SPAC Recovery Co. Files $590 Million Lawsuit Against Blackstone Products, Nomura , Franklin Square, Oaktree et al

Lawsuit alleges fraudulent scheme by defendants aided by Ackrell Capital, Michael Ackrell and O'Melveney & Myers seeking compensatory and punitive damages.

New York City, New York May 14, 2025 (Issuewire.com) - SPAC Recovery Co., formerly Ackrell SPAC Partners I Co., (the "Company" or "Plaintiff") filed today a major lawsuit in the Supreme Court of the State of New York, seeking over $590 million in damages against various defendants jointly and severally. The defendants include North Atlantic Imports, LLC (d/b/a Blackstone Products www.blackstoneproducts.com) ("Blackstone"), Nomura Securities International, Inc. www.nomura.com ("Nomura"), FS Credit Opportunities Corp. and related entities www.fsinvestments.com ("FS"), Oaktree Capital Management LP and related entities www.oaktreecapital.com ("Oaktree"), and individuals, including Blackstone's CEO Roger Dahle and employees of other defendants. The litigation complaint alleges a coordinated scheme by defendants (collectively the "Cabal") to undermine the Plaintiff's acquisition of Blackstone Products, a leading manufacturer of outdoor cooking products. Recent press reporting suggests that Blackstone Products is in the final stages of being acquired by its leading industry competitor, Weber-Stephens Products, LLC (www.weber.com), which is owned by the private equity firm BDT & MSD Partners (www.bdtmsd.com). The Company's lawsuit, SPAC Recovery Co versus North Atlantic Imports, LLC et al, was filed on May 13, 2025, in the Supreme Court of the State of New York, County of New York, and the case index number is 652916/2025 (www.bit.ly/SRC-NYS-Docket-652916-2025).

The complaint describes other alleged members of the Cabal, who are not included as defendants in the initial filed complaint, including: Ackrell Capital LLC, its' owner, Michael Ackrell and the law firm of O'Melveny & Myers ("OMM"). The Company is currently engaged in FINRA arbitration against Ackrell Capital covering the same allegations. During the acquisition transaction, OMM provided legal advice to the Plaintiff, also well as certain members of the Cabal, namely defendant Blackstone Products, Ackrell Capital and Michael Ackrell.

"SPAC Recovery Co. was betrayed by a deliberate scheme that materially harmed our investors," said a company spokesperson. "We are committed to holding all of the defendants accountable for their actions and securing justice for our stakeholders."

The lawsuit accuses the defendants of breaching contractual and fiduciary duties by misusing confidential information and orchestrating an alternative transaction to exclude SPAC Recovery Co. which closed in December 2022. The complaint alleges numerous unlawful acts committed by the Cabal, led by (i) non-defendant Michael Ackrell (then Chairman of SPAC Recovery Co.'s board and owner of Ackrell Capital, which was also engaged as financial advisor to Blackstone Products) and (ii) defendant Roger Dahle (founder and CEO of Blackstone Products).

The complaint alleges that Nomura, which was engaged by the Company to be its advisor, misled the Company's Board of Directors during the period of the fraud. While Nomura claimed to the Company's board that its' efforts were focused solely on closing the acquisition transaction, instead, it was allegedly collaborating with the Cabal in furtherance of the fraud, in violation of Nomura's professional duties to the Company. Specifically, it is alleged that Nomura assisted Michael Ackrell and Roger Dahle to convince investors FS and Oaktree to participate in the competing transaction, in violation of various agreements, which caused the demise of the Company's intended acquisition.

The Company asserts 12 causes of action against defendants, including breach of contract, intentional interference, aiding and abetting fiduciary breaches, and respondeat superior, and is seeking: (i) $54 million in compensatory damages, (ii) $537 million in punitive damages, (iii) Specific performance to enforce the BCA, requiring Blackstone Products to sell 18% of its equity to the Company, (iv) Appointment of a receiver to oversee Blackstone Product's financial activities during litigation, and (v) Reimbursement of attorney fees and costs.

The Company is asking for any individuals with first-hand knowledge of the actions described above, which inflicted the material financial damage on the Company, to please email the Company, or via legal counsel, to discuss in confidence their possible assistance.

About SPAC Recovery Co. - The plaintiff is a Delaware corporation originally formed to pursue a merger or acquisition of an operating business, and had raised approximately $138 million for such purpose. The Company has secured funded litigation financing which it believes is sufficient to fully prosecute its' case against all Defendants.

For press inquiries, contact the Company via: SRC.Litigation@gmail.com

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