

# Exhibit A

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Richard Allison, Jr. (“Mr. Allison”). The arbitration proceedings were consolidated. The parties conducted substantial pre-hearing discovery, including written discovery and oral depositions.

## II. THE ARBITRATION HEARING AND EVIDENCE

The Arbitrator held a seven-day evidentiary arbitration hearing on November 13, 14, 15, 16, 17, 20, and 21, 2023, in Houston, Texas. Ms. Allison appeared in person and was represented by attorneys Lance Kassab and David Kassab of The Kassab Law Firm. Mr. Allison appeared in person and was represented by attorneys Dale Jefferson and Raul Suazo of Martin, Disiere, Jefferson, and Wisdom, L.L.C. Jorge Borunda, Nicholas Abaza, and Michael Trevino all appeared in person on behalf of themselves and as representatives of their respective law firms and were all represented by attorney Joseph R. Little of The Little Law Firm, P.L.L.C. The Official Record of the evidentiary hearing was transcribed by Laurie Carlisle, CSR, CM, CRR and Delicia Struss, CSR, TCRR of Monarch Reporting, Inc. Testimony from multiple witnesses was presented and hundreds of exhibits consisting of thousands of pages of documents were admitted into evidence.

At the time of the arbitration hearing, the live pleadings were: (1) Mr. Allison’s Answering Statement and Statement of Claims, filed on December 2, 2022; (2) Ms. Allison’s Second Amended Complaint and First Amended Answering Statement to Counter-claim, filed on December 7, 2022; (3) the Lawyers’ Amended Statement of Claims, filed on April 3, 2023; and (4) the Lawyers’ Consolidated and Amended Answering Statement to the Clients’ Statements of Claims, filed on May 1, 2023.

In accordance with the orders of the Arbitrator, the parties submitted the following expert reports: (1) an October 6, 2023, report from Rob Hancock; (2) a November 10, 2023, report from Lillian B. Hardwick; (3) a November 12, 2023, report from Karl Schwabauer; (4) a November 19, 2023, supplemental report from Mr. Hancock; (5) a December 20, 2023, report

from Daniel D. Tostrud; (6) a December 20, 2023, report from Kevin Spencer; (7) a December 20, 2023, report from Sarah Pacheco; (8) a January 17, 2024, supplemental report from Mr. Schwabauer; (9) a January 17, 2024, rebuttal report from Mr. Tostrud; and (10) a January 17, 2024, report from P. Keith Staubus.

In accordance with the orders of the arbitrator, the parties submitted post-hearing briefs on February 23, 2024, reply briefs on March 8, 2024, and draft Reasoned Interim Awards on March 29, 2024.

The arbitration record was closed on March 29, 2024.

### **III. MATTERS CONSIDERED**

The Arbitrator has considered all pleadings (including all claims and all defenses of all parties), all hearing testimony and exhibits, all expert reports, and all briefs. The Arbitrator has also assessed the credibility of the witnesses. The factual and legal findings and conclusions set out in this Interim Award are determined by the Arbitrator to be true and necessary to the award. To the extent that the factual and legal findings and conclusions set out in this Interim Award differ from a position of any party, that is a result of the Arbitrator's determinations as to credibility, burdens of proof, relevance, and the weight of the testimony and other evidence.

### **IV. CREDIBILITY OF THE HEARING WITNESSES**

With respect to the credibility of the witnesses who testified at the hearing: (1) Jorge Borunda was a credible witness who provided credible testimony; (2) Nicholas Abaza was a credible witness who provided credible testimony; (3) Michael Trevino was a credible witness who provided credible testimony; (4) Ms. Allison, although credible at times, was not always a credible witness; and (5) Mr. Allison was not a credible witness and his testimony was not credible.

## V. RULING REGARDING OBJECTIONS TO ARBITRATION

Mr. Allison and/or Ms. Allison have objected to arbitration. The Arbitrator has considered these objections and finds them to be without merit. All objections to arbitration are overruled.

After Ms. Allison sued the Lawyers in state district court, the trial court granted the Lawyers' motion to compel arbitration. Ms. Allison argued in the district court, as she argued in this proceeding, that her contingent fee contract, which contains an arbitration agreement, is invalid and unenforceable. "The Texas Supreme Court has held that the validity of the contract as a whole must be submitted to arbitration as long as the arbitration provision is valid." *Petroleum Analyzer Co. v. Olstowski*, No. 01-09-00076-CV, at \*17 (Tex.App.—Houston [1st. Dist.] 2010, no pet.). "The United States Supreme Court has explained that arbitration and forum-selection clauses should be enforced, even if they are part of an agreement alleged to have been fraudulently induced, as long as the specific clauses were not themselves the product of fraud or coercion." *In re Prudential Ins. Co. of America*, 148 S.W.3d 124, 134 (Tex. 2003).

After careful consideration of the law, the evidence, and the parties' conflicting testimony, the Arbitrator finds:

1. that the contingent fee contracts containing the arbitration agreements (Lawyers' Exhibit 106 for Mr. Allison and Lawyers' Exhibit 169 for Ms. Allison) are fair, reasonable, valid, and enforceable;
2. that the arbitration agreements contained in these contracts (Lawyers' Exhibits 106 and 169) are also fair, reasonable, valid, and enforceable;
3. that any and all necessary or appropriate advice and disclosures regarding these contingent fee contracts (Lawyers' Exhibits 106 and 169) were provided;
4. that any and all necessary or appropriate advice and disclosures regarding the arbitration agreements contained in these contracts (Lawyers' Exhibits 106 and 169) were provided;

5. that Mr. Allison was not fraudulently induced to sign Lawyers' Exhibit 106;
6. that Ms. Allison was not fraudulently induced to sign Lawyers' Exhibit 169;
7. that the arbitration agreement in Lawyers' Exhibit 106 was not the product of fraud or coercion;
8. that the arbitration agreement in Lawyers' Exhibit 169 was not the product of fraud or coercion; and
9. that, as in other circumstances in which the parties' testimony conflicted, the Lawyers' evidence and testimony on these issues was credible and Mr. Allison's and Ms. Allison's evidence and testimony on these issues was not credible.

All claims and all defenses asserted in this arbitration proceeding are within the scope of the parties' arbitration agreements. The arbitration agreement in each of the contracts (Lawyers' Exhibit 106 and Lawyers' Exhibit 169), standing alone, is independently sufficient to compel arbitration of all claims and all defenses of all parties. The Lawyers did not waive their right to arbitration. The applicable arbitration rules are the American Arbitration Association's Commercial Arbitration Rules and Mediation Procedures, Including Procedures for Large Complex Commercial Disputes, as amended and in effect October 1, 2013, ("the Commercial Rules"). The arbitrator has been designated, appointed, and qualified in accordance with the Commercial Rules.

Jurisdiction over all parties, and all claims and all defenses of all parties, exists. Texas substantive law governs the parties' claims and defenses. The burden of proof is by a preponderance of the evidence unless otherwise stated.

## **VI. FACTUAL AND LEGAL FINDINGS AND CONCLUSIONS**

Mr. Allison and Ms. Allison had a difficult and complicated relationship with their father. For many reasons, their father restructured his estate plan in 2013 to leave sole access to -- and

sole control of -- all of his assets to Robin, his wife of (at that time) approximately 21 years. And he did so without telling Mr. Allison and Ms. Allison.

Based on estate planning documents that their father had signed before he married Robin, and/or based on their father's much earlier representations to them, Mr. Allison and Ms. Allison believed that when their father died they would each inherit half of his assets. Mr. Allison and Ms. Allison didn't find out about their father's restructured estate plan -- which gave them no access to, and no control of, any of their father's assets as long as Robin was alive -- until after their father died in 2017.

Mr. Allison and Ms. Allison had no guarantee of any inheritance under their father's 2013 estate plan. As long as Robin was alive, Mr. Allison and Ms. Allison had a right to request discretionary distributions from the Allison Family Trust ("the Family Trust") and limited recourse if Robin declined. Robin repeatedly demonstrated a disinclination to make discretionary distributions to Mr. Allison and Ms. Allison. As "descendants" and contingent remainder beneficiaries, Mr. Allison and Ms. Allison also stood to inherit at least some of whatever was left of their father's assets when Robin died. But their contingent remainder interests depended on numerous variables, all or almost all of which were not only unknown but also unknowable.

When Mr. Allison and Ms. Allison -- especially Ms. Allison -- discovered that they would have no access to, and no control of, any of their father's assets until after Robin died, they were perhaps understandably surprised and upset. They realized that Robin, who was 62 years old when Dr. Allison died, might reasonably be expected to live for another 20 or 25 years (or more) -- meaning that Mr. Allison and Ms. Allison might be in their mid-60s or early-70s (or older) before they gained access to, and control of, whatever was left of their father's assets.

Further, Mr. Allison and Ms. Allison were legitimately concerned that “whatever was left” after Robin’s death might end up being very little or literally nothing.

Mr. Allison and Ms. Allison were convinced that their father’s 2013 estate plan was not what he had intended. They insisted that this estate plan was a result of Robin’s undue influence over their father during a time when he lacked testamentary capacity. So, in 2019, Mr. Allison and Ms. Allison sought legal counsel to help them remedy this perceived injustice.

Before Mr. Allison and Ms. Allison (hereafter collectively referred to in this Interim Award as “the Clients”) retained counsel, they generally understood their inability to access or to control any of their father’s assets as long as Robin was alive. Mr. Abaza and Mr. Borunda answered the Clients’ questions and explained additional details about (1) the Clients’ rights (or lack of them) regarding their father’s assets and (2) various arrangements for paying attorneys’ fees, including an hourly fee contract, a contingent fee contract, or a hybrid arrangement. Mr. Allison elected to proceed on a contingent fee basis and signed a contingent fee contract. He read the contract carefully -- as evidenced by his numerous handwritten notes and interlineations, which were eventually incorporated into a second contingent fee contract that he signed later. Thinking that the dispute would be quickly resolved, Ms. Allison elected at that time to proceed on an hourly fee basis and signed an hourly fee contract.

The Lawyers prosecuted probate litigation designed to achieve Mr. Allison and Ms. Allison’s stated goals of (1) invalidating their father’s 2013 estate plan (which included a will, a trust, and a beneficiary designation in a retirement account) and (2) reverting to the result that they asserted their father had intended: that Mr. Allison and Ms. Allison would each receive 1/2 of his assets free of trust.

As the Clients’ litigation against Robin progressed, Ms. Allison quickly got behind on paying her legal fees and expenses. Eventually, Ms. Allison made the decision to switch from an

hourly fee contract to a contingent fee contract like Mr. Allison's. Ms. Allison claims that she made this decision because Mr. Borunda "deceived" her. However, her words and actions -- and Mr. Borunda's -- at the time that the events at issue transpired are inconsistent with her hearing testimony. None of the Lawyers ever requested, suggested, or implied that Ms. Allison should switch to a contingent fee contract. None of the Lawyers ever raised this issue. Ms. Allison raised the issue multiple times.

Mr. Abaza and Mr. Borunda repeatedly offered Ms. Allison accommodations to help her manage the financial burden of the litigation and maintain her hourly contract. However, Ms. Allison ultimately chose to switch to a contingent fee contract because she believed -- with good reason -- that it was to her advantage to do so. She received a draft contingent fee contract, considered it, reviewed it carefully (catching two typographical errors), and then initialed each page of the draft contract and signed it at the end. She then talked to Mr. Abaza and Mr. Borunda to confirm that she would no longer be responsible for outstanding hourly fees and litigation expenses for which these lawyers had already sent invoices and expected payment. Ms. Allison's switch to a contingent fee contract eliminated all of her explicitly stated concerns about cash flow, crushing legal fees, keeping up with hourly invoices, paying expenses, funding a trial, not having a "war chest," being forced to drop the case, feeling overwhelmed, feeling worried, being stressed, being scared and having migraines. The Lawyers now bore those burdens -- just as they undertook the risk that they could work on the case for years and obtain no payment.

Ms. Allison's contingent fee contract (Lawyers' Exhibit 169) is now, and was at the time it was signed, valid, enforceable, fair, and reasonable. Likewise, Mr. Allison's contingent fee contract (Lawyers' Exhibit 106) is and was valid, enforceable, fair, and reasonable. These contingent fee contracts satisfy the requirements of applicable Texas law, including but not

limited to Texas Government Code § 82.065(a), and the Texas Disciplinary Rules of Professional Conduct, including but not limited to Rule 1.04(d). The divisions of fees between the Lawyers, as referenced in the contingent fee contracts, satisfy the requirements of Texas Disciplinary Rule of Professional Conduct 1.04(f). Ms. Allison's contingent fee contract also complies with Texas Disciplinary Rule of Professional Conduct 1.08. Mr. Trevino had no attorney-client relationship with Ms. Allison prior to her signing her contingent fee contract, so Rule 1.08 does not apply to Mr. Trevino. Further, the terms of the contingent fee contract that Ms. Allison reviewed, revised, approved, and initialed on each page and signed at the end were fair and reasonable to her and were fully disclosed in a reasonably understandable manner. Ms. Allison had a reasonable opportunity to seek the advice of independent counsel. That is all that is required by Rule 1.08. Although they were not required to do so -- by Rule 1.08 or any other rule -- both Mr. Abaza and Mr. Borunda did advise Ms. Allison to seek the advice of independent counsel.

The Lawyers' risk of working for years without receiving any payment increased as the Clients' case developed. Mr. Allison and Ms. Allison had assured the Lawyers that everyone in the family "hated" Robin and would testify favorably both regarding Robin's undue influence and Dr. Allison's lack of capacity. Those assurances proved false. During her deposition, Mr. Allison's ex-wife Kim did not support the Clients' positions on these issues. Conversations with Mr. Allison's children did not yield helpful evidence. Hundreds of pages of medical records obtained included only a single note that might have supported a lack of capacity argument: a lone reference in a 2014 record that Dr. Allison had been having memory issues for a year or so. The Lawyers subpoenaed a pre-marital and a marital agreement, but those documents did not yield the hoped-for benefit. The corporate books and records that Mr. Trevino inspected contained evidence that Dr. Allison had been keeping partnership financial records by hand after

2013, and that Robin's involvement in Dr. Allison's business affairs did not substantially increase until after 2013.

These negative developments accentuated complications in the Clients' case that had manifested earlier. The Clients had gone years at a time with literally no contact with their father. Dr. Allison kept a file of letters to and from his children, some of which Robin used as summary judgment exhibits -- and which would likely have been trial exhibits if the Clients had not accepted Robin's last and best settlement offer at mediation. These letters would have been decidedly unfavorable for the Clients if their case against Robin had gone to trial. While the Clients' case against Robin was not unwinnable, substantial evidence existed that could (and more likely than not would) have led a jury reasonably to conclude that Dr. Allison changed his estate plan for reasons other than a lack of capacity and Robin's undue influence. Additionally, had Mr. Allison and Ms. Allison prevailed at trial, the most likely result would have been that they each would have received one sixth of their father's assets, after those assets had been significantly reduced by a carveout for Robin, estate taxes, and community property claims.

After almost two years of contentious litigation, at a mediation on April 13, 2021, Robin made a last and best settlement offer to Mr. Allison and Ms. Allison. Mr. Allison and Ms. Allison chose to accept Robin's last and best offer. Mr. Allison, Ms. Allison, and Robin signed a Mediated Settlement Agreement ("the MSA") in which they agreed to settle their disputes.

The parties' April 13, 2021, mediation was discussed at length during the hearing. Before the Clients signed the MSA, the Lawyers and the Clients discussed, and the Clients knew and understood, (1) the total value of all assets at issue in their dispute with Robin, (2) that their settlement recovery was to include a brokerage account that contained cash and securities, and (3) that there were potential capital gains issues with the assets in the brokerage account. (Capital gains taxes would be incurred only if a trust asset was eventually sold for more than the

applicable tax basis at the time of the sale, which might or might not ever have happened.) After full explanation by the Lawyers and significant input from the mediator, Jeffrey Yates, the Clients made an informed decision to accept Robin's last and best offer to settle the case. The Clients thus gained complete control of the Minaki Limited Partnership and recovered various items of personal property and a Fidelity brokerage account in the name of the Minaki Limited Partnership. On the date of the settlement, the Fidelity brokerage account had an asset balance of \$9,900,609.53. This Fidelity brokerage account, which was the main asset in the Clients' settlement recovery, was allocated to the Family Trust.

The Clients have attempted to fashion an argument that they received no "personal" or "individual" recoveries. That argument is devoid of merit. The MSA defined Mr. Allison and Ms. Allison only in their individual capacities. Mr. Allison and Ms. Allison signed the MSA in their individual capacities. The recovery obtained by Mr. Allison and Ms. Allison pursuant to the MSA was obtained in their individual capacities. Robin signed the MSA both individually and as trustee of the Family Trust (and as trustee of all other trusts that were established when Dr. Allison died). The MSA provided that, in addition to various items of personal property, Mr. Allison and Ms. Allison -- in their individual capacities -- "have the right to access all principal and income from the Family Trust" except for a \$1,000,000.00 holdback for their children's educational expenses. Lawyers' Exhibit 193, ¶ 3.1.p)iii.

In the immediate aftermath of the settlement, Ms. Allison sent two e-mails expressing concerns. Mr. Trevino met with the Clients at a restaurant in Sugar Land and addressed any concerns raised by Mr. Allison or by Ms. Allison. At the conclusion of this dinner meeting, the Clients expressed their understanding of, and appreciation for, the settlement recovery that they had achieved. Ms. Allison had a waiter take a picture of her and Mr. Allison and Mr. Trevino.

The next day, Ms. Allison sent Mr. Trevino a text message exclaiming “We are excited! Thanks for everything you guys have done!” Lawyers’ Exhibit 201.

Over the next couple of months, the Lawyers and the Clients worked cooperatively to obtain court approval of the MSA. Mr. Trevino drafted consents for Mr. Allison’s children and sent them to the Clients, asking whether the Clients wanted him to contact the children or “if you think it is better coming from you. Basically, the consent agreements are to make sure the kids are aware of the settlement and are fine with everything.” Lawyers’ Exhibit 203. Mr. Allison chose to take the lead on communicating with his children, and at least two of them indicated that they were going to seek independent legal advice before signing the consent agreements. All three of Mr. Allison’s children eventually signed the consent agreements -- which read in part that “I have had the opportunity to review [the MSA] and have it explained to me to my satisfaction by the attorney of my choosing. I affirm that I understand the [MSA]. I accept and agree to the [MSA’s] effect on the structure and terms of [Dr. Allison’s estate, his will, his assets, and all of his trusts]. It is my wish and intent that the [MSA] resolve all disputes, claims, and controversies of any nature by any party regarding [Dr. Allison’s estate, his will, his assets, and all of his trusts]. To that end, I waive and release any and all claims I may have against any and all parties in any capacity regarding [Dr. Allison’s estate, his will, his assets, and all of his trusts].” Lawyers’ Exhibits 206, 207, 208, 210, 211.

Ms. Allison wanted to be sure that all issues regarding “baby Kensington” were addressed and communicated with Mr. Trevino regarding the guardian ad litem for her minor daughter. Lawyers’ Exhibit 202. In May, Ms. Allison formed Kensington Station, L.L.C., her sole member LLC that owns some of the houses in the real estate portfolio that Ms. Allison has amassed since the settlement. Ms. Allison voiced no complaints about the settlement when Mr. Trevino delivered the paintings that the Clients received as part of their recovery. The Lawyers

consulted with tax advisors to try to minimize any tax burden of the settlement on the Clients by offsetting capital gains against attorneys' fees. On May 27, 2021, -- about three weeks before court approval of the MSA -- Mr. Abaza e-mailed to Mr. Allison and Ms. Allison contact information for Scott Robertson and a message from this CPA explaining that attorneys' fees might be used to offset any potential capital gains when trust assets were eventually sold. The subject line of the e-mail was "Scott Robertson's Zoom Meeting." Lawyers' Exhibit 217. The Lawyers repeatedly attempted to get the Clients to participate in a Zoom meeting or a conference call with the CPA, but the Clients never agreed.

On June 14, 2021, with the consent and approval of every person who had, or might have had, an interest in the settlement, Judge Weldon Copeland approved the MSA. Lawyers' Exhibit 220. Judge Copeland further ordered the parties to "execute each and every document needed to effectuate the agreements set forth in the MSA on or before **June 30, 2021**, and if there is any problem as to a form of any document to be executed, same should be brought to the attention of the Court to resolve the disagreement in order to finalize the MSA." Lawyers' Exhibit 220, bold in original. In fact, the MSA was approved by all affected or potentially-affected parties -- including the surviving settlor of the Family Trust and all contingent remainder beneficiaries of the Family Trust -- and by as many as nine attorneys: (1) Mr. Allison, (2) Ms. Allison, (3) the Lawyers (the first three attorneys), (4) Robin, (5) Robin's attorney Michael Collins (the fourth attorney), (6) mediator Jeffrey Yates (the fifth attorney), (7) Mr. Allison's three adult children, at least two of whom apparently obtained advice from their own attorneys (the sixth and seventh attorneys), (8) guardian ad litem Jack Wilburn on behalf of Ms. Allison's minor child (the eighth attorney), and (9) the Honorable Weldon Copeland, presiding judge of Probate Court No. 1 of Collin County, Texas (the ninth attorney).

After Judge Copeland approved the MSA and ordered all parties to sign all documents necessary to effectuate the settlement as set out in the MSA, the Clients began “ghosting” the Lawyers, refusing to meet and/or to discuss the final settlement documents that were supposed to be signed before the end of June. On November 3, 2021, Judge Copeland conducted a video hearing regarding enforcement of the MSA. By this time, the Clients had relieved the Lawyers of their duty -- and their authority -- to represent the Clients. The Clients, by November 3, 2021, had prohibited the Lawyers from taking any further action or performing any further work on the Clients’ behalf.

No later than November 10, 2021, Ms. Allison hired a lawyer named Jeff Crouch to review the final settlement documents. No later than November 15, 2021, Ms. Allison hired The Kassab Firm to sue the Lawyers, although she didn’t disclose that fact to them. The extent to which Mr. Crouch and Mr. Kassab collaborated in advance of the Clients’ subsequent signing of the final settlement documents -- which Mr. Crouch reviewed, revised, and eventually approved - - is unknown.

The final settlement documents that Mr. Crouch reviewed, revised, and eventually approved included a trust “Modification and Amendment” that was consistent with the terms of the MSA, specifically ¶ 3.1.p.iii. Again, that provision of the MSA stated that Mr. Allison and Ms. Allison -- in their individual capacities -- “have the right to access all principal and income from the Family Trust” except for a \$1,000,000.00 holdback for their children’s educational expenses. Similarly, the trust “Modification and Amendment” (1) defined the trust “Beneficiaries” as “Ms. Allison and Mr. Allison.” and (2) provided that the trustee(s) of the trust -- whoever that might be -- “shall distribute the income and principal of the trust to the Beneficiaries in such amounts as the Beneficiaries, in their discretion, may direct.” Lawyers’ Exhibit 275. Thus, like the MSA, the trust “Modification and Amendment” also provided that

Mr. Allison and Ms. Allison -- in their individual capacities -- could direct the trustee(s) to distribute trust assets, with the sole exception of the \$1,000,000.00 educational holdback, based on a pure discretionary standard.

At a final December 7, 2021, hearing, Mr. Crouch, as the new attorney for the Clients, approved the final settlement documents -- including the above-referenced trust "Modification and Amendment." Judge Copeland had explicitly ordered on June 14, 2021, that "if there is any problem as to a form of any document to be executed, same should be brought to the attention of the Court to resolve the disagreement in order to finalize the MSA." Lawyers' Exhibit 220. Nevertheless, despite having had several weeks to prepare for the December 7 hearing, Mr. Crouch did not say at the hearing that there was any problem with the form of any of the final settlement documents. He did not say that there was any dispute or disagreement that needed to be resolved by court ruling. He did not say that the court needed to sign any additional order or take any additional action to finalize the MSA. For example, he did not say that a formal judicial modification was necessary or appropriate -- although there was no one then (and there remains no one now) who could object to a judicial modification that followed the intent of the parties as expressed in the MSA. In fact, Mr. Crouch did not make even one of the arguments or allegations that the Clients or their expert witnesses have made in this arbitration proceeding. Instead, Mr. Crouch as the new attorney for the Clients simply approved the final settlement documents. Ms. Allison signed the documents that day. Mr. Allison signed them the next day.

Despite their repeated representations and sworn testimony to the contrary, Mr. Allison and Ms. Allison -- especially Ms. Allison -- have accepted the benefits of their settlement recovery. The Clients received, and have never returned, items of personal property that they recovered in the settlement. In December 2021, less than three weeks after Ms. Allison signed the final settlement documents on the advice of her new attorney Jeff Crouch, Ms. Allison

transferred the assets in the Fidelity brokerage account -- which by that time had appreciated to almost \$11,000,000.00 -- to a new brokerage account at Schwab (where she used to work). Ms. Allison used some of the income and/or principal of the Clients' settlement recovery to amass significant real estate holdings that are owned by Kensington Station, L.L.C., a sole-member L.L.C. that Ms. Allison formed on May 25, 2021, about six weeks after she signed the MSA. Ms. Allison admitted that she has unilaterally -- i.e., acting without Mr. Allison -- withdrawn principal from the Schwab account, loaned that money to Kensington Station, L.L.C., and then used the money to make real estate purchases for her sole-member L.L.C. Mr. Allison and Ms. Allison have also used Family Trust assets to pay lawyers, expert witnesses, and other expenses that they, in their individual capacities, have incurred in this arbitration proceeding.

In summary:

- The Lawyers have earned and are immediately entitled to the recoveries set out in this Award;
- The Clients are immediately obligated to pay the recoveries set out in this Award;
- All conditions precedent to the Clients' payment of the recoveries set out in this Award have occurred and/or have been fully performed and/or fully satisfied;
- The MSA is now, and was as of April 13, 2021, a valid and enforceable contract that is binding on Mr. Allison and Ms. Allison;
- Judge Copeland approved the MSA;
- Judge Copeland ordered the parties to "execute each and every document needed to effectuate the agreements set forth in the MSA on or before June 30, 2021";
- The Lawyers repeatedly asked the Clients to meet with them, and with other professionals such as tax advisors, to discuss the final settlement documents that Judge Copeland ordered the parties to sign;
- The Clients refused to meet with the Lawyers and with other professionals to discuss the final settlement documents;
- On or before November 3, 2021, the Clients relieved the Lawyers of their duty -- and their authority -- to represent the Clients;

- No later than November 10, 2021, the Clients retained a new attorney to review the final settlement documents that Judge Copeland ordered them to sign;
- The Clients' new attorney reviewed, revised, and eventually approved the final settlement documents;
- On the advice of their new attorney, Mr. Allison and Ms. Allison signed the final settlement documents in December 2021;
- Mr. Allison and Ms. Allison are the beneficiaries of the Family Trust;
- As the beneficiaries of the Family Trust, Mr. Allison and Ms. Allison have the right to direct the trustee(s) of the Family Trust to distribute all trust income and principal with the exception of the \$1,000,000.00 educational holdback;
- Mr. Allison and Ms. Allison have the present right, and the immediate obligation, to direct the trustee(s) of the Family Trust to pay the Lawyers the recoveries set out in this Award;
- No one has a right to object to the terms of the MSA, the implementation of the terms of the MSA, or Mr. Allison's and Ms. Allison's enjoyment of the benefits they received in the MSA -- in fact, all such objections have been waived;
- No claim or allegation asserted by the Clients in this proceeding affects, or could subsequently affect, the Lawyers' immediate entitlement to the recoveries set out in this Award;
- No claim or allegation asserted by the Clients in this proceeding affects, or could subsequently affect, the Clients' immediate obligation to pay the recoveries as set out in this Award;
- No relief that could be awarded in the Clients' pending judicial modification proceeding affects, or could subsequently affect, the Lawyers' immediate entitlement to the recoveries set out in this Award;
- No relief that could be awarded in the Clients' pending judicial modification proceeding affects, or could subsequently affect, the Clients' immediate obligation to pay the recoveries set out in this Award.

## **VII. DETERMINATION OF THE PARTIES' CLAIMS AND DEFENSES**

### **A. The Lawyers' Breach of Contract Claim**

Mr. Allison and Nicholas Abaza agreed that Mr. Allison would pay a 35% contingent fee on his settlement recovery, which was to be split 60% to Jorge Borunda and 40% to Nicholas

Abaza, and that Mr. Allison would pay 50% of any costs and expenses incurred in obtaining a recovery. Lawyers' Exhibit 106. See, Texas Pattern Jury Charge ("PJC") 101.1. Mr. Allison failed to comply with his agreement. See, PJC 101.2. Mr. Allison's failure to comply is not excused. See, PJC 101.7. Mr. Allison was not fraudulently induced to enter into his agreement. See, PJC 101.31. The sum of money, if paid now in cash, that would fairly and reasonably compensate Nicholas Abaza for his damages, that resulted from Mr. Allison's failure to comply is \$1,416,915.68. See, PJC 115.3. Mr. Allison's settlement recovery, reduced by all appropriate credits and offsets, is accurately set out in the settlement statement provided by the Lawyers in compliance with Texas Disciplinary Rule of Professional Conduct 1.04(d). Lawyers' Exhibit 304. Mr. Allison's settlement recovery is \$4,001,795.62. The 35% contingent fee that Mr. Allison owes is therefore \$1,400,628.47. Mr. Allison also owes 50% of the Lawyers' litigation expenses, which is an additional \$16,287.21. Therefore, Mr. Allison's contractual debt on the date of the settlement (April 13, 2021) was \$1,416,915.68. Pursuant to Texas Disciplinary Rule of Professional Conduct 1.04(g)(1), Mr. Trevino is entitled to recover the reasonable value of legal services provided to Mr. Allison despite the absence of Mr. Allison's written consent to a fee division including Mr. Trevino (although this recovery must come out of the \$1,416,915.68 owed by Mr. Allison).

Ms. Allison and Nicholas Abaza, Borunda, P.C., and Michael Trevino agreed that Ms. Allison would pay a 35% contingent fee on her settlement recovery, which was to be split 40% to Jorge Borunda, 30% to Nicholas Abaza, and 30% to Michael Trevino, that Ms. Allison would pay 50% of any costs and expenses incurred in obtaining a recovery, and that Ms. Allison would receive a credit for previously-paid hourly fees if she obtained a recovery. Lawyers' Exhibit 169. See, PJC 101.1. Ms. Allison failed to comply with her agreement. See, PJC 101.2. Ms. Allison's failure to comply is not excused. See, PJC 101.7. Ms. Allison was not fraudulently

induced to enter into her agreement. See, PJC 101.31. Michael Trevino had no fiduciary relationship with Ms. Allison prior to her signing Lawyers' Exhibit 169. The sum of money, if paid now in cash, that would fairly and reasonably compensate Nicholas Abaza, Borunda, P.C., and Michael Trevino for their damages that resulted from Ms. Allison's failure to comply is \$1,352,149.80. See, PJC 115.3. Ms. Allison's settlement recovery, reduced by all appropriate credits and offsets, is accurately set out in the settlement statement provided by the Lawyers in compliance with Texas Disciplinary Rule of Professional Conduct 1.04(d). Lawyers' Exhibit 304. Ms. Allison's settlement recovery is \$4,001,795.62. The 35% contingent fee that Ms. Allison owes is therefore \$1,400,628.47. Ms. Allison also owes 50% of the Lawyers' litigation expenses, which is an additional \$16,287.21. Ms. Allison is entitled to a credit or offset of \$64,765.88 for attorneys' fees and expenses previously paid. Therefore, Ms. Allison's contractual debt on the date of the settlement (April 13, 2021) was \$1,352,149.80.

**B. The Lawyers' Promissory Estoppel Claim**

Even if the Clients' contractual promises to pay a 35% contingent fee plus costs and expenses were held to be unenforceable, Mr. Abaza, Mr. Borunda, and Mr. Trevino would be entitled to recover based on promissory estoppel. These lawyers substantially relied to their detriment on Mr. Allison's promise to pay a 35% contingent fee on his settlement recovery plus 50% of any costs and expenses incurred in obtaining a recovery. This reliance was foreseeable by Mr. Allison. See, PJC 101.41. The sum of money, if paid now in cash, that would fairly and reasonably compensate these lawyers for their damages that resulted from their reliance on Mr. Allison's promise is \$1,416,915.68. See, PJC 115.6. In addition, these lawyers substantially relied to their detriment on Ms. Allison's promise to pay a 35% contingent fee on her settlement recovery plus 50% of any costs and expenses incurred in obtaining a recovery. This reliance was foreseeable by Ms. Allison. See, PJC 101.41. The sum of money, if paid now in cash, that

would fairly and reasonably compensate these lawyers for their damages that resulted from their reliance on Ms. Allison's promise is \$1,352,149.80. See, PJC 115.6.

### **C. The Lawyers' Quantum Meruit Claim**

Even if the Clients' contingent fee contracts were held to be unenforceable, Mr. Abaza, Mr. Borunda, and Mr. Trevino would be entitled to recover based on quantum meruit. These lawyers performed compensable work for Mr. Allison for which these lawyers were not compensated. These lawyers rendered valuable services to Mr. Allison; Mr. Allison accepted, used, and benefitted from the services; and, under the circumstances, Mr. Allison was reasonably notified that these lawyers expected to be compensated for the services. See, PJC 101.42. The reasonable value of such compensable work at the time and place it was performed was \$1,416,915.68. See, PJC 115.7. In addition, these lawyers performed compensable work for Ms. Allison for which these lawyers were not compensated. These lawyers rendered valuable services to Ms. Allison; Ms. Allison accepted, used, and benefitted from the services; and, under the circumstances, Ms. Allison was reasonably notified that these lawyers expected to be compensated for the services. See, PJC 101.42. The reasonable value of such compensable work at the time and place it was performed was \$1,352,149.80. See, PJC 115.7.

### **D. The Lawyers' Unjust Enrichment Claim**

Even if the Clients' contingent fee contracts were held to be unenforceable, Mr. Abaza, Mr. Borunda, and Mr. Trevino would be entitled to recover based on unjust enrichment. Mr. Allison obtained a benefit from these lawyers by fraud, duress, or the taking of undue advantage. Mr. Allison has wrongfully secured a benefit or has passively received one which it would be unconscionable to retain. The sum of money, if paid now in cash, that would fairly and reasonably compensate these lawyers for their damages that resulted from Mr. Allison's unjust enrichment is \$1,416,915.68. See, PJC 101.44. In addition, Ms. Allison obtained a benefit from

these lawyers by fraud, duress, or the taking of undue advantage. Ms. Allison has wrongfully secured a benefit or has passively received one which it would be unconscionable to retain. The sum of money, if paid now in cash, that would fairly and reasonably compensate these lawyers for their damages that resulted from Ms. Allison's unjust enrichment is \$1,352,149.80. See, PJC 101.44.

**E. The Lawyers' Claim for Money Had and Received**

Even if the Clients' contingent fee contracts were held to be unenforceable, impossible, not fully performed, thwarted by mutual mistake, or void for other legal reasons, Mr. Abaza, Mr. Borunda, and Mr. Trevino would be entitled to recover based on money had and received. Mr. Allison holds money that in equity and good conscience belongs to these lawyers. The sum of money, if paid now in cash, that would fairly and reasonably compensate these lawyers for their damages relating to this claim against Mr. Allison is \$1,416,915.68. See, PJC 101.43. In addition, Ms. Allison holds money that in equity and good conscience belongs to these lawyers. The sum of money, if paid now in cash, that would fairly and reasonably compensate these lawyers for their damages relating to this claim against Ms. Allison is \$1,352,149.80. See, PJC 101.43.

**F. The Clients' Claims and Defenses**

Neither Mr. Allison nor Ms. Allison is entitled to any relief or recovery based on a claim for negligence. Neither Mr. Allison nor Ms. Allison is entitled to any relief or recovery based on a claim for breach of fiduciary duty. Neither Mr. Allison nor Ms. Allison is entitled to any relief or recovery based on a claim for alleged violations of the Texas Deceptive Trade Practices Act. Neither Mr. Allison nor Ms. Allison is entitled to any relief or recovery based on a claim for fraud. Neither Mr. Allison nor Ms. Allison is entitled to declaratory relief. Neither Mr. Allison nor Ms. Allison is entitled to any relief or recovery based on a request for an accounting. Neither

Mr. Allison nor Ms. Allison is entitled to any relief or recovery based on any defense asserted in his or her pleadings. To be clear, (1) nothing that was alleged in Mr. Allison's live pleading entitles him to any relief or any recovery of any kind, and (2) nothing that was alleged in Ms. Allison's live pleading entitles her to any relief or any recovery of any kind.

### VIII. AWARD

Nicholas Abaza shall recover from Mr. Allison the amount of \$1,416,915.68 as damages for Mr. Allison's breach of contract. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Mr. Allison \$1,416,915.68 based on their claim for promissory estoppel. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Mr. Allison \$1,416,915.68 based on their claim for quantum meruit. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Mr. Allison \$1,416,915.68 based on their claim for unjust enrichment. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Mr. Allison \$1,416,915.68 based on their claim for money had and received. The award of \$1,416,915.68 shall bear pre-judgment interest at 8.5% compounded annually beginning on April 13, 2021, and continuing until the date of the entry of a Final Award.

Nicholas Abaza, Borunda, P.C., and Michael Trevino shall recover from Ms. Allison the amount of \$1,352,149.80 as damages for Ms. Allison's breach of contract. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Ms. Allison \$1,352,149.80 based on their claim for promissory estoppel. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Ms. Allison \$1,352,149.80 based on their claim for quantum meruit. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover from Ms. Allison \$1,352,149.80 based on their claim for unjust enrichment. Alternatively, Nicholas Abaza, Jorge Borunda, and Michael Trevino shall recover

from Ms. Allison \$1,352,149.80 based on their claim for money had and received. The award of \$1,352,149.80 shall bear pre-judgment interest at 8.5% compounded annually beginning on April 13, 2021, and continuing until the date of the entry of a Final Award.

The Lawyers are entitled to recover from Mr. Allison and Ms. Allison, jointly and severally, reasonable and necessary attorneys' fees and expenses in an amount to be determined in a Final Award. These attorneys' fees and expenses shall include those incurred (1) in the lawsuit filed by Ms. Allison on December 9, 2021, (2) in the arbitration proceedings before consolidation and after consolidation into this proceeding, (3) to obtain a judgment based on, and/or to enforce, this Interim Award and/or the Final Award, (4) any subsequent proceedings with additional courts or tribunals shall set the fees.

The Lawyers are entitled to recover from Mr. Allison and Ms. Allison, jointly and severally, (1) all administrative arbitration fees paid, (2) all expert witness fees and expenses incurred for the preparation of the reports that were produced at the direct request of the arbitrator, and (3) all arbitrator compensation paid. Pre-judgment interest will be calculated for the Final Award. The amount of these fees, expenses, compensation and pre-judgment interest shall be determined in the Final Award.

The total amount awarded in the Final Award shall bear post-judgment interest at 8.5% compounded annually beginning on the date of the Final Award until paid in full.

Mr. Allison and Ms. Allison shall, within thirty days after entry of a Final Award (1) direct the trustee(s) of the Allison Family Trust to liquidate sufficient trust assets to pay the Final Award and all accrued interest in full and (2) shall pay the Final Award and all accrued interest in full. Pursuant to the MSA and the documents signed to effectuate the MSA, Mr. Allison and Ms. Allison have the legal right -- and the legal obligation -- to make this direction to the trustee(s) of the Family Trust. Mr. Allison and Ms. Allison are hereby ordered to do so.

The “freeze” on the Charles Schwab One account of the Minaki Limited Partnership referenced in the arbitrator’s September 14, 2023, order (attached as Exhibit A) shall continue in full force and effect until the Final Award and all accrued interest have been paid in full. In order to ensure compliance with this Award, and to prevent any withdrawals or disbursements in violation of this Award, Mr. Allison and Ms. Allison are both ordered (1) to provide to appropriate personnel at Charles Schwab One a copy of this Interim Award, the Final Award, and any judgment based on either or both of these Awards, and (2) to provide to the Lawyers’ counsel, Joseph R. Little, each monthly statement for the Charles Schwab One account within five business days of the date of each statement, until the Final Award and all accrued interest have been paid in full.

On February 23, 2023, the arbitrator signed a protective order. That protective order is vacated to the extent that otherwise-confidential information is either admissible or discoverable in any legal proceeding in which (1) either or both of the Clients attempt to modify the Family Trust in a manner that is inconsistent with the MSA and/or (2) either or both of the Clients attempt to delay or to avoid paying this Interim Award and/or the Final Award and/or any judgment based on either or both of these awards and/or (3) any one or more of the Lawyers participate in order to defend or to collect amounts awarded in this Interim Award and/or the Final Award and/or any judgment based on either or both of these awards.

This Interim Award is in full settlement of the merits of all claims submitted to this Arbitration, except for the determination of reasonable attorney fees and costs in favor of the Lawyers as set forth above. The Arbitrator retains jurisdiction to address the Lawyers’ claims for reasonable attorney fees and costs. The Lawyers shall submit their accounting of such reasonable attorney fees and costs and any supporting documents related thereto to the Arbitrator within 7 business days of the date of this Interim Award. The Clients shall submit any responsive

statement and supporting documents within 7 business days of receipt of the Lawyers' fees submission. Upon and after such submissions, the matter shall be deemed submitted to the Arbitrator for determination in a Final Award.

This Interim Award shall remain in full force and effect until the Arbitrator renders a Final Award.

Signed this 29<sup>th</sup> day of April, 2024.



Hon. Anne Ashby (Ret.)  
Arbitrator