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11 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
12 OF THE STATE OF CALIFORNIA

13
14 In the Matter of:

15 THE COMMISSIONER OF FINANCIAL
16 PROTECTION AND INNOVATION,

17 Complainant,

18 v.

19 AASIM MOHAMMED SAIED, AKYUMEN
20 INDUSTRIES CORP., AKYUMEN
21 TECHNOLOGIES CORP., AKYUMEN
CORP., & AKYUMEN,

22 Respondents.

STATEMENT IN SUPPORT OF ORDER
FOR ANCILLARY RELIEF

23
24 The Commissioner of Financial Protection and Innovation (Commissioner), based on
25 information and belief, alleges and charges as follows:

26 **I.**

27 **FACTS**

28 1. At all relevant times, Akyumen Industries Corp. is a Wyoming corporation that has
maintained principal places of business at various addresses throughout California, including 645

1 West 9th Street, Suite 110-139, Los Angeles, California 90015.

2 2. At all relevant times, Akyumen Industries Corp. has done business as Akyumen
3 Technologies Corp., Akyumen Corp., and Akyumen (collectively, Akyumen), among other names.

4 3. At all relevant times, Aasim Mohammed Saied (Saied) has been Akyumen’s
5 Chairman and Chief Executive Officer.

6 4. Since at least 2016, Saied has represented to members of the public that Akyumen is
7 a technology company that designs, manufactures, and sells state-of-the-art communication,
8 entertainment, business, education, and healthcare devices. These devices include smartphones,
9 tablets, and phablets with built-in projectors. Saied has represented that Akyumen provides
10 companion services for its devices, including its own entertainment platform offering movies, TV
11 shows, music, games, and other content.

12 5. Since at least 2016, Saied and Akyumen have offered and sold common shares of
13 Akyumen. These shares are securities under the Corporate Securities Law of 1968 (Cal. Corp.
14 Code § 25000 et seq.), thus subject to regulation by the Commissioner.

15 6. Saied and Akyumen have represented to current and prospective investors that the
16 purpose of Akyumen’s securities offering is to provide working capital for Akyumen’s operations
17 and fund the development of technologies, products, and services.

18 7. Saied identified prospective investors through personal relationships, networking
19 events, and referrals, among other methods. Saied personally made verbal and written sales pitches
20 to these prospective investors, and he and/or Akyumen provided them with solicitation materials.

21 8. At some point after February 2016, Akyumen was forfeited by the California
22 Franchise Tax Board. Since then, Akyumen was no longer in good standing with the State of
23 California and lost its rights, powers, and privileges to do business in California.

24 9. In or around December 2020, Akyumen signed and executed two purchase
25 agreements with the City of Gary, Indiana. Under one agreement, Akyumen would purchase the
26 Genesis Convention Center at 401 Adams Street, Gary, Indiana 46402. Under the other agreement,
27 Akyumen would purchase the former Ivanhoe Gardens housing site at 3100-3134 West 11th
28 Avenue, Gary, Indiana 46404. Akyumen represented to the City of Gary that it would transform

1 the Genesis Convention Center into its United States headquarters and build a factory at the former
2 Ivanhoe Gardens housing site for Akyumen’s manufacturing and operational needs, among others.

3 10. Saied leveraged these purchase agreements to current and prospective investors to
4 underscore that Akyumen was doing well financially and/or assuage concerns about the legitimacy
5 of Akyumen and investments in the corporation.

6 **Violations of California Corporations Code section 25401**

7 **(Misrepresentations and Omissions of Material Facts)**

8 11. Since at least 2016, Saied and Akyumen have offered and sold securities, in the
9 form of Akyumen common shares, to at least seven investors residing in California and elsewhere,
10 raising at least \$410,000.00. These seven investors have received no refund of any portion of their
11 investment principals, despite repeated requests to Saied and Akyumen.

12 12. In connection with the offers and sales of these securities, Saied and Akyumen
13 made, or caused to be made, misrepresentations of material facts to current and prospective
14 investors. These misrepresentations included, but were not limited to, the following:

- 15 a) Akyumen designs, manufactures, and sells devices—including smartphones,
16 tablets, and phablets—that have built-in projectors, advanced heat dissipation
17 and nanotube technologies, and advanced privacy and security features. But
18 Akyumen neither designs, manufactures, nor sells such devices.
- 19 b) Akyumen common shares would grow significantly and quickly in value. But
20 they evidently have not. Saied and Akyumen have provided no non-speculative
21 valuation of these shares and have refused to pay at least known investors any
22 returns on their investments.
- 23 c) In exchange for known investors’ investments, Akyumen would return these
24 investors’ entire investment principals within certain timeframes, ranging from
25 thirty days to a year from the respective date of investment. These investors
26 would keep their Akyumen shares. For some of these investors, Akyumen
27 further agreed to pay an interest on their respective investments and/or regularly
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1 issue dividends for their investments. But Saied and Akyumen have fulfilled
2 none of these terms, despite repeated requests by these investors.

3 d) Akyumen would transform the Genesis Convention Center in Gary, Indiana into
4 Akyumen’s US headquarters. At or near this headquarters, Akyumen would
5 build a factory for its manufacturing and operational needs, among others. But
6 no such headquarters or factory exists.

7 e) Akyumen would hire a certain investor as a manager beginning March 2021 at
8 Akyumen’s US headquarters in Gary, Indiana. Akyumen would compensate
9 that investor at a weekly rate of \$4,000.00. But that investor was never hired,
10 much less compensated. Afterall, they could not have managed a non-existent
11 headquarters.

12 f) Akyumen secured contracts with foreign countries, including Tanzania,
13 Honduras, and the Dominican Republic. Under these contracts, and among
14 other terms, Akyumen would build the carrier infrastructure for 4G, 5G, and/or
15 Wi-Fi networks in each of these countries. These contracts were each worth
16 upward of \$500 million. But Akyumen has no such contracts.

17 13. In connection with the offers and sales of these securities, Saied and Akyumen
18 omitted to state to current and prospective investors, or caused to be omitted, material facts
19 necessary to make the statements made, in light of the circumstances under which they were made,
20 not misleading. These omissions included, but were not limited to, the following:

21 a) In June 2020, the Commissioner of Business Oversight (now, Financial
22 Protection and Innovation) issued an Amended Desist and Refrain Order against
23 Saied and Akyumen, among others, for violating California Corporations Code
24 section 25401. That order prohibited Saied and Akyumen from “offering or
25 selling or buying or offering to buy any security in California, including but not
26 limited to subscription investment contract(s), by means of any written or oral
27 communication which includes an untrue statement of material fact or omits to
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1 state a material fact necessary in order to make the statements made, in light of
2 [the] circumstances under which they were made, not misleading.”

3 b) Akyumen defaulted on its purchases of the Genesis Convention Center and the
4 former Ivanhoe Gardens housing site in Gary, Indiana. In July 2021, and
5 because of these defaults, the City of Gary, Indiana filed a civil lawsuit against
6 Akyumen in Lake County Superior Court for breaches of contracts, among other
7 claims. That action remains pending.

8 **II.**

9 **CLAIM FOR ANCILLARY RELIEF**

10 **(For Violations of California Corporations Code section 25401)**

11 California Corporations Code section 25532 authorizes the Commissioner to seek ancillary
12 relief for violations of any provision of the California Securities Law of 1968. Section 25532(e)
13 states:

14 If the commissioner determines it is in the public interest, the commissioner may
15 include in any administrative action brought under this division a claim for ancillary
16 relief, including, but not limited to, a claim for restitution or disgorgement or
17 damages on behalf of the persons injured by the act or practice constituting the
18 subject matter of the action, and the administrative law judge shall have jurisdiction
19 to award additional relief.

20 Based on the foregoing findings of fact, the Commissioner is of the opinion that Aasim
21 Mohammed Saied, Akyumen Industries Corp., Akyumen Technologies Corp., Akyumen Corp.,
22 and Akyumen have offered and sold securities, in the form of Akyumen common shares, to at least
23 seven investors in an amount of at least \$410,000.00. The Commissioner is of the opinion that
24 these securities were offered and sold in this state by means of written and oral communications
25 that included untrue statements of material facts and omitted to state material facts necessary to
26 make the statements made, in light of the circumstances under which they were made, not
27 misleading, in violation of California Corporations Code section 25401. Based on information and
28 belief, it appears that no portion of this investment amount of at least \$410,000.00 has been
refunded to investors.

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WHEREFORE, good cause showing, and based on the foregoing violations, the Commissioner hereby prays for an Order for Ancillary Relief under California Corporations Code section 25532 individually, as well as jointly and severally, against Aasim Mohammed Saied, Akyumen Industries Corp., Akyumen Technologies Corp., Akyumen Corp., Akyumen, and their successors and assignees for restitution and/or disgorgement, consisting of investors’ investment principals in the amount of at least \$410,000.00 and accumulated legal interest, or according to proof.

This Order is necessary, in the public interest, to protect investors and is consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: January 31, 2022

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

By:

QUINCY VIEN
Counsel
Enforcement Division