; or, (ii) any of the Secondary Amount be used to satisfy any Principal Amount.

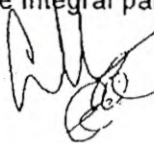


5. Agent

- (a) It is expressly understood that Agent acts hereunder as an accommodation to Depositor and as a depository only and is not responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it or for the form of execution of such instruments or for the identity, authority or right of any person executing or depositing the same or for the terms and conditions of any instrument pursuant to which Agent or the parties may act.
- (b) Agent shall not have any duties or responsibilities except those set forth herein and shall not incur any liability in acting in accordance with the provisions hereof in reliance upon any signature, notice, request, waiver, consent, receipt or other paper or document believed by Agent to be genuine.
- (c) Agent shall hold the Funds in U.S. government funds, interest bearing money market accounts and other readily liquid investments as Agent may choose. Agent shall not have any duty to maximize the rate of interest. All interest earned thereon shall be added to the Funds and disbursed in accordance with Section 3 above.
- (d) Agent, effective when the Funds are received in the Depositor's custodial accounts, will invest, reinvest, manage the Funds in such accounts in the best professional manner possible for the purchase and sale of securities and the investment of cash. Agent in accordance with this Agreement is empowered to issue instructions to banks and/or brokers for the sale, purchase or exchange of interest bearing money market accounts and/or time deposits and/or other readily liquid investments which Agent deems appropriate for the needs of Depositor.

6. Termination

This Agreement shall terminate and all obligations of Agent hereunder shall cease when, in accordance with the terms of Section 4 or Section 6 hereof, all of the Funds and Interest shall have been released or delivered by Agent to Depositor and/or to third parties pursuant to Depositor's instructions. This agreement is made in four pages and all pages are integral part of this agreement.

A handwritten signature in black ink, appearing to be 'A. J. [unclear]', is written over the bottom portion of the text in section 6. The signature is somewhat stylized and includes a circular mark at the end.

7. Successors and Assigns

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns, provided, however, that this Agreement may not be assigned by any party hereto.

8. Governing Law

This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed entirely within such state, without regard to principles of conflicts of law.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date and year first above written.

Dated: April 5, 2000

New York, New York:



AGENT

Witness:

New Delhi, India:



DEPOSITOR

Witness:

EXHIBIT B

Abhishek Verma
2, Church Road, Vasant Kunj, New Delhi
Tel# +91.11.26138277
Fax# +91.11.66173277

Mr. C. Edmonds Allen
123 East, 54th Street, Suite 8-E
New York, NY 10022, USA

1/18/2012

Sir,

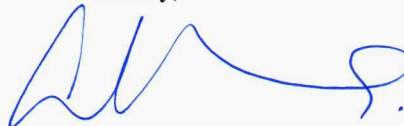
This notice is with reference to the Agreement dated 5th April 2000 executed between your goodself (hereinafter called the Agent) and the undersigned (hereinafter called the Depositor) who had deposited with you in cash US\$205,000,000 (US Dollars Two Hundred and Five Million) and you had acknowledged the receipt of the same amount 'in cash' on page 1 clause (2) of the said agreement on the same date.

As per clause 4(a) of the aforementioned agreement you are hereby served notice that the said funds may be released to the Depositor by the Agent within 3 working days as per Depositor's instructions.

Please consider this letter as the Notice of Termination of the Agreement stipulated in clause (6) of the said Agreement. Please wire transfer the funds alongwith interest and profits accrued from money market operations in the US and other jurisdictions from 5th of April 2000 till date, no later than 23rd of January 2012 to the personal accounts of the Depositor in New Delhi, India, the details of which would be sent to you separately upon your acknowledgement of this letter by return.

Anticipating your immediate response in this matter.

Sincerely,



Abhishek Verma

HP LaserJet CM1415fnw

Fax Confirmation

Abhishek Verma
+911166173277
18-Jan-2012 12:58

| Job | Date | Time | Type | Identification | Duration | Pages | Result |
|-----|------------|----------|------|----------------|----------|-------|--------|
| 102 | 18/ 1/2012 | 12:54:17 | Send | 00012123080608 | 3:38 | 1 | OK |

Abhishek Verma
2, Church Road, Vasant Kunj, New Delhi
Tel# +91.11.26138277
Fax# +91.11.66173277

Mr. C. Edmonds Allen
123 East, 54th Street, Suite 8-E
New York, NY 10022, USA

1/18/2012

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Anticipating your immediate response in this matter.

Sincerely,



Abhishek Verma