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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

_____, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

FARADAY FUTURE INTELLIGENT
ELECTRIC INC. f/k/a PROPERTY
SOLUTIONS ACQUISITION CORP.,
CARSTEN BREITFELD, ZVI
GLASMAN, WALTER J. MCBRIDE,
JORDAN VOGEL, AARON
FELDMAN, and YUETING JIA,

Defendants.

Case No.

**CLASS ACTION COMPLAINT
FOR VIOLATIONS OF THE
FEDERAL SECURITIES LAWS**

DEMAND FOR JURY TRIAL

1 Plaintiff _____ (“Plaintiff”), individually and on behalf of all
2 others similarly situated, by and through his attorneys, alleges the following
3 upon information and belief, except as to those allegations concerning Plaintiff,
4 which are alleged upon personal knowledge. Plaintiff’s information and belief is
5 based upon, among other things, his counsel’s investigation, which includes
6 without limitation: (a) review and analysis of regulatory filings made by Faraday
7 Future Intelligent Electric Inc. (“Faraday Future,” “FF,” or the “Company”) f/k/a
8 Property Solutions Acquisition Corp. (“PSAC”) with the United States
9 (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and analysis of
10 press releases and media reports issued by and disseminated by Faraday Future;
11 and (c) review of other publicly available information concerning Faraday Future.

12 **NATURE OF THE ACTION AND OVERVIEW**

13 1. This is a class action on behalf of persons and entities that purchased or
14 otherwise acquired Faraday Future securities between January 28, 2021 and
15 November 15, 2021, inclusive (the “Class Period”). Plaintiff pursues claims against
16 the Defendants under the Securities Exchange Act of 1934 (the “Exchange Act”).

17 2. Faraday Future claims it designs and engineers next-generation smart
18 electric connected vehicles.

19 3. PSAC was a special purpose acquisition company formed for the
20 purpose of effecting a merger, capital stock exchange, asset acquisition, stock
21 purchase, reorganization, or similar business combination with one or more
22 businesses.

23 4. On January 28, 2021, PSAC and FF Intelligent Mobility Global
24 Holdings Ltd. (“Legacy FF”) announced that PSAC and Legacy FF entered into a
25 definitive agreement for a business combination, and that the combined company
26 would be renamed Faraday Future (the “Business Combination”).

27 5. On July 21, 2021, Faraday Future announced that it had completed the
28 Business Combination and that its common stock and warrants would commence

1 trading on the NASDAQ on July 22, 2021 under the ticker symbols “FFIE” and
2 “FFIEW”, respectively.

3 6. On October 7, 2021, J Capital Research published a report alleging,
4 among other things, that Faraday Future was unlikely to ever sell a car, noting that
5 after eight years in business, the Company has “failed to deliver a car,” “has reneged
6 on promises to build factories in five localities in the U.S. and China,” “is being
7 sued by dozens of unpaid suppliers,” and “has failed to disclose that assets in China
8 have been frozen by courts.” Moreover, the report alleged that Faraday Future’s
9 claimed 14,000 deposits are fabricated because 78% of these reservations were
10 made by a single undisclosed company that is likely an affiliate. The report further
11 alleges that contrary to representations of progress toward manufacturing made by
12 Faraday Future in September 2021, former engineering executives did not believe
13 that the car was ready for production.

14 7. On this news, the Company’s share price fell \$0.35 per share, or more
15 than 4%, to close at \$8.05 per share on October 8, 2021.

16 8. On November 15, 2021, Faraday Future announced that it would be
17 unable to file its Form 10-Q for the fiscal quarter ended September 30, 2021 on
18 time. Faraday Future further announced that its board of directors “formed a special
19 committee of independent directors to review allegations of inaccurate disclosures,”
20 including the claims in the J Capital report.

21 9. On this news, the Company’s share price fell \$0.28 per share, or
22 approximately 3%, to close at \$8.83 per share on November 16, 2021.

23 10. Throughout the Class Period, Defendants made materially false and/or
24 misleading statements, as well as failed to disclose material adverse facts about the
25 Company’s business, operations, and prospects. Specifically, Defendants failed to
26 disclose to investors: (1) that the Company had assets in China frozen by courts, (2)
27 that a significant percentage of its deposits for future deliveries were attributable to
28 a single undisclosed affiliate; (3) that the Company’s cars were not as close to

1 production as the Company claimed; (4) that, as a result of previously issued
2 statements that were misleading and/or inaccurate, Faraday Future could not timely
3 file its quarterly report; and (5) that, as a result of the foregoing, Defendants'
4 positive statements about the Company's business, operations, and prospects were
5 materially misleading and/or lacked a reasonable basis.

6 11. As a result of Defendants' wrongful acts and omissions, and the
7 precipitous decline in the market value of the Company's securities, Plaintiff and
8 other class members have suffered significant losses and damages.

9 **JURISDICTION AND VENUE**

10 12. The claims asserted herein arise under Sections 10(b) and 20(a) of the
11 Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated
12 thereunder by the SEC (17 C.F.R. § 240.10b-5).

13 13. This Court has jurisdiction over the subject matter of this action
14 pursuant to 28 U.S.C. § 1331 and Section 27 of the Exchange Act (15 U.S.C. §
15 78aa).

16 14. Venue is proper in this Judicial District pursuant to 28 U.S.C. §
17 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). Substantial acts
18 in furtherance of the alleged fraud or the effects of the fraud have occurred in this
19 Judicial District. Many of the acts charged herein, including the dissemination of
20 materially false and/or misleading information, occurred in substantial part in this
21 Judicial District. In addition, the Company's principal executive offices are located
22 in this District.

23 15. In connection with the acts, transactions, and conduct alleged herein,
24 Defendants directly and indirectly used the means and instrumentalities of interstate
25 commerce, including the United States mail, interstate telephone communications,
26 and the facilities of a national securities exchange.

27
28

1 **PARTIES**

2 16. Plaintiff _____, as set forth in the accompanying
3 certification, incorporated by reference herein, purchased Faraday Future
4 securities during the Class Period, and suffered damages as a result of the
5 federal securities law violations and false and/or misleading statements and/or
6 material omissions alleged herein.

7 17. Defendant Faraday Future is incorporated in Delaware with its
8 principal executive offices located at 18455 S. Figueroa Street, Gardena, California
9 90248. Faraday Future’s Class A common stock trades on the NASDAQ under the
10 symbol “FFIE” and its Redeemable warrants, exercisable for shares of Class A
11 common stock at an exercise price of \$11.50 per share, trade under the symbol
12 “FFIEW.” Prior to the Business Combination, PSAC’s common stock traded on the
13 NASDAQ exchange under the symbol “PSAC,” and its redeemable warrants,
14 exercisable for shares of common stock at an exercise price of \$11.50 per share,
15 traded under the symbol “PSACW.”

16 18. Defendant Carsten Breitfeld (“Breitfeld”) was the Chief Executive
17 Officer (“CEO”) of Legacy FF prior to the Business Combination, and the CEO of
18 Faraday Future after the Business Combination.

19 19. Defendant Zvi Glasman (“Glasman”) was the Chief Financial Officer
20 (“CFO”) of Legacy FF prior to the Business Combination, and the CFO of Faraday
21 Future after the Business Combination until October 27, 2021.

22 20. Defendant Walter J. McBride (“McBride”) was the CFO of Faraday
23 Future from November 1, 2021 through the end of the Class Period.

24 21. Defendant Jordan Vogel (“Vogel”) was the Co-CEO of PSAC from its
25 inception until the Business Combination.

26 22. Defendant Aaron Feldman (“Feldman”) was the Co-CEO and Treasurer
27 of PSAC from its inception until the Business Combination.

28

1 **Materially False and Misleading**
2 **Statements Issued During the Class Period**

3 27. The Class Period begins on January 28, 2021. On that day, PSAC and
4 Legacy FF issued a press release titled “Faraday Future to List on NASDAQ
5 Through Merger With Property Solutions Acquisition Corp. With Estimated \$1
6 Billion in Proceeds.” Therein, they announced that PSAC and Legacy FF entered
7 into a definitive agreement for a business combination, and that following the
8 closing, the combined company will be listed on the NASDAQ. In greater part, they
9 stated:¹

10 This transaction validates FF’s vision to create a mobility ecosystem
11 built upon innovations in technology and products. FF’s flagship
12 product offering will be the FF 91, featuring industry leading 1,050 HP,
13 0-60 mph in less than 2.4 seconds, zero gravity seats with the largest
14 60-degree reclining angles and a revolutionary user experience
15 designed to create a mobile, connected, and luxurious third Internet
16 living space. FF 91 is targeted to launch within twelve months after
17 closing of the merger.

18 Commenting on today’s significant milestones, Faraday Future’s
19 Global Chief Executive Officer, Dr. Carsten Breitfeld said, “We are
20 excited to enter into this partnership with PSAC. This is an important
21 milestone in our company’s transformation, one that we achieved with
22 strong commitment from our employees, suppliers, and partners in the
23 U.S. and China, as well as the city of Hanford, California. I am excited
24 that this business combination will allow us to launch the class defining
25 FF 91, building upon the founder’s original vision to help our users and
26 shareholders take part in shaping the future of mobility.”

27 “Faraday Future is a unique and differentiated electric vehicle company
28 with significant growth prospects for the future,” said Property
Solutions Co-CEO and Chairman Jordan Vogel. “We believe the
excellent management team, led by Dr. Breitfeld, and industry-leading
technology will allow Faraday Future to reach its true growth
potential.”

¹ Unless otherwise stated, all emphasis in bold and italics hereinafter is added.

1 FF has invested over \$2 billion dollars since its inception. In addition to
2 the development of its first model FF 91, the product definition of the
3 second model FF 81 has been completed, and the R&D work is
4 progressing.

5 * * *

6 *FF's B2C passenger vehicle launch pipeline over the next five years*
7 *includes FF 91 series, FF 81 series, and FF 71 series. FF 91 will*
8 *define the FF brand DNA. This DNA will carry over to subsequent*
9 *premium mass market vehicles in the portfolio – the FF 81, and FF*
10 *71. With such brand DNA, FF products are expected to be ahead of*
11 *the competition in their respective segments in terms of their design,*
12 *driving experience, interior comfort, connectivity, and user*
13 *experience. FF 81 is expected to launch in 2023, and FF 71 in 2024.*
14 *In addition to passenger vehicles, FF plans to launch a Smart Last*
15 *Mile Delivery (“SLMD”) vehicle in 2023 leveraging its proprietary*
16 *VPA. To implement a capital light business model, FF has adopted a*
17 *global hybrid manufacturing strategy consisting of its refurbished*
18 *manufacturing facility in Hanford, California and collaboration with a*
19 *leading contract manufacturing partner in South Korea. The company is*
20 *exploring the possibility of additional manufacturing capacity in China*
21 *through a joint venture.*

22 As the world's only tech-luxury intelligent Internet electric vehicle
23 brand, FF expects to sell more than 400,000 units cumulatively over the
24 next five years, and *its first flagship model, the FF 91, has received*
25 *over 14,000 reservations.*

26 28. On March 19, 2021, the Company published the text of a Q&A session
27 with IPO Edge. Therein, the Company, in relevant part, stated:

28 FF has the most exciting growth opportunity ahead in the EV market.
The transaction is expected to fully fund the production of our
flagship halo vehicle, the luxury electric FF 91, within 12 months of
close. The FF 91 is scheduled to launch in 2022, making our market
disrupting product a relatively near-term reality. Our technology has
been tested by the world's leading experts, who believe we have an
edge that can transform the market with unparalleled performance. FF
is led by a world-class management team with deep automotive,
software, and internet experience.

1 31. On July 21, 2021, Faraday Future announced the closing of the
2 Business Combination.

3 32. On September 19, 2021, Faraday Future published a “Futurist Day
4 Presentation” titled “Faraday Future Hosts 919 Futurist Day Co-Creation
5 Celebration and Announces New Business Initiatives as well as Positive Progress on
6 FF 91 Production and Vehicle Delivery.” Therein, the Company, in relevant part,
7 stated that “[t]he transaction is expected to fully fund the production of class-
8 defining performance luxury electric FF 91 within 12 months of transaction close”
9 and that “Faraday Future’s advanced manufacturing and factory operations teams
10 have made significant progress with the support of our equipment suppliers in
11 preparing the Hanford factory for the launch of the FF91.”

12 33. The above statements identified in ¶¶ 27-32 were materially false
13 and/or misleading, and failed to disclose material adverse facts about the Company’s
14 business, operations, and prospects. Specifically, Defendants failed to disclose to
15 investors: (1) that the Company had assets in China frozen by courts, (2) that a
16 significant percentage of its deposits for future deliveries were attributable to a
17 single undisclosed affiliate; (3) that the Company’s cars were not as close to
18 production as the Company claimed; (4) that, as a result of previously issued
19 statements that were misleading and/or inaccurate, Faraday Future could not timely
20 file its quarterly report; and (5) that, as a result of the foregoing, Defendants’
21 positive statements about the Company’s business, operations, and prospects were
22 materially misleading and/or lacked a reasonable basis.

23 34. The truth began to emerge on October 7, 2021 when J Capital Research
24 published a report titled “Move Over Lordstown: There’s a New EV Scam in
25 Town.” Therein, J Capital Research alleged, among other things, that Faraday
26 Future was unlikely to ever sell a car, noting that after eight years in business, the
27 Company has “failed to deliver a car,” “has reneged on promises to build factories
28 in five localities in the U.S. and China,” “is being sued by dozens of unpaid

1 suppliers,” and “has failed to disclose that assets in China have been frozen by
2 courts.” Moreover, the report alleged that Faraday Future’s claimed 14,000 deposits
3 are fabricated because 78% of these reservations were made by a single undisclosed
4 company that is likely an affiliate. The report further alleges that contrary to
5 representations of progress toward manufacturing made by Faraday Future in
6 September 2021, former engineering executives did not believe that the car was
7 ready for production. J Capital Research summarized its findings:

8 We don't think Faraday Future (FFIE), an EV SPAC, will ever sell a
9 car. So far, it's nothing but a bucket to collect money from U.S.
10 investors and pour it into the black hole of debt created by its founder,
11 China's best-known securities fraudster, Jia Yueting.

12 *After eight years in business, FFIE has failed to deliver a car and is*
13 *yet again saying “next year.” The company has reneged on promises*
14 *to build factories in five localities in the U.S. and China and*
15 *repeatedly delayed the sixth. FFIE is being sued by dozens of unpaid*
16 *suppliers and has failed to disclose that assets in China have been*
17 *frozen by courts. And Jia appears to be running the company behind*
18 *the scenes.*

19 Given the current bubble environment, FFIE nevertheless managed to
20 raise about \$1 bln from U.S. investors via PIPEs and SPAC merger in
21 July. Now it promises to restart its abandoned factory in Hanford,
22 California and mass-produce cars in just seven months. We doubt that
23 timeline will hold: three recent visits to the factory showed little
24 activity, and company formers told us there are still engineering
25 problems to work out.

26 FFIE is the malformed lovechild of the imperiled Chinese real estate
27 developer Evergrande (3333 HK) and Jia, China’s fugitive default king.
28 We expect Evergrande, which owns 20.5% of this company and stands
to gain more equity, to sell off its shares as soon as the lockup period
ends, in January 2022 if not, quietly, before that.

In January 2021, the company claimed it had 14,000 reservations for
the car—until one week after Hindenburg published its findings that
Lordstown’s orders were faked. Without explanation, after March 19,
FFIE no longer made reference to the number of reservations. In

1 *fact, these reservations--78% of which were from a single company—*
2 *had been converted in 2020 to a note payable earning 8% interest.*

3 The company strongly implies that the mystery booker, who was
4 apparently ready to spend well over \$1 bln on FFIE cars, may be an
5 “affiliate.” They fail to say who it was. In H1 2021, despite the
6 upcoming SPAC merger, FFIE took in just \$144,000 in new customer
7 deposits.

8 * * *

9 On September 20, 2021, the company issued a new presentation
10 claiming progress toward manufacturing. *But former engineering*
11 *executives we interviewed did not believe that the car was ready for*
12 *production.* FFIE’s contention that it needed just \$90 mln to start mass
13 production in seven months is “not even in the ballpark of true,” said
14 one formerly highly placed executive. Another former executive said,
15 “The story with the SPAC is that they just needed money to
16 manufacture, but I think there are still some critical engineering
17 issues.”

18 Chinese government reports show that in 2016, FFIE’s subsidiary
19 LeSee put \$154 mln into the company’s largest planned manufacturing
20 site, in China’s Zhejiang Province, but we visited the location and
21 found nothing but an overgrown field. The area is so deserted that even
22 the police station in what was intended to be the Faraday factory park
23 has closed.

24 Jia Yueting, FFIE founder, has been banned for life from being
25 associated with publicly listed companies in China. FFIE admits in its
26 “risks” section that he has “illegally” provided funding and guarantees
27 to affiliated companies, improperly diverted proceeds from the public
28 offering of a company he controlled, and lied to Chinese regulators and
investors. In Hong Kong, where he was chairman of the long-halted
Coolpad Group Limited (2369 HK), he failed to disclose key
transactions. Holding the title “Partner, Chief Product & User
Ecosystem Officer,” Jia still controls key spending decisions at FFIE
through the FF Global Executive Committee. Because of him, FFIE’s
USD accounts in China have been frozen by regulators. In a lawsuit
against FFIE, the company’s former General Counsel Hong Liu
claimed that a Jia “clique” controlled the company regardless of legal
commitments.

1 Embarrassed by Jia, FFIE hired a “professional” CEO in September
2 2019, but his track record in Chinese EVs is not much better. Carsten
3 Breitfeld was co-founder of Nanjing-based Byton, which owed
4 suppliers and employees millions of dollars when it stopped operating
5 in 2020. He conveniently omits from his bio in the prospectus his ill-
6 fated tenure as CEO of another Chinese EV hopeful called Iconiq,
7 which raised over ¥1.2 bln before going silent. He gets tepid reviews
8 from formers.

9 In the current overheated EV environment, the company appears to be
10 having difficulty finding talent In September, FFIE announced new
11 executives: one from Lordstown—the company an FFIE former said “is
12 setting new standards for fraud”—and two from Karma, a moribund
13 company that the auto news site Jalopnik claims may have faked
14 prototypes. One of the Karma graduates is an ex-vice president of A123
15 Systems, a formerly U.S.-listed Chinese company that has been sued
16 multiple times for patent infringement and securities fraud.

17 35. On this news, the Company’s share price fell \$0.35 per share, or more
18 than 4%, to close at \$8.05 per share on October 8, 2021.

19 36. On November 2, 2021, Faraday Future announced that McBride was
20 replacing Glasman as CFO. The Company claimed that “Mr. McBride succeeds Zvi
21 Glasman, who resigned as CFO of the company to pursue other opportunities” and
22 that “Mr. Glasman’s departure from the Company is not a result of any
23 disagreement with the Company’s independent auditors or any member of
24 management on any matter of accounting principles or practices, financial statement
25 disclosure, or internal controls.”

26 37. The above statements identified in ¶ 36 were materially false and/or
27 misleading, and failed to disclose material adverse facts about the Company’s
28 business, operations, and prospects. Specifically, Defendants failed to disclose to
investors: (1) that, as a result of previously issued statements that were misleading
and/or inaccurate, Faraday Future could not timely file its quarterly report; and (2)
that, as a result of the foregoing, Defendants’ positive statements about the

1 Company’s business, operations, and prospects were materially misleading and/or
2 lacked a reasonable basis.

3 **Disclosures at the End of the Class Period**

4 38. On November 15, 2021, Faraday Future issued a press release entitled
5 “Faraday Future Provides Business Update.” Therein, Faraday Future announced
6 that it would be unable to file its Form 10-Q for the fiscal quarter ended September
7 30, 2021 on time. Faraday Future further announced that its board of directors
8 “formed a special committee of independent directors to review allegations of
9 inaccurate disclosures,” including the claims in the J Capital report. In greater part,
10 the Company disclosed:

11 Faraday Future Intelligent Electric Inc. (“Faraday Future” or the
12 “Company”) (NASDAQ: FFIE), a California-based global shared
13 intelligent electric mobility ecosystem company, filed a Form 12b-25
14 notifying the SEC that it is unable to file its Form 10-Q for the fiscal
15 quarter ended September 30, 2021 within the prescribed time period,
16 and does not expect to file it by the extended filing date pursuant to
17 Rule 12b-25. The Company is also unable to file its amended
18 Registration Statement on Form S-1 (File No. 333-258993) (the “Form
19 S-1/A”) at this time.

20 The Company’s Board of Directors formed a special committee of
21 independent directors to review allegations of inaccurate disclosures,
22 including claims made in a report issued by an investor with a history
23 of seeking to drive down public companies’ stock prices for its own
24 benefit. Faraday Future seeks to do business in the most ethical and
25 transparent way. As a new public company, the Board, as part of its
26 review, is seeking to ensure that the Company is adhering to the highest
27 standards of conduct.

28 The special committee’s review is ongoing, and it is working diligently
with independent counsel and advisors to complete its review as soon
as possible. The Company is committed to working with the special
committee to complete its work in order to re-establish timely financial
reporting as soon as feasible. Until the review is complete, the
Company is not able to file its Form 10-Q or Form S-1/A.

1 necessary to make Defendants' statements, as set forth herein, not false and/or
2 misleading. The statements and omissions were materially false and/or misleading
3 because they failed to disclose material adverse information and/or misrepresented
4 the truth about Faraday Future's business, operations, and prospects as alleged
5 herein.

6 48. At all relevant times, the material misrepresentations and omissions
7 particularized in this Complaint directly or proximately caused or were a substantial
8 contributing cause of the damages sustained by Plaintiff and other members of the
9 Class. As described herein, during the Class Period, Defendants made or caused to
10 be made a series of materially false and/or misleading statements about Faraday
11 Future's financial well-being and prospects. These material misstatements and/or
12 omissions had the cause and effect of creating in the market an unrealistically
13 positive assessment of the Company and its financial well-being and prospects, thus
14 causing the Company's securities to be overvalued and artificially inflated at all
15 relevant times. Defendants' materially false and/or misleading statements during
16 the Class Period resulted in Plaintiff and other members of the Class purchasing the
17 Company's securities at artificially inflated prices, thus causing the damages
18 complained of herein when the truth was revealed.

19 **LOSS CAUSATION**

20 49. Defendants' wrongful conduct, as alleged herein, directly and
21 proximately caused the economic loss suffered by Plaintiff and the Class.

22 50. During the Class Period, Plaintiff and the Class purchased Faraday
23 Future's securities at artificially inflated prices and were damaged thereby. The
24 price of the Company's securities significantly declined when the
25 misrepresentations made to the market, and/or the information alleged herein to
26 have been concealed from the market, and/or the effects thereof, were revealed,
27 causing investors' losses.
28

1 Defendants made or caused to be made a series of materially false and/or misleading
2 statements about Faraday Future's business, prospects, and operations. These
3 material misstatements and/or omissions created an unrealistically positive
4 assessment of Faraday Future and its business, operations, and prospects, thus
5 causing the price of the Company's securities to be artificially inflated at all relevant
6 times, and when disclosed, negatively affected the value of the Company shares.
7 Defendants' materially false and/or misleading statements during the Class Period
8 resulted in Plaintiff and other members of the Class purchasing the Company's
9 securities at such artificially inflated prices, and each of them has been damaged as a
10 result.

11 54. At all relevant times, the market for Faraday Future's securities was an
12 efficient market for the following reasons, among others:

13 (a) Faraday Future shares met the requirements for listing, and was
14 listed and actively traded on the NASDAQ, a highly efficient and automated market;

15 (b) As a regulated issuer, Faraday Future filed periodic public
16 reports with the SEC and/or the NASDAQ;

17 (c) Faraday Future regularly communicated with public investors via
18 established market communication mechanisms, including through regular
19 dissemination of press releases on the national circuits of major newswire services
20 and through other wide-ranging public disclosures, such as communications with the
21 financial press and other similar reporting services; and/or

22 (d) Faraday Future was followed by securities analysts employed by
23 brokerage firms who wrote reports about the Company, and these reports were
24 distributed to the sales force and certain customers of their respective brokerage
25 firms. Each of these reports was publicly available and entered the public
26 marketplace.

27 55. As a result of the foregoing, the market for Faraday Future's securities
28 promptly digested current information regarding Faraday Future from all publicly

1 those forward-looking statements was made, the speaker had actual knowledge that
2 the forward-looking statement was materially false or misleading, and/or the
3 forward-looking statement was authorized or approved by an executive officer of
4 Faraday Future who knew that the statement was false when made.

5
6 **FIRST CLAIM**
7 **Violation of Section 10(b) of The Exchange Act and**
8 **Rule 10b-5 Promulgated Thereunder**
9 **Against All Defendants**

10 58. Plaintiff repeats and re-alleges each and every allegation contained
11 above as if fully set forth herein.

12 59. During the Class Period, Defendants carried out a plan, scheme and
13 course of conduct which was intended to and, throughout the Class Period, did: (i)
14 deceive the investing public, including Plaintiff and other Class members, as alleged
15 herein; and (ii) cause Plaintiff and other members of the Class to purchase Faraday
16 Future's securities at artificially inflated prices. In furtherance of this unlawful
17 scheme, plan and course of conduct, Defendants, and each defendant, took the
18 actions set forth herein.

19 60. Defendants (i) employed devices, schemes, and artifices to defraud; (ii)
20 made untrue statements of material fact and/or omitted to state material facts
21 necessary to make the statements not misleading; and (iii) engaged in acts, practices,
22 and a course of business which operated as a fraud and deceit upon the purchasers of
23 the Company's securities in an effort to maintain artificially high market prices for
24 Faraday Future's securities in violation of Section 10(b) of the Exchange Act and
25 Rule 10b-5. All Defendants are sued either as primary participants in the wrongful
26 and illegal conduct charged herein or as controlling persons as alleged below.

27 61. Defendants, individually and in concert, directly and indirectly, by the
28 use, means or instrumentalities of interstate commerce and/or of the mails, engaged
and participated in a continuous course of conduct to conceal adverse material

1 information about Faraday Future’s financial well-being and prospects, as specified
2 herein.

3 62. Defendants employed devices, schemes and artifices to defraud, while
4 in possession of material adverse non-public information and engaged in acts,
5 practices, and a course of conduct as alleged herein in an effort to assure investors of
6 Faraday Future’s value and performance and continued substantial growth, which
7 included the making of, or the participation in the making of, untrue statements of
8 material facts and/or omitting to state material facts necessary in order to make the
9 statements made about Faraday Future and its business operations and future
10 prospects in light of the circumstances under which they were made, not misleading,
11 as set forth more particularly herein, and engaged in transactions, practices and a
12 course of business which operated as a fraud and deceit upon the purchasers of the
13 Company’s securities during the Class Period.

14 63. Each of the Individual Defendants’ primary liability and controlling
15 person liability arises from the following facts: (i) the Individual Defendants were
16 high-level executives and/or directors at the Company during the Class Period and
17 members of the Company’s management team or had control thereof; (ii) each of
18 these defendants, by virtue of their responsibilities and activities as a senior officer
19 and/or director of the Company, was privy to and participated in the creation,
20 development and reporting of the Company’s internal budgets, plans, projections
21 and/or reports; (iii) each of these defendants enjoyed significant personal contact
22 and familiarity with the other defendants and was advised of, and had access to,
23 other members of the Company’s management team, internal reports and other data
24 and information about the Company’s finances, operations, and sales at all relevant
25 times; and (iv) each of these defendants was aware of the Company’s dissemination
26 of information to the investing public which they knew and/or recklessly
27 disregarded was materially false and misleading.

28

1 64. Defendants had actual knowledge of the misrepresentations and/or
2 omissions of material facts set forth herein, or acted with reckless disregard for the
3 truth in that they failed to ascertain and to disclose such facts, even though such
4 facts were available to them. Such defendants' material misrepresentations and/or
5 omissions were done knowingly or recklessly and for the purpose and effect of
6 concealing Faraday Future's financial well-being and prospects from the investing
7 public and supporting the artificially inflated price of its securities. As demonstrated
8 by Defendants' overstatements and/or misstatements of the Company's business,
9 operations, financial well-being, and prospects throughout the Class Period,
10 Defendants, if they did not have actual knowledge of the misrepresentations and/or
11 omissions alleged, were reckless in failing to obtain such knowledge by deliberately
12 refraining from taking those steps necessary to discover whether those statements
13 were false or misleading.

14 65. As a result of the dissemination of the materially false and/or
15 misleading information and/or failure to disclose material facts, as set forth above,
16 the market price of Faraday Future's securities was artificially inflated during the
17 Class Period. In ignorance of the fact that market prices of the Company's
18 securities were artificially inflated, and relying directly or indirectly on the false and
19 misleading statements made by Defendants, or upon the integrity of the market in
20 which the securities trades, and/or in the absence of material adverse information
21 that was known to or recklessly disregarded by Defendants, but not disclosed in
22 public statements by Defendants during the Class Period, Plaintiff and the other
23 members of the Class acquired Faraday Future's securities during the Class Period
24 at artificially high prices and were damaged thereby.

25 66. At the time of said misrepresentations and/or omissions, Plaintiff and
26 other members of the Class were ignorant of their falsity, and believed them to be
27 true. Had Plaintiff and the other members of the Class and the marketplace known
28 the truth regarding the problems that Faraday Future was experiencing, which were

1 not disclosed by Defendants, Plaintiff and other members of the Class would not
2 have purchased or otherwise acquired their Faraday Future securities, or, if they had
3 acquired such securities during the Class Period, they would not have done so at the
4 artificially inflated prices which they paid.

5 67. By virtue of the foregoing, Defendants violated Section 10(b) of the
6 Exchange Act and Rule 10b-5 promulgated thereunder.

7 68. As a direct and proximate result of Defendants' wrongful conduct,
8 Plaintiff and the other members of the Class suffered damages in connection with
9 their respective purchases and sales of the Company's securities during the Class
10 Period.

11 **SECOND CLAIM**
12 **Violation of Section 20(a) of The Exchange Act**
13 **Against the Individual Defendants**

14 69. Plaintiff repeats and re-alleges each and every allegation contained
15 above as if fully set forth herein.

16 70. Individual Defendants acted as controlling persons of Faraday Future
17 within the meaning of Section 20(a) of the Exchange Act as alleged herein. By
18 virtue of their high-level positions and their ownership and contractual rights,
19 participation in, and/or awareness of the Company's operations and intimate
20 knowledge of the false financial statements filed by the Company with the SEC and
21 disseminated to the investing public, Individual Defendants had the power to
22 influence and control and did influence and control, directly or indirectly, the
23 decision-making of the Company, including the content and dissemination of the
24 various statements which Plaintiff contends are false and misleading. Individual
25 Defendants were provided with or had unlimited access to copies of the Company's
26 reports, press releases, public filings, and other statements alleged by Plaintiff to be
27 misleading prior to and/or shortly after these statements were issued and had the
28

1 ability to prevent the issuance of the statements or cause the statements to be
2 corrected.

3 71. In particular, Individual Defendants had direct and supervisory
4 involvement in the day-to-day operations of the Company and, therefore, had the
5 power to control or influence the particular transactions giving rise to the securities
6 violations as alleged herein, and exercised the same.

7 72. As set forth above, Faraday Future and Individual Defendants each
8 violated Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this
9 Complaint. By virtue of their position as controlling persons, Individual Defendants
10 are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate
11 result of Defendants' wrongful conduct, Plaintiff and other members of the Class
12 suffered damages in connection with their purchases of the Company's securities
13 during the Class Period.

14 **PRAYER FOR RELIEF**

15 WHEREFORE, Plaintiff prays for relief and judgment, as follows:

16 (a) Determining that this action is a proper class action under Rule 23 of
17 the Federal Rules of Civil Procedure;

18 (b) Awarding compensatory damages in favor of Plaintiff and the other
19 Class members against all defendants, jointly and severally, for all damages
20 sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial,
21 including interest thereon;

22 (c) Awarding Plaintiff and the Class their reasonable costs and expenses
23 incurred in this action, including counsel fees and expert fees; and

24 (d) Such other and further relief as the Court may deem just and proper.

25 **JURY TRIAL DEMANDED**

26
27 Plaintiff hereby demands a trial by jury.
28