

CAUSE NO. 2024-45884

ANTHONY PUSCH,
GERARD PUSCH, AND
PUSCH & NGUYEN LAW FIRM, PLLC

Plaintiffs

VS.

CHI-HUNG DAVID NGUYEN

Defendant

§
§
§
§
§
§
§
§
§
§

IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

281ST JUDICIAL DISTRICT

DEFENDANT’S ORIGINAL ANSWER AND COUNTERCLAIM

TO THE HONORABLE JUDGE OF THIS COURT:

COMES NOW, Defendant Chi-Hung David Nguyen (“Mr. Nguyen”) and files this original answer and counterclaim and respectfully shows the Court as follows.

I. ORIGINAL ANSWER

1. Plaintiffs’ original petition and applications for injunctive relief are replete with false accusations and intentional misrepresentations.

2. Pursuant to Texas Rule of Civil Procedure 92, Mr. Nguyen generally denies the material allegations in Plaintiffs’ petition and applications for injunctive relief. However, Mr. Nguyen agrees that the business of Pusch & Nguyen Law Firm, PLLC (“Pusch Nguyen”) should be wound up and terminated pursuant to the written agreements of the parties and applicable Texas law.

3. Pursuant to Texas Rule of Civil Procedure 94, Mr. Nguyen asserts the affirmative defenses of fraud and prior material breach of contract.

II. ORIGINAL COUNTERCLAIM

4. Pursuant to Texas Rule of Civil Procedure 97, Mr. Nguyen files this counterclaim and -- subject to future amendment and/or supplementation to include affirmative causes of

action against Plaintiffs Anthony Pusch and Gerard Pusch -- seeks an accounting and the winding up and termination of Pusch Nguyen.

5. Pusch Nguyen (sometimes referred to as “the firm”) has been a successful law firm that has generated millions of dollars in annual revenue. Plaintiff Gerard Pusch does not participate in the day-to-day operation of the firm. In broad terms, Plaintiff Anthony Pusch (“Mr. Pusch”) manages the firm’s commercial litigation docket, while Mr. Nguyen oversees firm operations and directs the firm’s marketing and branding efforts.

6. In 2023, Mr. Nguyen became concerned about significant and unexplained expenses that were allegedly related to lawsuits on which Mr. Pusch was working. Mr. Nguyen voiced his concerns regarding these excessive expenses to Mr. Pusch. Mr. Pusch ignored these concerns and, as a result, the firm began to experience serious cash flow issues. Despite these cash flow issues, Mr. Pusch and his father insisted on taking their distributions from the firm’s operating account. In contrast, in an attempt to alleviate the cash flow issues, Mr. Nguyen did not take his distributions for April, May, or June of 2023.

7. Mr. Pusch and his father continued to ignore Mr. Nguyen’s legitimate and repeated concerns regarding expenses. Therefore, Mr. Nguyen asked for a firm-wide audit and accounting of all expenses. Mr. Pusch and his father likewise ignored and refused Mr. Nguyen’s request for a full firm audit and accounting.

8. Meanwhile, the firm continued to experience cash flow issues because of Mr. Pusch’s unexplained “litigation” expenses. Mr. Pusch and his father continued to take their distributions from the firm’s operating account. Mr. Nguyen continued not to not take his. In fact, after taking a “catch-up” distribution from previous months, Mr. Nguyen did not take his distributions for July, August, September, October, or November 2023 -- effectively providing

the law firm with an interest-free loan of Mr. Nguyen's personal funds to mitigate the firm's cash flow issues.

9. A significant settlement in November 2023 offered the hope of some relief from these cash flow issues. Net settlement proceeds were eventually transferred from the firm's trust account to the firm's operating account in March 2024. Mr. Nguyen and Mr. Pusch explicitly agreed that they were both entitled to a \$1,000,000 distribution related to this settlement. However, neither Mr. Nguyen nor Mr. Pusch took the distribution when authorized in March 2024.

10. Despite the cash infusion from the above-referenced settlement, Mr. Nguyen remained concerned about the still-unexplained expenses allegedly related to certain cases on Mr. Pusch's litigation docket. Mr. Nguyen asked the firm's Chief Operating Officer to compile a report regarding some of Mr. Pusch's expenses and, after reviewing this report, Mr. Pusch eventually implemented a new firm-wide protocol in May 2024 in an attempt to address future needless and/or inefficient spending.

11. Even after the implementation of the new protocol, Mr. Nguyen continued to express concerns regarding expenses, and repeatedly requested an audit and accounting of firm expenses. Mr. Pusch and his father continued to ignore these concerns and requests.

12. Instead, Mr. Pusch and his father insisted on a "mini-audit" regarding certain expenses relating to remote office staffing. Mr. Nguyen (and his brother John, who led the remote staffing project) put larger concerns regarding all firm expenses on hold and provided Mr. Pusch and his father with all documentation and all information that they requested. Still, despite multiple meetings regarding the remote staffing project (after which Mr. Pusch's father expressed his "appreciation" on May 18, 2024 and again on June 3, 2024, and Mr. Pusch belatedly recalled that he had explicitly approved a compensation structure on October 9, 2023

that fully resolved and accounted for the so-called “disproportionately large” payments allegedly made to Prosper RX, LLC), Mr. Pusch and his father persisted in stonewalling Mr. Nguyen’s requests for a larger, firm-wide audit and full accounting of all firm expenses.

13. For these and numerous other reasons that Mr. Nguyen chooses not to list in this pleading, in June 2024, Mr. Nguyen informed Mr. Pusch that it seemed best to wind up the business of the firm and go their separate ways. During subsequent discussions with Mr. Pusch, the parties discussed -- on numerous occasions -- various possibilities for a resolution short of full dissolution of the firm. As late as July 17, 2024, Mr. Nguyen (without counsel) met with Mr. Pusch’s lawyer to discuss these possibilities. At the end of that conversation, the parties agreed to resume their discussions on July 19, 2024. However, Mr. Pusch’s lawyer did not reach out as promised, and -- with no further discussion and with zero notice to Mr. Nguyen **or to the employees and staff of the firm** -- Plaintiffs filed their petition and application for injunctive relief on July 22, 2024.

14. Plaintiffs’ intimations regarding the \$1,000,000 distribution taken by Mr. Nguyen in June 2024 are deliberately misleading. During the recent separation discussions between Mr. Nguyen and Mr. Pusch -- which were for the most part amicable -- Mr. Nguyen repeatedly disclosed that he was going to withdraw from the firm operating account his \$1,000,000 distribution from the previously-mentioned November 2023 settlement. In fact, Mr. Nguyen not only disclosed the exact date on which he was going to make this withdrawal, but he also disclosed the purpose of the withdrawal: to buy land for an unrelated business that Mr. Nguyen intends to start. Mr. Nguyen did not withdraw money that belonged to firm clients, or to firm employees, or to Plaintiffs. He withdrew money that belonged to him -- and that he had been entitled to withdraw for several months. And he did so with explicit and repeated prior notice to Mr. Pusch.

15. Plaintiffs' allegations regarding trademark issues are similarly misleading. Mr. Nguyen asked Mr. Pusch for more than two years to assist with obtaining trademark protection for the firm's slogan, but Mr. Pusch flatly refused. So -- just like he took the lead in obtaining domain names, selecting and securing toll free telephone numbers, designing logos, and developing other marketing and branding initiatives while Mr. Pusch stood idly by and watched -- Mr. Nguyen took the lead in obtaining a trademark. Again, Mr. Nguyen informed Mr. Pusch of all of his efforts in all of these regards, and they celebrated together when Mr. Nguyen explicitly informed Mr. Pusch that "we" had finally, after two years of work, obtained a trademark. Everything that Mr. Nguyen did with respect to his significant (and undeniably successful) marketing and branding efforts, he did to benefit the firm. To state or to imply otherwise is devoid of credibility.

16. Finally, Plaintiffs' statements regarding alleged "soliciting" of clients, and of firm attorneys and employees, are not just misleading. They are untrue.

17. Although Plaintiffs' stated "reasons" for winding up the business and affairs of Pusch Nguyen are contrived, Mr. Nguyen agrees that winding up is both appropriate and necessary pursuant to the applicable Company Agreement and the Texas Business Organizations Code. Mr. Nguyen not only welcomes court appointment of an independent, outside third party (**not** Mr. Pusch or his father) to carry out the winding up of the firm, he demands it.

III.

WHEREFORE, PREMISES CONSIDERED, Mr. Nguyen respectfully requests that this Court deny all relief requested by Plaintiffs. Mr. Nguyen respectfully requests that this Court enter appropriate orders regarding the winding up and termination of Pusch Nguyen. Mr. Nguyen further respectfully requests all other relief to which he may be entitled.

Respectfully submitted,

THE LITTLE LAW FIRM, P.C.

_____/s/ Joseph R. Little

Joseph R. Little
State Bar No. 00784483
440 Louisiana Street, Suite 900
Houston, Texas 77002
(713) 222-1368 - Telephone
(281) 200-0115 - Facsimile
jrl@littlawtexas.com

Attorney in Charge for Defendant and Counter-
plaintiff Chi-Hung David Nguyen

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the above document has been served upon all parties that have been served and made an appearance in accordance with the Texas Rules of Civil Procedure on this the 31st day of July, 2024.

_____/s/ Joseph R. Little

Joseph R. Little

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Joseph Little on behalf of Joseph Little
Bar No. 00784483
jrl@littlelawtexas.com
Envelope ID: 90389968
Filing Code Description: Counter Claim/Cross
Action/Interpleader/Intervention/Third Party
Filing Description: Nguyen Answer and Counterclaim
Status as of 7/31/2024 2:14 PM CST

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Joseph Little	784483	jrl@littlelawtexas.com	7/31/2024 1:36:50 PM	SENT
Rodney Drinnon		rdrinnon@mccathernlaw.com	7/31/2024 1:36:50 PM	SENT
Simone Nunez		snunez@mccathernlaw.com	7/31/2024 1:36:50 PM	SENT
David Clark		dclark@mccathernlaw.com	7/31/2024 1:36:50 PM	SENT
Danielle Chester		dchester@mccathernlaw.com	7/31/2024 1:36:50 PM	SENT
Haseeb Dada		hdada@mccathernlaw.com	7/31/2024 1:36:50 PM	SENT
Averyll Mauch		amauch@Mccathernlaw.com	7/31/2024 1:36:50 PM	SENT
Tammy Massa		tmassa@mccathernlaw.com	7/31/2024 1:36:50 PM	SENT