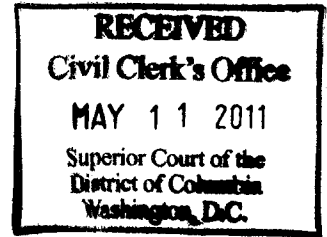


SUPERIOR COURT OF THE DISTRICT OF COLUMBIA  
CIVIL DIVISION



THE FAMILY FEDERATION FOR WORLD )  
PEACE AND UNIFICATION )  
INTERNATIONAL, (13F Dowon Bldg., )  
Dohwa 2 dong Mapo-gu, Seoul, Republic of )  
Korea 121-728); THE UNIVERSAL PEACE )  
FEDERATION, (200 White Plains Rd., )  
Tarrytown, NY 10591); THE HOLY SPIRIT )  
ASSOCIATION FOR THE UNIFICATION )  
OF WORLD CHRISTIANITY (JAPAN), (1-1- )  
2 Shoto, Shibuya-Ku, Tokyo, Japan); )  
DOUGLAS D.M. JOO, (7934 Orchard Park )  
Way, Bowie, MD 20715); and PETER H. )  
KIM, (Hopyong, Jungheung Apt. #1901-1302, )  
Gyonggi Province, Korea); Individually and )  
Derivatively on behalf of UNIFICATION )  
CHURCH INTERNATIONAL (a/k/a UCI), )  
(7777 Leesburg Pike, Suite 406N, Falls )  
Church, VA 22043) )

*Plaintiffs,*

v.

HYUN JIN MOON (a/k/a PRESTON )  
MOON), (7414 169th Pl., S.W., Edmonds, WA )  
98026); MICHAEL SOMMER, (860 )  
Pleasantville Rd., Briarcliff Manor, NY )  
10510); RICHARD J. PEREA, (957 N.W. 132 )  
Ct., Miami, FL 33182); JINMAN KWAK, )  
(548 Gracemere, Tarrytown, NY 10591); )  
YOUNGJUN KIM, (696 Sprout Brook Rd., )  
Putnam Valley, NY 10579); and )  
UNIFICATION CHURCH )  
INTERNATIONAL (a/k/a UCI) )

*Defendants, and*

UNIFICATION CHURCH )  
INTERNATIONAL (a/k/a UCI) )

*Nominal Defendant.*

Civil Action No.

0003721-11

COMPLAINT

## I. INTRODUCTION

1. This action is brought by The Family Federation for World Peace and Unification International (“Family Federation”), The Universal Peace Federation (“UPF”), The Holy Spirit Association for the Unification of World Christianity (Japan) (“UCJ” or “the Japanese Church”), Douglas D.M. Joo and Peter H. Kim, individually and derivatively on behalf of Unification Church International (“UCI” or “the Corporation”), by and through their attorneys, against UCI as an actual and nominal Defendant, and Individual Defendants Hyun Jin (“Preston”) Moon (hereinafter “Preston Moon”), Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim, who are the current members of the Board of Directors of UCI.<sup>1</sup>

2. This dispute arises out of the Defendants’ usurpation of UCI and its assets. UCI was incorporated in 1977 to implement the purposes of the Unification Church International trust (“the trust”), which was established in 1975 to support Unification Church activities worldwide. The Unification Church is a religion founded by Reverend Sun Myung Moon in Seoul, Korea in 1954. *See infra* ¶¶ 22-25. Defendants’ actions in usurping the assets of UCI were in direct contravention of the purposes of the trust, UCI’s explicit mission and purpose as set forth in its original Articles of Incorporation, and applicable charitable trust, corporate and agency law.

3. In April 2006, Preston Moon became President and Chairman of the Board of Directors of UCI. In doing so he became, and remains, an agent of the Family Federation. In

---

<sup>1</sup> On April 14, 2010, the Board of Directors of Unification Church International voted to amend the corporation’s Articles of Incorporation to change its name to “UCI,” and to delete all references to the Unification Church. As discussed herein, Plaintiffs believe that this action, among others, constitutes a breach of the Individual Defendants’ fiduciary duties and an *ultra vires* act. To avoid the repetition of “Unification Church International” throughout the Complaint, Plaintiffs use the acronym “UCI” or the term “the Corporation” to refer to the nonprofit corporation created in 1977.

violation of his fiduciary duties, Preston Moon used his positions as President and Chairman of the Board of UCI to engage in self-interested transactions designed to enrich himself and entities he owns and/or controls.

4. Beginning in 2009, Preston Moon orchestrated an illegal takeover of the Corporation after Reverend Sun Myung Moon, the founder of the Unification Church and father of Preston Moon, named Preston Moon's younger brother Hyung Jin ("Sean") Moon (hereinafter "Sean Moon"), and not Preston, the future spiritual leader and head of the worldwide Unification Church and International President of the Family Federation. The other Individual Defendants aided and abetted Preston Moon in this illegal takeover. Together, the Individual Defendants diverted funds that the Japanese Church and other Unification Church entities donated to UCI away from their intended charitable use, which was to support the Unification Church and its affiliated or related organizations, including Plaintiff UPF. Instead, the Individual Defendants caused donated funds to be used to support Preston Moon's personal and non-Unification-Church-related projects. These actions violated the purposes of the Unification Church International trust and the mission and purpose of UCI as expressed in its original Articles of Incorporation. Additionally, Preston Moon, aided and abetted by the other Individual Defendants, has engaged in improper self-dealing designed to enrich him and entities he owns and/or controls in violation of his fiduciary duties to, and at the expense of, UCI.

5. In 2009, Preston Moon requested and obtained the removal of members of UCI's Board of Directors loyal to the Unification Church and replaced them with individuals loyal to him and not the Unification Church in order to facilitate his usurpation and diversion of assets and UCI funds. After taking control of the Board of Directors, Preston Moon and the Board amended the Corporation's Articles of Incorporation to remove all references to the

Unification Church, thus fundamentally diverting the Corporation from its original and intended mission and purpose. The actions of Preston Moon and the other UCI Directors in so amending the Corporation's Articles of Incorporation constituted an *ultra vires* act in breach of the Directors' duties of obedience and loyalty, which they owed to the Corporation. These actions also constituted a breach of Preston Moon's fiduciary duties as a trustee of the Unification Church International trust.

6. On April 18, 2011, Sean Moon, in his capacity as International President of the Family Federation, sent a letter to Preston Moon directing him to resign from his positions with UCI, to obtain the resignations of the other Individual Defendants from the UCI Board, and to turn control of the Corporation over to Dr. Peter H. Kim, one of the Directors loyal to the Church who was ousted by Preston Moon in 2009. As of the date of this filing, Preston Moon and the Individual Defendants have not resigned their positions with UCI or turned over control of the Corporation to Dr. Kim. By failing to obey these specific instructions from the International President of the Family Federation, Preston Moon breached his fiduciary duties as an agent of the Family Federation.

7. Preston Moon and the UCI Board of Directors that he controls are actively diverting and dissipating the assets of UCI for unauthorized purposes in violation of their duties as Directors, and in violation of Preston Moon's duties as a trustee and as an agent of the Family Federation. Plaintiffs bring this action seeking redress for these unauthorized and wrongful acts, which threaten to alter the fundamental nature of UCI.

## **II. JURISDICTION**

8. This Court has subject matter jurisdiction over this action under D.C. Code § 11-921.

9. The Court has personal jurisdiction and pendent personal jurisdiction over the Individual Defendants named above under D.C. Code § 13-423(a)(1), (3) and (4) because this lawsuit arises out of their actions transacting business in the District Columbia, individually and through agents, while serving as the controlling Directors and officers of UCI, a nonprofit Corporation organized under the laws of the District of Columbia, and operating and managing UCI's subsidiaries. The Individual Defendants have conducted specific business transactions in the District of Columbia, including but not limited to selling at least one property in the District, filing amended Articles of Incorporation for UCI in April 2010, managing properties in the District, operating or managing a number of other businesses in the District, taking actions in breach of their fiduciary duties as Directors of UCI that injured the Corporation, a resident of the District, and engaging in the acts alleged herein.

10. The Court has personal jurisdiction over the Defendant UCI because it is incorporated in the District of Columbia and it conducts business in the District of Columbia.

### **III. THE PARTIES**

11. Plaintiff The Family Federation for World Peace and Unification International ("Family Federation") is the current name for the authoritative religious entity that directs Unification Churches worldwide. Its edicts and instructions must be followed by Church regional presidents and national leaders. The Family Federation and its predecessor entities are beneficiaries of the Unification Church International trust and the Corporation, which was established to implement the purposes of the trust. Sean Moon is currently the International President of the Family Federation. The Unification Church designates certain organizations as "providential organizations," which are organizations that advance the religious and spiritual ideals and principles of the Unification Church and that were founded by Reverend Moon as part of his wider ministry. The heads of these providential organizations are appointed by, and are

subject to removal by, the International President of the Family Federation with approval of Reverend Moon. UCI is one such providential organization.

12. Plaintiff The Universal Peace Federation (“UPF”) is a District of Columbia nonprofit Corporation and a charitable organization that exists to advance the principles of the Unification Church through charitable, educational and other means. UCI was established to support UPF, its predecessors, and other Unification Church-related entities. In accordance with this purpose, the Japanese Church and other Unification Church entities donated funds to UCI to be held in trust to support the activities of UPF and other Unification Church-related activities. UPF is therefore a beneficiary of the Unification Church International trust and the Corporation, which was established to implement the purposes of the trust. Prior to Preston Moon taking control of the UCI Board, UCI regularly made substantial contributions to UPF. However, at the direction of Preston Moon and the UCI Board of Directors he controls, UCI has ceased making contributions to UPF and other Unification-Church-related entities in violation of the Unification Church International trust, in contravention of the mission and purpose of UCI as stated in the original Articles of Incorporation, and in defiance of the instructions of the Family Federation. Instead, the Individual Defendants have used UCI assets for Preston Moon’s own personal activities and for other non-Unification-Church-related activities.

13. Plaintiff The Holy Spirit Association for the Unification of World Christianity (Japan) (“UCJ” or “the Japanese Church”) is the corporate embodiment of the Unification Church in Japan. UCJ is a Japanese religious corporation with its principal place of business in Tokyo, Japan. For decades, the Japanese Church made substantial donations to UCI and served as the primary funding instrument for the Corporation. UCI agreed that such funds would be used only to support endeavors consistent with the purposes of the trust and UCI’s corporate

mission and purpose. In breach of that understanding, UCI, under the direction and control of the Individual Defendants, has misused these funds.

14. Plaintiff Dr. Douglas D.M. Joo is a U.S. citizen and resident of Maryland. Dr. Joo served on the UCI Board of Directors from July 1992 until August 2009. Dr. Joo also served as President of UCI from July 1992 until the spring of 2005, when he was replaced by Reverend Chung Hwan Kwak, Preston Moon's father-in-law. Dr. Joo remained on the UCI Board of Directors until August 2009, when Defendants Preston Moon, Richard J. Perea and Michael Sommer removed him from his position as Director in contravention of the direction of Reverend Sun Myung Moon and the Family Federation. Dr. Joo remains a trustee of the Unification Church International trust.

15. Plaintiff Dr. Peter H. Kim is a citizen and resident of South Korea. Dr. Kim served on the UCI Board of Directors from October 2003 until August 2009, when Defendants Preston Moon, Richard J. Perea and Michael Sommer removed him from his position as Director in contravention of the direction of Reverend Sun Myung Moon and the Family Federation. Dr. Kim remains a trustee of the Unification Church International trust.

16. Defendant and Nominal Defendant UCI is a nonprofit corporation organized in the District of Columbia established to support the mission and activities of the Unification Church. UCI is a providential organization within the hierarchical structure of the Unification Church.

17. Defendant Preston Moon is currently the President of UCI, Chairman of its Board of Directors and a trustee of the Unification Church International trust, positions he has held since April 2006. By orchestrating a scheme to take control of UCI, engaging in self-dealing transactions, diverting and dissipating UCI assets and generally failing to conduct the

activities of the trust and the Corporation in a manner consistent with the purposes of the trust and the mission and purpose of the Corporation, Preston Moon has breached his fiduciary duties. As head of UCI, a providential organization of the Unification Church, Preston Moon acts as an agent of the Family Federation and is subject to removal by the International President of the Family Federation. Preston Moon's failure and refusal to step down as President of UCI when directed to do so by the International President of the Family Federation constituted a breach of Preston Moon's fiduciary duty as an agent of the Family Federation.

18. Defendant Richard J. Perea is currently a Director of UCI, which position he has held since January 2009. Mr. Perea has aided and abetted Preston Moon in his scheme to take control of UCI, and has breached his fiduciary duties by violating the Corporation's original stated mission and purpose.

19. Defendant Michael Sommer is currently a Director of UCI, which position he has held since January 2009. Mr. Sommer has aided and abetted Preston Moon in his scheme to take control of UCI, and has breached his fiduciary duties by violating the Corporation's original stated mission and purpose.

20. Defendant Jinman Kwak, a brother-in-law of Preston Moon, is currently a Director of UCI, which position he has held since at least 2010. Mr. Kwak has aided and abetted Preston Moon in his scheme to take control of UCI, and has breached his fiduciary duties by violating the Corporation's original stated mission and purpose.

21. Defendant Youngjun Kim, also a brother-in-law of Preston Moon, is currently a Director of UCI, which position he has held since at least 2010. Mr. Kim has aided and abetted Preston Moon in his scheme to take control of UCI, and has breached his fiduciary duties by violating the Corporation's original stated mission and purpose.



#### **IV. FACTUAL ALLEGATIONS**

##### **A. Relevant History of the Unification Church**

22. Reverend Sun Myung Moon founded the Unification Church in Seoul, Korea in 1954. Reverend Moon registered the Unification Church in Korea on May 1, 1954 under the name The Holy Spirit Association for the Unification of World Christianity (HSA-UWC (Korea)). In 1963, the Korean government recognized The Holy Spirit Association for the Unification of World Christianity (HSA-UWC (Korea)) as a religious entity.

23. In 1957, Dr. Bo Hi Pak joined the Unification Church and began working with Reverend Sun Myung Moon to expand the Church in Korea.

24. In the late 1950s and early 1960s, Reverend Sun Myung Moon sent Unification Church missionaries to the United States to preach the Unification Church faith and further expand the Church.

25. In 1961, several Unification Church missionaries registered the Unification Church in the United States as a nonprofit corporation in California under the name The Holy Spirit Association for the Unification of World Christianity (HSA-UWC (USA)). This corporation continues to be the embodiment of the Unification Church in the United States.

##### **B. Creation of the Unification Church International Trust and Establishment of a Nonprofit Corporation to Implement the Purposes of the Trust**

26. In 1971, Reverend Sun Myung Moon and Dr. Bo Hi Pak moved from South Korea to the United States to expand the Unification Church and continue its worldwide activities. In 1972, Reverend Moon began using the name “Unification Church International” to describe the Unification Church’s activities because the Church was expanding internationally.

27. In 1975, Reverend Sun Myung Moon directed Dr. Bo Hi Pak to open a bank account with Diplomat National Bank in the District of Columbia in the name of Unification

Church International. The first \$70,000 placed in this account came from an account held in Reverend Moon's name. Other Unification Church entities, including the Japanese Church, also deposited funds into the Unification Church International account. Reverend Moon directed Dr. Bo Hi Pak to hold the funds in the Unification Church International bank account in trust solely for the benefit and support of the Unification Church and its related activities. The directions given by Reverend Moon and the actions undertaken by Dr. Pak demonstrate their intent to create a trust, provide property as the subject of that trust, and use that property for the charitable purposes of the Unification Church. Accordingly, Reverend Moon and Dr. Pak created the Unification Church International charitable trust, with Dr. Pak serving as the trust's first trustee.

28. Reverend Sun Myung Moon and the Japanese Church are co-settlers of the Unification Church International trust.

29. The actual and/or potential beneficiaries of the trust are the Unification Church, as currently represented by the Family Federation, and entities affiliated with the Unification Church, including UPF.

30. By 1977, approximately \$7 million had been donated and were held in the Unification Church International bank account. In February 1977, at the direction of Reverend Sun Myung Moon, Dr. Bo Hi Pak established a District of Columbia nonprofit corporation to implement the purposes of the trust. Dr. Pak named this corporation Unification Church International and, at the direction of Reverend Moon, changed the Unification Church International account at the Diplomat National Bank to reflect that the funds in that account would be held by Unification Church International, the corporation, as opposed to Unification Church International, the unincorporated trust entity. Reverend Moon intended for the Corporation to implement the purposes of the trust and for the Directors of the Corporation to

serve as trustees to ensure that the Corporation and its assets would be administered for the benefit of the Unification Church. The Directors understood and accepted this responsibility. Likewise, in establishing the Unification Church International nonprofit corporation, Dr. Pak understood that the Corporation was being established to implement the purposes of the trust.

31. Also in February 1977, Reverend Sun Myung Moon appointed Dr. Pak to be the President of UCI and a member of its Board of Directors, posts he held until July 1991.

32. UCI's original Articles of Incorporation, dated February 2, 1977, reflected the purposes of the Corporation and evidenced the intent of Dr. Pak and Reverend Moon in establishing the Corporation. Specifically, the Third Article states at section 2 that UCI will "serve as an international organization assisting, advising, coordinating, and guiding the activities of Unification Churches organized and operated throughout the world." The Articles also state that the Directors of the Corporation "recognize and acknowledge that the Reverend Sun Myung Moon . . . is the spiritual leader of the international Unification Church movement." Furthermore, the original Articles of Incorporation state that the Corporation will "promote the worship of God, and . . . study, understand and teach the Divine Principle, the new revelation of God, and, through the practical application of the Divine Principle, [] achieve interdenominational, interreligious, and international unification of world Christianity and all other religions." The Divine Principle is the theological textbook of the Unification Church and contains the essential religious teachings of Reverend Moon.

33. The original Articles of Incorporation made reference to the Corporation being a tax exempt entity, but the Corporation ultimately chose not to become a tax exempt entity. As a consequence, on February 5, 1980, UCI amended its Articles of Incorporation to remove reference to the Corporation as a tax-exempt organization. The amended Articles

explicitly reaffirmed the fundamental purposes of the Corporation as stated in the original Articles of Incorporation.

34. UCI's Bylaws provide that "[t]he President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the affairs and property of the Corporation." The President of UCI is the "head" of that entity, which is a providential organization within the Unification Church, and is therefore subject to appointment and removal by the International President of the Family Federation.

35. UCI's Bylaws also provide that "[t]he Board of Directors shall consist of from three to seven members, except that the number of Directors may be increased or decreased from time to time by amendment of these bylaws."

**C. Management of UCI from 1977 to 2006**

36. From 1977 to 2006, UCI operated in accordance with the mission and purposes set forth in its Articles of Incorporation.

37. The written Bylaws of UCI are silent regarding the nomination of corporate Directors. However, from the Corporation's establishment in 1977 through 2008, Reverend Sun Myung Moon, as the spiritual leader of the Unification Church and co-settlor of the trust, designated all individuals to serve on the Board of Directors, and all individuals so designated by Reverend Moon during this period were duly elected Directors of the Corporation. The long and continuous usage of this uniform practice has been understood and accepted by the Directors over 31 years as a binding convention regarding the method by which Directors of the Corporation are to be nominated.

38. In July 1992, Reverend Sun Myung Moon designated Dr. Douglas Joo to be a corporate Director of UCI, and Dr. Joo was duly elected to the Board of Directors. Reverend

Sun Myung Moon also designated Dr. Joo to be the President of UCI in July 1992, and Dr. Joo held this post until early 2005.

39. Under the direction of Reverend Sun Myung Moon, the President of UCI managed assets held by the Corporation. From 1977 through 2009, the Japanese Church donated hundreds of millions of dollars to the Corporation to be used to support the Unification Church's mission, and UCI invested and distributed the donated funds to support Unification Church-related activities, including UPF, and reported Company and subsidiary performance to Reverend Moon at the end of each year.

40. At all times during their tenures as President of UCI, Dr. Bo Hi Pak and Dr. Douglas Joo understood that the Corporation held its funds and assets in trust to fund Unification Church-related activities.

41. During the tenures of Dr. Bo Hi Pak and Dr. Douglas Joo as President of UCI, the President of UCI did not receive a salary. Indeed, from 1977 to 2006, no President or Chairman of the Board of Directors of UCI received a salary.

42. In October 2003, Reverend Sun Myung Moon designated Dr. Peter Kim to be a corporate Director of UCI, and Dr. Kim was duly elected to the UCI Board of Directors.

43. In the spring of 2005, Reverend Sun Myung Moon appointed Preston Moon's father-in-law, Reverend Chung Hwan Kwak, who was the International President of the Family Federation at the time, to replace Dr. Douglas Joo as President of UCI. Pursuant to Reverend Moon's directions, Dr. Joo resigned as President and Reverend Kwak assumed that position. Dr. Joo remained a member of the UCI Board of Directors.

**D. The Contractual Relationship between the Japanese Church and UCI**

44. From 1975 to 2009, the Japanese Church contributed hundreds of millions of dollars to UCI to be held in trust and used to fund Unification Church-related activities.

Specifically, the Japanese Church donated funds to the Corporation with the intent that these funds and any assets acquired by UCI with those funds would be held in trust for the benefit of the Unification Church and used to support Unification Church-related activities. By accepting funds so offered, UCI promised to use them solely for the purposes for which they were donated. UCI thereby became contractually and equitably bound to use these funds solely for such purposes.

45. From 1977 to 2005, during the tenures of Dr. Bo Hi Pak and Dr. Douglas Joo as President of UCI, Drs. Pak and Joo communicated with representatives of the Japanese Church before the Japanese Church made donations to UCI in order to explain to the Japanese Church the need for the funds and how the funds would be used by the Corporation. It was the Japanese Church's understanding that all donated funds would be used in furtherance of the mission and purpose of UCI as expressed in the Corporation's original Articles of Incorporation.

**E. Preston Moon Becomes President and Chairman of the Board of Directors of UCI**

46. In the Spring of 2006, Reverend Sun Myung Moon designated his son, Defendant Preston Moon, to be a corporate Director of UCI, and he was duly elected to the UCI Board of Directors.

47. The then-International President of the Family Federation, Reverend Chung Hwan Kwak, also designated Preston Moon President and Chairman of the Board of Directors of UCI. As the head of UCI, a providential organization within the hierarchy of the Unification Church, Preston Moon became an agent of the Family Federation and agreed to act on behalf of the Family Federation and subject to the Family Federation's control.

**F. Preston Moon Engages in Self-Dealing and Other Improper Transactions**

48. Preston Moon used his positions as President and Chairman of the Board of UCI to engage in related party transactions and improper self-dealing designed to enrich himself and entities he owns and/or controls in violation of his fiduciary duties and the District of Columbia Nonprofit Corporation Act.

49. Specifically, Preston Moon, using his powers as President and Chairman of UCI, caused True World Group LLC (“TWG”), an indirect subsidiary of UCI, to purchase property located at 24 Link Drive, Rockleigh, New Jersey (hereinafter “the Rockleigh Building”) from UV Sales, Inc. (“UV Sales”), an entity wholly owned by United Vision Group, Inc. (“UVG”), which in turn is wholly owned and controlled by Preston Moon himself. Under the terms of the sale, TWG agreed to pay \$5.9 million to UV Sales for the Rockleigh Building. The fair market value of the Rockleigh Building at the time of the sale was less than the \$5.9 million purchase price, and the sale served no legitimate business purpose for TWG or UCI.

50. Preston Moon, using his powers as President and Chairman of UCI, also caused UCI to lend two million dollars to UVG.

51. Preston Moon, using his powers as President and Chairman of UCI, also caused One Up Enterprises (“One Up”), a direct subsidiary of UCI, to enter into a consulting agreement with UVG Strategic Consulting LLC (“UVGSC”), an entity wholly owned by UVG. One Up agreed to pay \$120,000 per month to UVGSC. One Up made these payments to UVGSC despite the fact that the consulting agreement served no legitimate business purpose for One Up or UCI.

52. Preston Moon’s participation in these related party transactions constituted a breach of his duty of loyalty, which he owed as a trustee of the Unification Church International trust and as a Director of UCI.

53. Plaintiffs Dr. Douglas Joo and Dr. Peter Kim first learned of these improper actions just prior to their removal from the UCI Board in August 2009.

**G. Preston Moon's Scheme to Take Complete Control of UCI and Its Assets After His Younger Brother is Chosen to Lead the Church**

54. In 2008, Reverend Sun Myung Moon designated Preston Moon's younger brother, Sean Moon, as the person to carry on the Unification Church's worldwide religious work and appointed him the International President of the Family Federation.

55. Reverend Sun Myung Moon's decision to designate Sean Moon as leader of the Unification Church disappointed Preston Moon, who had expected that he would succeed Reverend Moon as the spiritual leader and head of the Unification Church. Upon being advised of Sean Moon's appointment to lead the Church, Preston Moon resolved not to take direction from his brother Sean Moon in matters relating to UCI, despite his younger brother's position as International President of the Family Federation.

56. Thereafter, Preston Moon, aided and abetted by the other Individual Defendants, undertook a series of unauthorized actions to wrest control of UCI from the Unification Church, to divert the assets of the Corporation from the purposes for which they had been provided, and to use those assets for his own personal activities. These actions were in violation of the Unification Church International trust, the mission and purpose of the Corporation as set forth in its original Articles of Incorporation, longstanding and uniform custom and practice continuously adhered to by UCI's Board of Directors, and were contrary to the directions of the Family Federation. Through these actions, Preston Moon violated his fiduciary duties as a trustee of the Unification Church International trust, as a Director of the Corporation, and as an agent of the Family Federation.



57. In early 2009, Preston Moon undertook to gain control of UCI's Board of Directors in order that he could further divert assets of the Corporation to his personal activities. At that time, there were five Directors of UCI: Preston Moon, Dr. Douglas Joo, Dr. Peter Kim, Thomas Walsh and Victor Walters.

58. In January 2009, without consultation with, or approval from, Reverend Sun Myung Moon or the Family Federation, and in reaction to his younger brother being named the International President of the Family Federation, Preston Moon convened a hastily organized UCI Board meeting in Arizona. None of the Directors were told in advance the agenda for the meeting, and all attendees were instructed to leave behind their cell phones and computers. The purpose of these instructions was to isolate the Directors from the Family Federation and other Unification Church authorities. At the meeting, Preston Moon moved for the election of Michael Sommer and Richard Perea, both close business associates of Preston Moon, to the Board of Directors of UCI.

59. Unknown to the other members of the Board, neither Reverend Sun Myung Moon nor the Family Federation had designated or approved Michael Sommer or Richard Perea to be Directors of UCI.

60. After the January 2009 meeting, Preston Moon directed UCI Chief Financial Officer Jin Hyo Kwak to present Thomas Walsh, a UCI Board member, with a letter announcing Mr. Walsh's resignation from the UCI Board of Directors, which Mr. Walsh signed. Mr. Walsh had been placed on the Board of Directors with the approval of Reverend Sun Myung Moon, and believed that his resignation was dependent on or would take effect only if approved by Reverend Moon and the Family Federation. However, neither Reverend Moon nor the Family

Federation was consulted regarding Preston Moon's request for Mr. Walsh's resignation, and neither Reverend Moon nor the Family Federation approved Mr. Walsh's resignation.

61. Also following the January 2009 meeting, Preston Moon requested that Victor Walters resign from the UCI Board of Directors. Like Mr. Walsh, Mr. Walters had been placed on the Board with the approval of Reverend Moon. Neither Reverend Moon nor the Family Federation was consulted regarding Mr. Walters' resignation, and neither Reverend Moon nor the Family Federation approved Mr. Walters' resignation.

62. Director Dr. Douglas Joo and Director Dr. Peter Kim, both of whom were loyal to Reverend Moon and the Family Federation, were not contemporaneously informed of the resignations of Messrs. Walsh and Walters.

63. In the summer of 2009, after learning that Messrs. Sommer and Perea had been placed on the UCI Board of Directors, and after learning of the resignations of Messrs. Walsh and Walters from the Board, Reverend Sun Myung Moon designated his daughter, Sun Jin Moon, and Bishop Ki Hoon Kim to be directors of UCI, and directed that they be elected to the Board. The addition of these two individuals, who were loyal to Reverend Moon and the Family Federation, would have brought the number of Directors to seven, four of whom were loyal to the Unification Church, and would have prevented Preston Moon and the two Directors loyal to him from controlling the Board. Reverend Moon advised Dr. Joo and Dr. Kim that he wanted Sun Jin Moon and Bishop Ki Hoon Kim to be elected to the UCI Board.

64. On July 12, 2009, Dr. Joo and Dr. Kim convened a meeting of the UCI Board of Directors for the purpose of electing Sun Jin Moon and Bishop Ki Hoon Kim as Directors of UCI. However, Preston Moon and Messrs. Sommer and Perea, the two Directors loyal to him, refused to attend this meeting, depriving the five-member Board of a quorum and thereby

preventing the election of Sun Jin Moon and Bishop Ki Hoon Kim to the Board. Defendants Preston Moon, Michael Sommer, and Richard Perea blocked the election of these Directors in defiance of the direction of Reverend Sun Myung Moon. This action contravened the longstanding and uniform custom and practice of nominating the individuals to be Directors of the Corporation, a practice continuously adhered to by UCI's Board of Directors for over 30 years.

65. Between June and August 2009, Dr. Douglas Joo learned of improper self-dealing transactions by Preston Moon in his capacity as President and Chairman of UCI, which were designed to enrich Preston Moon and/or entities he owns and/or controls. Dr. Joo attempted to learn more about these transactions, but Preston Moon refused to discuss them.

66. Preston Moon completed his takeover of the UCI Board of Directors on August 2, 2009. On that date, he convened a special meeting of the Board of Directors. As with the Arizona meeting, no purpose for the meeting was given to Board members in the meeting notice. At the meeting, Preston Moon and the two Directors loyal to him, Messrs. Sommer and Perea, voted to remove Drs. Joo and Kim, the Directors loyal to Reverend Sun Myung Moon and the Family Federation.

67. During the August 2, 2009 Board meeting, Dr. Joo raised the issue of Preston Moon's improper self-dealing transactions as President and Chairman of UCI. Preston Moon denied any wrongdoing and, by voting to remove Drs. Joo and Kim from the Board of Directors, prevented them from examining the self-dealing transactions.

68. Neither Reverend Sun Myung Moon nor the Family Federation approved the removals of Dr. Douglas Joo and Dr. Peter Kim from the UCI Board of Directors.

69. On August 4, 2009, following consultation with Reverend Sun Myung Moon, Dr. Douglas Joo sent a letter to the Directors of UCI informing them that, during the August 2, 2009 Board meeting, the majority of the Board made a decision that was at variance with the direction of Reverend Moon.

70. Neither Dr. Douglas Joo nor Dr. Peter Kim has ever resigned from his position as trustee of the Unification Church International trust, or been removed from that position by Reverend Sun Myung Moon.

71. Drs. Joo and Kim remain trustees of Unification Church International trust, despite their removal from the UCI Board of Directors.

72. In violation of the trust and contrary to the direction of the Family Federation, Dr. Douglas Joo and Dr. Peter Kim have been impeded by Preston Moon and the other Directors of UCI from participating in the administration of the trust.

73. In 2009, Reverend Sun Myung Moon and the Family Federation directed Preston Moon and the other UCI Directors to restore Dr. Douglas Joo and Dr. Peter Kim to the UCI Board of Directors, but Preston Moon and the other UCI Directors refused to do so.

74. In late 2009 or early 2010, Preston Moon and the two Directors loyal to him, Messrs. Sommer and Perea, voted to add two of Preston Moon's brothers-in-law, Jinman Kwak and Youngjun Kim, to the UCI Board of Directors. These individuals joined in Preston Moon's scheme to take control of the Corporation and divert its assets.

75. Neither Reverend Sun Myung Moon nor the Family Federation designated or approved the election of Jinman Kwak or Youngjun Kim as members of the Board of Directors.

76. This series of events was unprecedented in the history of the Corporation. Never before had anyone been added to, or removed from, the Board of Directors of UCI without the prior approval and direction of Reverend Sun Myung Moon.

**H. The Unification Church's Reaction to Preston Moon's Takeover of UCI**

77. On August 9, 2009, Reverend Sun Myung Moon met with Dr. Douglas Joo and Dr. Peter Kim, along with other leaders of the Unification Church, and issued a statement declaring that Preston Moon had broken their trust by manipulating the UCI Board of Directors. During this meeting, Reverend Moon noted that Preston Moon became Chairman of the Board of UCI because he was trusted to carry out Reverend Moon's vision for the Corporation and its related projects. Reverend Moon further noted that Preston Moon "went against the recommendations and expectations of UCI's Founder by not supporting the election of two new UCI Directors -- Ms. Sun Jin Moon and Bishop Ki Hoon Kim, and by removing Dr. Douglas Joo and Dr. Peter Kim from the UCI board." Accordingly, Reverend Moon's and the Family Federation's "trust [in Preston Moon] was broken."

78. On August 14, 2009, Dr. Peter Kim sent a letter to Preston Moon stating that Preston Moon's actions at the August 2, 2009 Board meeting were contrary to the direction of Reverend Sun Myung Moon. In follow-up correspondence on August 19, 2009, Dr. Kim again stated that the change in UCI's Board of Directors was not in accord with what Reverend Moon directed, and demanded that Preston Moon restore Drs. Joo and Kim to the Board of Directors along with Ms. Sun Jin Moon and Bishop Ki Hoon Kim. Preston Moon ignored these demands.

79. Preston Moon's designation of Directors to the UCI Board who were loyal to him without authority or approval from Reverend Moon and the Family Federation, his removal of Directors loyal to the Unification Church, and his refusal to restore the Directors loyal to the Unification Church constitute unauthorized, illegal and improper actions that directly contravene

UCI's longstanding and uniform custom and practice of following all directives issued by Reverend Sun Myung Moon. Preston Moon sought and gained control of the UCI Board so that he could divert UCI assets to fund his own activities, all in violation of the Unification Church International trust, contrary to the mission and purpose of the Corporation, and in defiance of the direction of the Family Federation.

80. As a result of Preston Moon's unauthorized, illegal and improper actions detailed above, in August 2009 the Japanese Church halted its donations to UCI. Preston Moon and the other Individual Defendants thus deprived UCI of its primary source of funding.

81. In November 2009, at the direction of Sean Moon in his capacity as International President of the Family Federation, Preston Moon resigned from his positions at UPF. In February 2010, the Board of Directors of The Holy Spirit Association for the Unification of World Christianity (HSA-UWC (USA)), the embodiment of the Unification Church in the United States, removed Preston Moon from its Board. Preston Moon was removed from these positions because of his "disregard for the wishes of [Reverend Sun Myung Moon] and his disregard for Church authority."

#### **I. Preston Moon's Response to the Unification Church's Actions**

82. In response to his removal from UPF, Preston Moon announced that he would now use an entity known as the Global Peace Festival Foundation ("GPFF"), which he created in 2009 under the auspices of UPF and the guidance of the Unification Church, for his own purposes. He further indicated that the GPFF would no longer have any formal or legal association with the Family Federation, UPF or the Unification Church. Through GPFF, Preston Moon began holding "Global Peace Festivals" as part of a movement separate from the Church and in defiance of the wishes of Reverend Sun Myung Moon and the Family Federation. Preston Moon has used, and continues to use, UCI assets to fund these activities.

83. On April 14, 2010, in an undisguised and *ultra vires* effort to subvert and depart from the fundamental mission and purpose for which UCI was formed, Preston Moon and the Board of Directors of UCI that he now controlled amended the UCI Articles of Incorporation. In contrast to the February 1980 amendments to UCI's Articles of Incorporation, which did not alter the fundamental nature of the entity, these new amendments purported to reconstitute UCI as an organization with purposes separate and apart from the Unification Church. The Amended Articles changed the Corporation's name from "Unification Church International" to "UCI," and deleted all references to the Corporation's purpose of supporting Unification Churches worldwide and all references to advancing the Divine Principle in the Articles.

84. Preston Moon and other Individual Defendants caused these amendments to be filed with the District of Columbia Department of Consumer and Regulatory Affairs Business and Professional License Administration, Corporate Division, in Washington, D.C.

85. These amendments were not approved by Reverend Sun Myung Moon or the Family Federation, and were in violation of the Unification Church International trust and contrary to the mission and purpose of the Corporation as set forth in the original Articles of Incorporation.

86. The actions of Preston Moon and the UCI Board of Directors in amending the Articles of Incorporation constitute a breach of the Directors' fiduciary duty of obedience to the Corporation's mission and purpose and a breach of Preston Moon's fiduciary duty to the trust.

87. All of the actions of Preston Moon and the UCI Board of Directors described in this Complaint, including the diversion, dissipation and leveraging of UCI assets, the self-dealing transactions, the improper manipulation of the composition of the Board of Directors and the April 14, 2010 amendments to the Corporation's Articles of Incorporation, jeopardize the

purposes of the Unification Church International trust as established in 1975 and of UCI as incorporated in 1977.

**J. UCI's Actions Following the Amendment of Its Articles of Incorporation**

88. After Preston Moon gained control of the UCI Board of Directors, UCI ceased making charitable contributions to entities associated with the Unification Church, including Plaintiff UPF, in violation of the Unification Church International trust, contrary to UCI's mission and purpose as reflected in the original Articles of Incorporation, and in defiance of the direction of the Family Federation.

89. Instead, under Preston Moon's direction and with the cooperation of the other Individual Defendants, UCI has supported Preston Moon's own separate mission and projects, including GPF, an entity no longer associated with the Unification Church.

90. On August 11, 2010, the leaders of the Unification Church, including Family Federation President Sean Moon, wrote a letter to Preston Moon denouncing the April 14, 2010 amendments to UCI's Articles of Incorporation and Preston Moon's exercise of control over UCI assets. The letter directed Preston Moon to resign as President and Chairman of the Board of UCI.

91. In violation of his fiduciary duties as an agent of the Family Federation, Preston Moon refused to resign as President and Chairman of the Board of UCI.

92. Preston Moon has recently caused subsidiaries of UCI to heavily leverage and encumber assets in South Korea owned by those subsidiaries in order to support his personal projects and businesses. Preston Moon has done this with the help of the other Individual Defendants and without the prior knowledge or approval of Reverend Sun Myung Moon or the Family Federation.



93. In December 2010, Preston Moon and the other Individual Defendants orchestrated the sale of a building in Washington, D.C., located at 650 Massachusetts Avenue, N.W., for \$113 million. The building was owned by a subsidiary of UCI known as Washington Television Center LLC, which was controlled by Preston Moon and the other Individual Defendants. This sale was not approved by Reverend Sun Myung Moon or the Family Federation.

94. In March 2011, Preston Moon and the other Individual Defendants orchestrated the sale of property in McLean, VA, located at 6032 Crimson Court, for \$855,000. The property was owned by a subsidiary of UCI known as News World Communications, which was controlled by Preston Moon and the other Individual Defendants. This sale was not approved by Reverend Sun Myung Moon or the Family Federation, and the value of the property exceeds the amount for which it was sold.

95. On April 18, 2011, Sean Moon, in his capacity as International President of the Family Federation, and in accordance with the wishes of Reverend Sun Myung Moon and the other leaders of the Unification Church, sent another letter to Preston Moon directing him once again to resign from his position as President and Chairman of UCI, and further directing him to obtain the resignations of the other current Directors, Michael Sommer, Richard Perea, Jinman Kwak and Youngjun Kim, none of whom were approved by Reverend Sun Myung Moon. The letter also directed Preston Moon and the other Directors to turn over the Presidency and Chairmanship of the organization to Dr. Peter Kim.

96. As the head of a providential organization of the Unification Church, Preston Moon was obligated to resign as President and Chairman of the Board of Directors of UCI when directed to do so by Sean Moon, the International President of the Family Federation.

97. Instead, Preston Moon has ignored all directions and entreaties from Reverend Sun Myung Moon and the Family Federation with respect to his position in, and actions on behalf of, UCI.

98. In so doing, Preston Moon has (1) failed to administer the contributions to and the property of UCI in accordance with the purposes of the Unification Church International trust created by Reverend Sun Myung Moon, (2) failed to be faithful to the mission and purpose of UCI as set forth in the original Articles of Incorporation, (3) failed to properly discharge his duties as an agent of the Family Federation and heed direction from the Family Federation, and (4) failed to abide by the contract terms and promises governing the use of the property contributed to UCI by the Japanese Church.

## V. STATEMENT OF CLAIMS

**Count I -- Breach of Trust and Aiding and Abetting Same**  
**(Plaintiffs Douglas D.M. Joo, Peter H. Kim, the Family Federation, UPF and UCJ against Defendants Preston Moon, Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim)**

99. The allegations of paragraphs 1-98 are realleged as though set forth in full herein.

100. In establishing the Unification Church International bank account in 1975 and by placing funds in that account to be held in trust to support the mission and activities of the Unification Church, Reverend Sun Myung Moon's actions had the effect of creating an oral charitable trust for the benefit of the Unification Church and entities affiliated with the Church. By contributing funds to this trust in the form of deposits into the Unification Church International bank account, UCJ became a settlor of the trust. Reverend Moon appointed Dr. Bo Hi Pak the first trustee of the trust when he directed Dr. Pak to hold the funds in the bank

account in trust for the benefit of the Unification Church and its activities worldwide. From the establishment of the trust in 1975 through 2006, trustees used assets for the purposes of the trust.

101. In 1977, Reverend Moon and Dr. Pak established UCI as a nonprofit corporation to implement the purposes for which the trust was established. The Corporation remained subject to the trust and was obligated to carry out the purposes for which the trust was created, which were evidenced in the Corporation's original Articles of Incorporation, and which were explicitly reaffirmed in the 1980 amended Articles of Incorporation. In forming the nonprofit corporation, it was intended and understood that the Directors of the Corporation would serve as trustees of its assets to ensure that they would be used for the purposes for which they were intended and that Reverend Moon would designate the individuals to serve as Directors and trustees of the assets.

102. When Reverend Moon designated Dr. Pak to be the first President of UCI, Dr. Pak understood that he continued to be a trustee of the trust created by Reverend Moon in 1975 and that the purpose of the nonprofit corporation was to implement the purpose of the trust.

103. Similarly, in 1992, when Reverend Moon designated Dr. Joo to replace Dr. Pak as President of UCI, Dr. Joo understood that he was also a trustee of the trust created by Reverend Moon in 1975 and that the Corporation held the assets in order to implement the purposes of the trust.

104. When he became a Director of UCI Preston Moon also became a trustee of the trust created by Reverend Moon and, as such, had a fiduciary duty to carry out the purposes of the trust, to ensure that assets are used in a manner consistent with the purposes of the trust, and to ensure that the activities of the trust are carried out in accordance with the purposes of the trust.

105. Preston Moon has breached his fiduciary duties as trustee of the Unification Church International trust (1) by refusing to elect as Directors those individuals designated for such positions by settlor Reverend Sun Myung Moon, (2) by electing as Directors individuals not designated for such positions by settlor Reverend Sun Myung Moon, (3) by voting to remove as Directors individuals designated for such positions by settlor Reverend Sun Myung Moon, (4) by changing the name of the Corporation and amending its Articles of Incorporation to permit the Corporation to take actions in violation of the trust, (5) by using assets to support activities inconsistent with the purposes of the trust, (6) by refusing to conduct the activities of the trust in a manner consistent with the purposes of the trust, and (7) by using assets for his own personal activities.

106. As a consequence of these breaches of duty, Preston Moon should be immediately suspended and permanently removed as a trustee of the Unification Church International trust and as a Director of the Corporation, and all actions Preston Moon has taken that are inconsistent with the trust should be declared null and void.

107. Additionally, Preston Moon's hand-picked Directors -- Defendants Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim -- should be removed as members of the Board of Directors of UCI because they were elected in violation of Preston Moon's duties as trustee, because they aided and abetted Preston Moon in breaching his fiduciary duties as trustee, and because they wrongfully participated in the administration of assets which the Corporation held in trust.

108. The suspension and removal of Preston Moon as trustee and the suspension and removal of Preston Moon, Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim as Directors serve the best interest of all beneficiaries of the trust.

109. The suspension and removal of Preston Moon as trustee and the suspension and removal of all Individual Defendants from the UCI Board is not inconsistent with any material purpose of the trust.

110. Suitable trustees are available in the form of Drs. Douglas Joo and Peter Kim, who, though they remain trustees of the Unification Church International trust, have been impeded by Preston Moon and the Individual Defendants from actively administering the trust.

111. The Individual Defendants' actions resulted in a breach of trust for which Preston Moon and the other Individual Defendants should be surcharged in an amount to be determined through an accounting of the diversion and dissipation of assets expended in contravention of the purposes of the trust and its ongoing mission.

112. The Individual Defendants' actions proximately caused the diversion and dissipation of assets, and the Individual Defendants' egregious conduct causing these damages was attended by recklessness, malice, willfulness, insult and abuse, thus entitling Plaintiffs to recover punitive, as well as actual, damages.

**Count II -- Breach of Fiduciary Duties, *Ultra Vires* Acts and Aiding and Abetting Same (Plaintiffs the Family Federation, UPF, UCJ, Douglas D.M. Joo, Peter H. Kim, individually and derivatively on behalf of Nominal Defendant UCI against Defendants Preston Moon, Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim)**

113. The allegations of paragraphs 1-112 are realleged as though set forth in full herein.

114. Defendants Preston Moon, Michael Sommer, Jinman Kwak, Richard J. Perea and Youngjun Kim, as members of the Board of Directors of UCI, a nonprofit corporation, owe a fiduciary duty of obedience to the mission and purpose for which the Corporation was established. This duty includes a duty to take no action in contravention of the mission and purpose for which the Corporation was established as set forth in its Articles of Incorporation.

115. The Individual Defendants also owe fiduciary duties of loyalty and care, which include the duty not to divert corporate assets, opportunities, or information for personal gain and the duty to exercise good business judgment and to use ordinary care and prudence in the operation of the business.

116. The Individual Defendants also have a duty to refrain from engaging in, or causing UCI to engage in, any *ultra vires* acts.

117. The Individual Defendants breached their fiduciary duties, engaged in, and caused UCI to engage in, *ultra vires* acts, and aided and abetted their fellow Directors' breaches of fiduciary duties and commission of *ultra vires* acts (1) by amending UCI's Articles of Incorporation to permit the Corporation's assets to be used for purposes other than the mission and purpose for which the Corporation was formed, (2) by manipulating the designation and removal of Directors to the Corporation in defiance of Reverend Sun Myung Moon's explicit instructions and in violation of UCI's longstanding and uniform custom and practice of following Reverend Moon's directives concerning the appointment and removal of Directors, (3) by engaging in a scheme of self-dealing designed to divert corporate assets to the personal pursuits of Preston Moon, (4) by permitting the Corporation's assets to be used for purposes other than the mission and purpose for which the Corporation was formed, (5) by failing to use the assets of the Corporation to support the mission and activities of the Unification Church, all of which has jeopardized the existence of UCI as originally incorporated and threatens to fundamentally alter the nature of UCI.

118. The Family Federation and UPF are beneficiaries and/or potential beneficiaries of UCI under the terms of the Corporation's original Articles of Incorporation and have a special interest in the mission and purpose of UCI, including UCI's conformance to its

original Articles of Incorporation. The Family Federation and UPF have been, and continue to be, injured by the Individual Defendants' acts and omissions.

119. The Japanese Church has been a major donor to UCI and therefore has a special interest in the mission and purpose of UCI, including UCI's conformance to its original Articles of Incorporation. The Japanese Church has been, and continues to be, injured by the Individual Defendants' acts and omissions.

120. Douglas D.M. Joo is a wrongfully-terminated former Director of UCI and has a special interest in the mission and purpose of UCI, including UCI's conformance to its original Articles of Incorporation. Douglas D.M. Joo has been, and continues to be, injured by the Individual Defendants' acts and omissions.

121. Peter H. Kim is a wrongfully-terminated Director of UCI and has a special interest in the mission and purpose of UCI, including UCI's conformance to its original Articles of Incorporation. Peter H. Kim has been, and continues to be, injured by the Individual Defendants' acts and omissions.

122. As a consequence of their breaches of duty, *ultra vires* acts, and their aiding and abetting of their fellow Directors' breaches of duty and *ultra vires* acts, the Individual Defendants should be removed as Directors of UCI, the April 14, 2010 amendments to UCI's Articles of Incorporation should be rescinded, Plaintiffs Douglas D.M. Joo and Peter H. Kim should be restored as Directors, and Sun Jin Moon and Bishop Ki Hoon Kim should be appointed Directors.

123. Plaintiffs and Nominal Defendant have been damaged by the actions of the Individual Defendants in breach of their fiduciary duties in an amount to be determined.

**Count III -- Breach of Fiduciary Duty as Agent and Aiding and Abetting Same**  
**(Plaintiff the Family Federation against Defendants Preston Moon, Michael Sommer,  
Richard J. Perea, Jinman Kwak and Youngjun Kim)**

124. The allegations of paragraphs 1-123 are realleged as though set forth in full herein.

125. As President and Chairman of the Board of Directors of UCI, Preston Moon is the head of a providential organization of the Unification Church and an agent of the Family Federation. In accepting this position, Preston Moon agreed to act on behalf of the Family Federation and subject to the Family Federation's control and direction.

126. Preston Moon has breached his fiduciary duties as the Chairman of the Board of Directors and President of UCI and an agent of the Family Federation (1) by refusing to elect as Directors those individuals designated for such positions by the Family Federation, (2) by electing as Directors individuals not designated for such positions by the Family Federation, (3) by voting to remove as Directors individuals designated for such positions by the Family Federation, (4) by refusing to void the April 14, 2010 amendments of UCI's Articles of Incorporation and restoring the original mission and purpose of the Corporation, (5) by refusing to resign as Chairman of the Board of Directors and President of UCI and turning over the Presidency to Dr. Peter Kim, as directed by the Family Federation, (6) by refusing to obtain the resignations of the other Individual Defendants, as directed by the Family Federation, (7) by refusing to conduct the activities of the Corporation in a manner consistent with the direction of the Family Federation, and (8) by using UCI assets for his own personal activities in defiance of the direction of the Family Federation.

127. As a consequence of these breaches of duty Preston Moon should be removed as Chairman of the Board of Directors and President of UCI.



128. Additionally, Preston Moon's hand-picked Directors -- Defendants Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim -- should also be removed as members of the Board of Directors of UCI because they were elected in violation of Preston Moon's duties as agent, because they aided and abetted Preston Moon in breaching his duties as agent, and because Preston Moon has refused to obtain their resignations despite express instructions from the Family Federation to do so.

129. A suitable replacement President and Chairman of the Board of Directors of UCI is available in the form of Dr. Kim, whom the Family Federation has directed be placed in those positions.

130. The Family Federation has been damaged in an amount to be determined by virtue of Preston Moon's diversion and dissipation of assets expended in contravention of the direction of the Family Federation.

**Count IV -- Breach of Contract**  
**(Plaintiff UCJ against Defendant UCI)**

131. The allegations of paragraphs 1-130 are realleged as though set forth in full herein.

132. The Japanese Church has contributed millions of dollars to UCI.

133. A condition of the Japanese Church's contributions to UCI was the understanding that those funds would be used in a manner consistent with the purposes for which the Unification Church International trust was established. This mission and purpose was reflected in the Articles of Incorporation of UCI prior to their unauthorized amendment in April 2010, "[t]o serve as an international organization assisting, advising, coordinating, and guiding the activities of Unification Churches organized and operated throughout the world." This

mission and purpose was also reflected in correspondence between the Japanese Church and UCI.

134. UCI breached the contract with the Japanese Church when it used the Japanese Church's contributions for purposes for which they were not intended.

135. As a result of these breaches the Japanese Church has been damaged in an amount to be determined.

136. In the alternative, the Japanese Church is entitled to have the contract rescinded and all contributions returned.

137. In the alternative, the Japanese Church is entitled to specific performance.

**Count V -- Promissory Estoppel**  
**(Plaintiff UCJ against Defendant UCI)**

138. The allegations of paragraphs 1-137 are realleged as though set forth in full herein.

139. The Japanese Church has contributed millions of dollars to UCI.

140. The Japanese Church's contributions to UCI were made pursuant to a promise made by UCI to the Japanese Church that these funds would be used in accordance with the purposes of the Unification Church International trust, the original Articles of Incorporation of UCI and correspondence between the Japanese Church and UCI specifying the purposes for which such funds would be used.

141. UCI was aware of this promise, as it is set forth in UCI's Articles of Incorporation prior to their unauthorized amendment in April 2010, which state that the mission and purpose of UCI is "[t]o serve as an international organization assisting, advising, coordinating, and guiding the activities of Unification Churches organized and operated throughout the world."

142. This promise is also reflected in the correspondence between the Japanese Church and UCI, in which UCI promised to use fund donated by the Japanese Church in support of the Unification Church. Additionally, the promise was honored by UCI during its more than 30-year relationship with the Japanese Church prior to 2009.

143. During Preston Moon's tenure as head of UCI, UCI has not administered the Japanese Church's contributions pursuant to the promise described above.

144. Accordingly, UCI has breached its promise.

145. The Japanese Church relied on this promise to its substantial detriment, as reflected by the Japanese Church's contributions of millions of dollars to UCI that were misappropriated by UCI.

146. Injustice can be prevented only by requiring that UCI make restitution in an amount equal to the Japanese Church contributions that have been misappropriated.

147. UCI's breach of promise proximately caused the Japanese Church to waste millions of dollars, and UCI's conduct causing these damages was attended by malice, willfulness, insult and abuse, thus entitling the Japanese Church to recover punitive, as well as actual, damages.

**Count VI -- Unjust Enrichment**  
**(Plaintiff UCJ against Defendant UCI)**

148. The allegations of paragraphs 1-147 are realleged as though set forth in full herein.

149. The Japanese Church has contributed millions of dollars to UCI.

150. The Japanese Church's contributions to UCI were made pursuant to an understanding that UCI would use the contributions to support the Unification Church and its activities.

151. UCI was aware of this understanding, as it is set forth in UCI's Articles of Incorporation, which state the mission and purpose of UCI is "[t]o serve as an international organization assisting, advising, coordinating, and guiding the activities of Unification Churches organized and operated throughout the world."

152. This understanding is also reflected in the correspondence between the Japanese Church and UCI, in which UCI promised to use funds donated by the Japanese Church in support of the Unification Church.

153. During Preston Moon's tenure as head of UCI, UCI has not administered the Japanese Church's contributions pursuant to the understanding described above.

154. Accordingly, UCI has been unjustly enriched at the expense of the Japanese Church such that in good conscience UCI should make restitution in an amount equal to the Japanese Church contributions that were not, and have not been, used for their intended purposes.

## **VI. PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs pray that this Court enter judgment against the Defendants Preston Moon, Michael Sommer, Richard J. Perea, Jinman Kwak, Youngjun Kim and UCI, and in favor of Plaintiffs:

1. Suspending and removing Preston Moon as a trustee of the Unification Church International trust,
2. Directing Preston Moon to return to the Unification Church International trust all monies and assets expended in violation of the purposes of the trust,
3. Requiring the Individual Defendants to expeditiously deliver all property of UCI to Unification Church International trust trustee Peter Kim,

4. Surcharging Defendant Preston Moon for breach of trust in an amount to be determined through an accounting of Preston Moon's diversion and dissipation of assets expended in contravention of the purposes of the trust and its mission,

5. Surcharging Defendants Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim for wrongfully participating in the administration of assets and/or awarding damages to be paid by Defendants Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim for aiding and abetting Preston Moon's breach of trust in an amount to be determined through an accounting of the diversion and dissipation of assets expended in contravention of the purposes of the trust and its mission,

6. Suspending and removing Preston Moon, Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim as Directors of UCI, restoring Plaintiffs Douglas Joo and Peter Kim to the UCI Board of Directors, and appointing Sun Jin Moon and Bishop Ki Hoon Kim as Directors of UCI,

7. Rescinding the improper and unlawful amendments to UCI's Articles of Incorporation passed by the Individual Defendants on April 14, 2010,

8. Enjoining Defendants from making any further expenditure or transfer of UCI funds or assets to support non-Unification Church activities,

9. Enjoining Defendants from selling, encumbering or otherwise dissipating UCI funds or assets without the approval of the Family Federation or, alternatively, this Court,

10. Directing Defendants to make an accounting of all funds expended by UCI since April 17, 2006 and of any UCI assets sold or transferred since that date,

11. Removing Preston Moon as President and Chairman of the Board of Directors of UCI, in which positions he served as an agent of the Family Federation,

12. Removing Preston Moon's hand-picked Directors -- Michael Sommer, Richard J. Perea, Jinman Kwak and Youngjun Kim -- from the Board of Directors of UCI,

13. Directing Defendant UCI to make restitution to the Japanese Church of all contributions made by the Japanese Church to UCI that were not or have not been used for their intended purposes,

14. Appointing such persons as the Court may direct to act as temporary independent trustee(s), Director(s), officer(s), receiver(s), and/or agent(s) to oversee UCI,

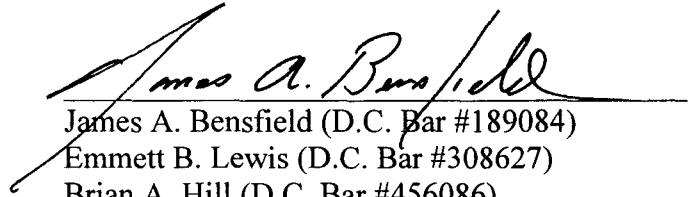
15. Awarding Plaintiffs and Nominal Defendant all damages incurred as a consequence of the Individual Defendants' breaches of duty, including punitive damages, costs and expenses, including reasonable attorneys' fees, and

16. Granting such other and further relief as the Court deems appropriate.

## **VII. JURY DEMAND**

Plaintiffs demand a trial by jury on all counts so triable.

Respectfully submitted,



James A. Bensfield (D.C. Bar #189084)

Emmett B. Lewis (D.C. Bar #308627)

Brian A. Hill (D.C. Bar #456086)

John C. Eustice (D.C. Bar #984716)

Erik B. Nielsen (D.C. Bar #977051)

MILLER & CHEVALIER CHARTERED

655 Fifteenth Street, N.W., Suite 900

Washington, D.C. 20005

Telephone: (202) 626-5800

Facsimile: (202) 626-5801

Email: [jbensfield@milchev.com](mailto:jbensfield@milchev.com)

[elewis@milchev.com](mailto:elewis@milchev.com)

[bhill@milchev.com](mailto:bhill@milchev.com)

[jeustice@milchev.com](mailto:jeustice@milchev.com)

[enielsen@milchev.com](mailto:enielsen@milchev.com)

*Counsel for Plaintiffs The Family Federation  
for World Peace and Unification International,  
The Universal Peace Federation, and The Holy  
Spirit Association for the Unification of World  
Christianity (Japan)*

Benjamin P. De Sena

LAW OFFICES OF DE SENA & PETRO

197 Lafayette Avenue

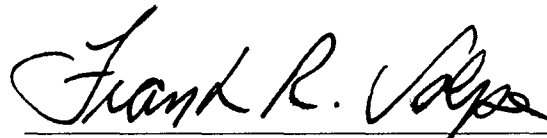
Hawthorne, NJ 07506

Telephone: (973) 304-1073

Facsimile: (973) 859-7864

Email: [bdesena@aol.com](mailto:bdesena@aol.com)

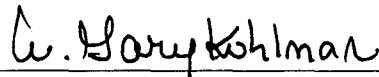
*Of Counsel for Plaintiffs The Family Federation  
for World Peace and Unification International,  
The Universal Peace Federation, and The Holy  
Spirit Association for the Unification of World  
Christianity (Japan)*



---

Thomas C. Green (D.C. Bar #14498)  
Frank R. Volpe (D.C. Bar #458791)  
SIDLEY AUSTIN LLP  
1501 K Street, N.W.  
Washington, D.C. 20005-1401  
Telephone: (202) 736-8000  
Facsimile: (202) 736-8711  
Email: [tcgreen@sidley.com](mailto:tcgreen@sidley.com)  
[fvolpe@sidley.com](mailto:fvolpe@sidley.com)

*Counsel for Plaintiff Douglas D.M. Joo*



---

W. Gary Kohlman (D.C. Bar #177527)  
Ramya Ravindran (D.C. Bar #980728)  
BREDHOFF & KAISER, PLLC  
805 Fifteenth Street, N.W., Suite 1000  
Washington, D.C. 20005  
Telephone: (202) 842-2600  
Facsimile: (202) 842-1888  
Email: [gkohlman@bredhoff.com](mailto:gkohlman@bredhoff.com)  
[rravindran@bredhoff.com](mailto:rravindran@bredhoff.com)

*Counsel for Plaintiff Peter H. Kim*

Dated: May 11, 2011