

ATTACHMENT 1

TO PRAECIPE, REPLACING ECF NO. 158

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theile

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don DeLoach,
Wayne Wisheart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris,

Defendants.

Atonomi LLC, a Delaware LLC,

Counterclaimant,

vs.

CHRIS HUNICHEN, an individual, ,

Counter-Defendant.

No. 19-2-cv-00615-RAJ-MAT

**DEFENDANT ATONOMI LLC'S
ANSWER TO SECOND AMENDED
CLASS ACTION COMPLAINT AND
COUNTERCLAIMS**

JURY DEMAND

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ANSWER

Defendant Atonomi LLC (“Defendant”) hereby answers the Second Amended Class Action Complaint (“SAC”) as follows.

I. INTRODUCTION

1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph. Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining allegations of paragraph 1 of the SAC.

2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant denies the remaining allegations of paragraph 2 of the SAC.

3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant denies the remaining allegations of paragraph 3 of the SAC.

4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the remaining allegations of paragraph 4 of the SAC.

5. Defendant denies the allegations of paragraph 5 of the SAC.

6. Defendant denies the allegations of paragraph 6 of the SAC.

7. Defendant denies the allegations of paragraph 7 of the SAC.

II. JURISDICTION AND VENUE

8. Defendant admits the allegations of paragraph 8 of the SAC.

9. Defendant admits the allegations of paragraph 9 of the SAC.

10. Defendant admits that this Court has personal jurisdiction. Defendant is without knowledge as to other individual defendants and on that basis denies the same. Defendant denies the remaining allegations of paragraph 10 of the SAC.

11. Defendant admits that this Court has personal jurisdiction. Defendant is without knowledge as to other individual defendants and on that basis denies the same. Defendant denies the remaining allegations of paragraph 11 of the SAC.

12. Defendant admits that this Court has personal jurisdiction over the individual

1 defendants who reside in this state. Defendant denies the remaining allegations of paragraph 12
2 of the SAC.

3 13. Defendant admits that this Court has personal jurisdiction over the individual
4 defendants who reside in this state. Defendant denies the remaining allegations of paragraph 13
5 of the SAC.

6 14. Defendant admits that this Court has personal jurisdiction over the individual
7 defendants who reside in this state. Defendant denies the remaining allegations of paragraph 14
8 of the SAC.

9 15. Defendant admits the allegations of paragraph 15 of the SAC.

10 **III. PARTIES**

11 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
12 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
13 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

14 17. Defendant admits the allegations of paragraph 17 of the SAC.

15 18. Defendant admits the allegations of paragraph 18 of the SAC.

16 19. Defendant admits the allegations of paragraph 19 of the SAC.

17 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
18 and on that basis denies the same.

19 21. Defendant denies the allegations of paragraph 21 of the SAC.

20 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
21 and on that basis denies the same.

22 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
23 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
24 without knowledge as to the allegations relating to Emery’s residence and on that basis denies
25 the same. Defendant denies the remaining allegations of paragraph 23 of the SAC.

26 24. Defendant denies the allegations of paragraph 24 of the SAC.

27 25. Defendant admits that Robert Strickland, under contract through his firm, M37

1 Ventures, Inc., provided services to the company, including acting as CEO of Atonomi and CEO
2 of CENTRI. Defendant denies the remaining allegations of paragraph 25 of the SAC.

3 26. Defendant denies the allegations of paragraph 26 of the SAC.

4 27. Defendant admits that Don DeLoach was President and COO of CENTRI.
5 Defendant denies the remaining allegations of paragraph 27 of the SAC.

6 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant
7 admits that Wischart is a Washington resident. Defendant denies the remaining allegations of
8 paragraph 28 of the SAC.

9 29. Defendant denies the allegations of paragraph 29 of the SAC.

10 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
11 CENTRI. Defendant is without knowledge as to the allegations relating to Mackey's residence
12 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 30
13 of the SAC.

14 31. Defendant admits that James Salter was the acting Director of Marketing for
15 Atonomi and Director of Marketing for CENTRI. Defendant is without knowledge as to the
16 allegations relating to Salter's residence and on that basis denies the same. Defendant denies the
17 remaining allegations of paragraph 31 of the SAC.

18 32. Defendant admits that Luis Paris was Chief Scientist of CENTRI (which is not an
19 Officer) and worked on Atonomi R&D engineering duties. Defendant is without knowledge as
20 to the allegations relating to Paris's residence and on that basis denies the same. Defendant
21 denies the remaining allegations of paragraph 32 of the SAC.

22 **IV. FACTS**

23 33. Defendant admits the allegations of paragraph 33 of the SAC.

24 34. Defendant admits that Atonomi publicly stated that it was using blockchain
25 technology to develop its network and the utility tokens to be used on the network. Defendant
26 denies the remaining allegations of paragraph 34 of the SAC.

27 35. Defendant admits the allegations of paragraph 35 of the SAC.

1 36. Defendant is without knowledge as to what other persons “often” do and on that
2 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
3 divorced from its context. Defendant admits that while some of the allegations may be generally
4 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
5 allegations of paragraph 36 of the SAC.

6 37. Defendant admits the allegations of paragraph 37 of the SAC.

7 38. Defendant admits the allegations of paragraph 38 of the SAC.

8 39. Defendant admits the allegations of paragraph 39 of the SAC.

9 40. Defendant admits the allegations of paragraph 40 of the SAC.

10 41. Defendant admits the allegations of paragraph 41 of the SAC.

11 42. Defendant denies the allegations of paragraph 42 of the SAC.

12 43. Defendant denies the allegations of paragraph 43 of the SAC.

13 44. Defendant admits that it entered into SAFTs with accredited investors, including
14 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
15 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
16 remaining allegations of paragraph 44 of the SAC.

17 45. Defendant admits that the SAFT is an agreement between Atonomi and an
18 accredited investor that speaks for itself. Defendant denies the remaining allegations of
19 paragraph 45 of the SAC.

20 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
21 Defendant denies the remaining allegations of paragraph 46 of the SAC.

22 47. Defendant admits the allegations of paragraph 47 of the SAC.

23 48. Defendant admits the allegations of paragraph 48 of the SAC.

24 49. Defendant admits the allegations of paragraph 49 of the SAC.

25 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
26 Defendant denies the remaining allegations of paragraph 50 of the SAC.

27 51. Defendant admits the allegations of paragraph 51 of the SAC.

1 52. Defendant admits that the SAFT discusses the use of investment capital, and the
2 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

3 53. Defendant admits the allegations of paragraph 53 of the SAC.

4 54. Defendant admits the allegations of paragraph 54 of the SAC.

5 55. Defendant admits that Atonomi entered into SAFTs with only accredited
6 investors, and thus these agreements were exempt from certain U.S. securities regulations.
7 Defendant denies the remaining allegations of paragraph 55 of the SAC.

8 56. Defendant admits that between February and early May 2018, Atonomi entered
9 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
10 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
11 allegations of paragraph 56 of the SAC.

12 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
13 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
14 allegations of paragraph 57 of the SAC.

15 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
16 conducted a token/coin sale directly to members of the public (excluding members of the public
17 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
18 allegations of paragraph 58 of the SAC.

19 59. Defendant admits the allegations of paragraph 59 of the SAC.

20 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
21 Defendant denies the remaining allegations of paragraph 60 of the SAC.

22 61. Defendant admits the allegations of paragraph 61 of the SAC.

23 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
24 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
25 allegations of paragraph 62 of the SAC.

26 63. Defendant admits the allegations of paragraph 63 of the SAC.

27 64. Defendant admits that as part of the SAFT sales, combined with the June 2018

1 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received
2 more ETH as part of the SAFT sales than as part of its June 2018 sale. Defendant denies the
3 remaining allegations of paragraph 64 of the SAC.

4 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
5 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

6 66. Defendant admits the allegations of paragraph 66 of the SAC.

7 67. Defendant admits that the Form D acknowledged that the SAFT was a security
8 subject to exemption. Defendant denies the remaining allegations of paragraph 67 of the SAC.

9 68. Defendant admits that Atonomi informed SAFT investors that the SAFT was not
10 a registered security. Defendant denies the remaining allegations of paragraph 68 of the SAC.

11 69. Defendant admits the allegations of paragraph 69 of the SAC.

12 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
13 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
14 70 of the SAC.

15 71. Defendant is without knowledge as to what “numerous online chat messages”
16 refer to and on that basis denies the same. Defendant denies the remaining allegations of
17 paragraph 71 of the SAC.

18 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
19 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
20 SAC.

21 73. Defendant admits the allegations of paragraph 73 of the SAC.

22 74. Defendant admits the allegations of paragraph 74 of the SAC.

23 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
24 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
25 the remaining allegations of paragraph 75 of the SAC.

26 76. Defendant denies the allegations of paragraph 76 of the SAC.

27 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT

1 would be used in part to support the Atonomi Network. Defendant denies the remaining
2 allegations of paragraph 77 of the SAC.

3 78. Defendant admits the allegations of paragraph 78 of the SAC.

4 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens
5 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
6 of the SAC.

7 80. Defendant denies the allegations of paragraph 80 of the SAC.

8 81. Defendant denies the allegations of paragraph 81 of the SAC.

9 82. Defendant admits that Atonomi published the material on
10 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
11 remaining allegations of paragraph 82 of the SAC.

12 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
13 remaining allegations of paragraph 83 of the SAC.

14 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
15 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

16 85. Defendant admits that the Atonomi Network was launched before any tokens
17 were issued to outside users. Because tokens were essential to the functionality, it was
18 impossible for outside users to use the Atonomi Network without the requisite tokens.
19 Defendant denies the remaining allegations of paragraph 85 of the SAC.

20 86. Defendant denies the allegations of paragraph 86 of the SAC.

21 87. Defendant admits that approximately one month after the June 2018 sale of utility
22 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
23 remaining allegations of paragraph 87 of the SAC.

24 88. Defendant admits that on July 12, 2018, if it received activation emails from
25 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
26 paragraph 88 of the SAC.

27 89. Defendant admits that the Atonomi tokens were, as always planned and

1 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
2 source, public, blockchain-based distributed computing platform and operating system.

3 Defendant denies the remaining allegations of paragraph 89 of the SAC.

4 90. Defendant denies the allegations of paragraph 90 of the SAC.

5 91. Defendant denies the allegations of paragraph 91 of the SAC.

6 92. Defendant denies the allegations of paragraph 92 of the SAC.

7 93. Defendant admits that in private messages with Plaintiff Hunichen, Emery
8 acknowledged that “IDEX” was the first cryptocurrency exchange to list ATMI tokens.

9 Defendant denies the remaining allegations of paragraph 93 of the SAC.

10 94. Defendant admits that in private messages with Plaintiff Hunichen, Emery stated
11 that “We are watching the trading activity as well.” Defendant denies the remaining allegations
12 of paragraph 94 of the SAC.

13 95. Defendant admits that in private messages with Plaintiff Hunichen, Emery stated
14 that “Hard to believe sellers would take a loss on the first day. Atonomi is addressing a
15 cybersecurity need with a live network. I am long term on the value of he[*sic*] solution.”

16 Defendant denies the remaining allegations of paragraph 95 of the SAC.

17 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
18 FAQ” on its website and that the quoted language constitutes one portion of that webpage.

19 Defendant denies the remaining allegations of paragraph 96 of the SAC.

20 97. Defendant is without knowledge as to these purported private messages and on
21 that basis denies the same. Defendant denies the remaining allegations of paragraph 97 of the
22 SAC.

23 98. Defendant is without knowledge as to these purported private messages and on
24 that basis denies the same. Defendant denies the remaining allegations of paragraph 98 of the
25 SAC.

26 99. Defendant denies the allegations of paragraph 99 of the SAC.

27 100. Defendant denies the allegations of paragraph 100 of the SAC.

- 1 101. Defendant admits the allegations of paragraph 101 of the SAC.
- 2 102. Defendant denies the allegations of paragraph 102 of the SAC.
- 3 103. Defendant denies the allegations of paragraph 103 of the SAC.
- 4 104. Defendant admits the allegations of paragraph 104 of the SAC.
- 5 105. Defendant denies the allegations of paragraph 105 of the SAC.
- 6 106. Defendant denies the allegations of paragraph 106 of the SAC.
- 7 107. Defendant denies the allegations of paragraph 107 of the SAC.
- 8 108. Defendant denies the allegations of paragraph 108 of the SAC.
- 9 109. Defendant denies the allegations of paragraph 109 of the SAC.
- 10 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
11 SAC and on that basis denies the same.
- 12 111. Defendant is without knowledge as to any actions taken by third parties and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 111 of the
14 SAC.
- 15 112. Defendant denies the allegations of paragraph 112 of the SAC.
- 16 113. Defendant is without knowledge as to these purported private messages and on
17 that basis denies the same. Defendant denies the remaining allegations of paragraph 113 of the
18 SAC.
- 19 114. Defendant denies the allegations of paragraph 114 of the SAC.
- 20 115. Defendant denies the allegations of paragraph 115 of the SAC.
- 21 116. Defendant admits that in private messages with Plaintiff Hunichen, Emery stated
22 in part, “I am in touch with each of the larger syndicate groups to better understand their unique
23 needs and a solution they[*sic*] works for all. Ideally the leaders of each syndicate agree on how
24 they will hold and sell once listed. I would prefer to not have a firm lockup policy.” Defendant
25 denies the remaining allegations of paragraph 116 of the SAC.
- 26 117. Defendant denies the allegations of paragraph 117 of the SAC.
- 27 118. Defendant denies the allegations of paragraph 118 of the SAC.

28

1 119. Defendant is without knowledge as to these purported communications and on
2 that basis denies the same. Defendant denies the remaining allegations of paragraph 119 of the
3 SAC.

4 120. Defendant admits that Atonomi required all SAFT purchasers to complete
5 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
6 client privilege information and cannot respond as to any attorney-client privileged information.
7 Defendant denies the remaining allegations of paragraph 120 of the SAC.

8 121. Defendant admits that Atonomi required all SAFT purchasers to complete
9 investor questionnaires. Defendant denies the remaining allegations of paragraph 121 of the
10 SAC.

11 122. Defendant denies the allegations of paragraph 122 of the SAC.

12 123. Defendant denies the allegations of paragraph 123 of the SAC.

13 124. Defendant denies the allegations of paragraph 124 of the SAC.

14 125. Defendant denies the allegations of paragraph 125 of the SAC.

15 126. Defendant denies the allegations of paragraph 126 of the SAC.

16 127. Defendant denies the allegations of paragraph 127 of the SAC.

17 128. Defendant admits that they used public channels to respond to questions.
18 Defendant denies the remaining allegations of paragraph 128 of the SAC.

19 129. Defendant is without knowledge as to the exact number of individuals as of the
20 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
21 paragraph 129 of the SAC.

22 130. Defendant denies the allegations of paragraph 130 of the SAC.

23 131. Defendant is without knowledge as to the allegations of paragraph 131 of the
24 SAC and on that basis denies the same.

25 132. Defendant denies the allegations of paragraph 132 of the SAC.

26 133. Defendant denies the allegations of paragraph 133 of the SAC.

27 134. Defendant admits that Atonomi had a public website. Defendant denies the
28

1 remaining allegations of paragraph 134 of the SAC.

2 135. Defendant admits that Atonomi made some public presentations about itself and
3 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

4 136. Defendant is without knowledge as to any actions taken by third parties and on
5 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
6 SAC.

7 137. Defendant is without knowledge as to any actions taken by third parties and on
8 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
9 SAC.

10 138. Defendant admits that on April 17, 2018, Defendant Emery and Grant Fjermedal
11 appeared in a Twitter “Ask Me Anything” session and responded to certain questions.

12 Defendant is without knowledge as to the actions of third parties and on that basis denies the
13 same. Defendant denies the remaining allegations of paragraph 138 of the SAC.

14 139. Defendant admits that Atonomi had and used a Twitter account and made posts.
15 Defendant denies the remaining allegations of paragraph 139 of the SAC.

16 140. Defendant admits that Atonomi would respond to questions in certain forums
17 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

18 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
19 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
20 denies the remaining allegations of paragraph 141 of the SAC.

21 142. Defendant admits the allegations of paragraph 142 of the SAC.

22 143. Defendant admits the allegations of paragraph 143 of the SAC.

23 144. Defendant denies the allegations of paragraph 144 of the SAC.

24 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
25 denies the remaining allegations of paragraph 145 of the SAC.

26 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
27 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146

1 of the SAC.

2 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
3 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
4 of the SAC.

5 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
6 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
7 denies the allegations of remaining paragraph 148 of the SAC.

8 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
9 Defendant denies the remaining allegations of paragraph 149 of the SAC.

10 150. Defendant denies the allegations of paragraph 150 of the SAC.

11 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
12 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
13 the SAC.

14 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
15 denies the remaining allegations of paragraph 152 of the SAC.

16 153. Defendant denies the allegations of paragraph 153 of the SAC.

17 154. Defendant denies the allegations of paragraph 154 of the SAC.

18 155. Defendant denies the allegations of paragraph 155 of the SAC.

19 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
20 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
21 allegations of paragraph 156 of the SAC.

22 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
23 the remaining allegations of paragraph 157 of the SAC.

24 158. Defendant denies the allegations of paragraph 158 of the SAC.

25 159. Defendant admits that the utility tokens could be transferred upon release.
26 Defendant denies the remaining allegations of paragraph 159 of the SAC.

27 160. Defendant admits that they were seeking exchanges to list Atonomi's utility

1 tokens so that the public can buy the tokens for their intended use. Defendant denies the
2 remaining allegations of paragraph 160 of the SAC.

3 161. Defendant is without knowledge as to third party actions and on that basis denies
4 the same. Defendant admits that the Atonomi utility tokens are available on some public
5 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

6 162. Defendant denies the allegations of paragraph 162 of the SAC.

7 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
8 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
9 SAC.

10 164. Defendant denies the allegations of paragraph 164 of the SAC.

11 165. Defendant denies the allegations of paragraph 165 of the SAC.

12 166. Defendant is without knowledge as to third party actions and on that basis denies
13 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

14 167. Defendant is without knowledge as to third party actions and on that basis denies
15 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

16 168. Defendant denies the allegations of paragraph 168 of the SAC.

17 169. Defendant admits that CENTRI and Atonomi hosted meetings and sponsored
18 events at Mobile World Congress 2019 in Barcelona, Spain. Defendant denies the remaining
19 allegations of paragraph 169 of the SAC.

20 170. Defendant admits the allegations of paragraph 170 of the SAC.

21 171. Defendant denies the allegations of paragraph 166 of the SAC.

22 172. Defendant admits the allegations of paragraph 172 of the SAC.

23 173. Defendant denies the allegations of paragraph 173 of the SAC.

24 174. Defendant admits that Robert Strickland, under contract through his firm, M37
25 Ventures, Inc., provided services to the company, including acting as CEO of Atonomi and CEO
26 of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

1 175. Defendant admits that the cited quote appears in a printout, originally Exhibit G to
2 the First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
3 website, and that the press release speaks for itself. Defendant denies the remaining allegations
4 of paragraph 170 of the SAC.

5 176. Defendant denies the allegations of paragraph 176 of the SAC.

6 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
7 Defendant denies all remaining allegations of paragraph 177 of the SAC.

8 178. Defendant denies the allegations of paragraph 178 of the SAC.

9 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
10 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

11 180. Defendant denies the allegations of paragraph 180 of the SAC.

12 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI, which is
13 not an Officer position. Defendant denies the remaining allegations of paragraph 181 of the
14 SAC.

15 182. Defendant admits the allegations of paragraph 182 of the SAC.

16 183. Defendant denies the allegations of paragraph 183 of the SAC.

17 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
18 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
19 allegations of paragraph 184 of the SAC.

20 185. Defendant denies the allegations of paragraph 185 of the SAC.

21 186. Defendant denies the allegations of paragraph 186 of the SAC.

22 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
23 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
24 denies the remaining allegations of paragraph 187 of the SAC.

25 188. Defendant denies the allegations of paragraph 188 of the SAC.

26 189. Defendant denies the allegations of paragraph 189 of the SAC.

1 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
 2 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
 3 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

4 204. Defendant denies the allegations of paragraph 204 of the SAC.

5 205. Defendant denies the allegations of paragraph 205 of the SAC.

6 206. Defendant denies the allegations of paragraph 206 of the SAC.

7 207. Defendant denies the allegations of paragraph 207 of the SAC.

8 208. Defendant denies the allegations of paragraph 208 of the SAC.

9 209. Defendant denies the allegations of paragraph 209 of the SAC.

10 **VI. CAUSE OF ACTION**

11 210. Defendant hereby incorporates by reference the responses contained in the
 12 preceding paragraphs of this Answer.

13 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
 14 Defendant denies the remaining allegations of paragraph 211 of the SAC.

15 212. Defendant denies the allegations of paragraph 212 of the SAC.

16 **VII. AFFIRMATIVE DEFENSES**

17 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
 18 conduct, and omissions from obtaining any recovery in this action.

19 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
 20 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

21 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
 22 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
 23 were unlocked.

24 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
 25 permitted to obtain recovery in this action.

26 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
 27 claims he might have against the Defendant.

1 6. Assumption of the Risk: The named Plaintiff's claims are barred in whole or in
2 part because he and any purported class members were expressly advised in public statements
3 about the material facts and risks. Plaintiff and any purported class members therefore assumed
4 the risk of any loss and are precluded from any recovery.

5 7. Failure to Mitigate Damages: The named Plaintiff's claims are barred in whole or
6 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
7 damage, which efforts would have prevented all or part of any such alleged injury or damage.

8 8. Defendants are not liable under RCW 21.20.430 in "that he or she did not know,
9 and in the exercise of reasonable care could not have known, of the existence of the facts by
10 reason of which the liability is alleged to exist."

11 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
12 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
13 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

14 **VIII. PRAYER FOR RELIEF**

15 WHEREFORE, Defendants pray for relief and judgment as follows:

16 A. Denying that this action is properly maintainable as a class action under Fed. R.
17 Civ. P. Rule 23;

18 B. Judgment against Plaintiffs and in Defendant's favor;

19 C. Awarding costs of litigation, including expert witness costs, and reasonable
20 attorneys' fees, against Plaintiffs; and

21 D. Such other and further relief as this Court may deem just and proper.

22 **XI. JURY DEMAND**

23 Defendants hereby demand a trial by jury for all issues so triable.

24 **COUNTERCLAIMS**

25 For its counterclaims against Chris Hunichen ("Hunichen" or "Counter-Defendant"),
26 Atonomi LLC ("Atonomi") states and alleges as follows. Atonomi has separately filed a third-
27 party complaint against David Patrick Peters ("Peters"), Sean Getzwiller ("Getzwiller"), David

1 Cutler (“Cutler”), Chance Kornuth (“Kornuth”), and Dennis Samuel Blieden (“Blieden”)
2 (collectively, “Co-conspirators”).

3 **I. INTRODUCTION**

4 1. This is an action involving the breach of contract, fraudulent inducement, and
5 conspiracy committed by Hunichen. Furthermore, should Atonomi be held liable under
6 Hunichen’s Second Amended Class Action Complaint, Hunichen should also contribute.

7 **II. PARTIES**

8 2. On information and belief, Chris Hunichen (“Hunichen”) is an individual who
9 resides in Playa Hermosa, Costa Rica.

10 3. Atonomi is a Delaware Limited Liability Company with a principal place of
11 business in Seattle, Washington.

12 **III. JURISDICTION AND VENUE**

13 4. This Court has jurisdiction over this dispute pursuant to 28 U.S.C. § 1332. The
14 parties are completely diverse in citizenship and the amount in controversy exceeds \$75,000.

15 5. This Court also has supplemental jurisdiction over this dispute under 28 U.S.C.
16 § 1367 and Fed. R. Civ. P. 13(a) for compulsory counterclaims.

17 6. Venue is proper pursuant to 28 U.S.C. § 1391 as this is the judicial district in
18 which a substantial part of the events or omissions giving rise to the claim occurred and/or
19 because Plaintiff/Counter-Defendant Chris Hunichen availed himself to this Court’s personal
20 jurisdiction by bringing an action against Atonomi LLC in this district.

21 **IV. FACTS**

22 7. On information and belief, David Patrick Peters (“Peters”) is an individual who
23 resides in Las Vegas, Nevada.

24 8. On information and belief, Sean Getzwiller (“Getzwiller”) is an individual who
25 resides in Las Vegas, Nevada.

26 9. On information and belief, David Cutler (“Cutler”) is an individual who resides in
27 Tuscon, Arizona.

1 10. On information and belief, Chance Kornuth (“Kornuth”) is an individual who
2 resides in Arlington, Virginia.

3 11. On information and belief, Dennis Samuel Blieden (“Blieden”) is an individual
4 who resides in Los Angeles, California. On information and belief, Blieden has pled guilty to
5 certain criminal embezzlement charges in another matter and is awaiting sentencing.

6 12. In 2017 and early 2018, Atonomi sought to build a secure network based on the
7 Ethereum blockchain for the Internet of Things (“IoT”).

8 13. Atonomi published a white paper (“White Paper”) to describe its mission. The
9 White Paper made clear that the Atonomi tokens were utility tokens meant for devices to transact
10 with each other, among other things.

11 14. In February 2018 and April 2018, Atonomi entered into Simple Agreements for
12 Future Tokens (“SAFTs”) with certain investors. Atonomi made the White Paper available to
13 signatories of the SAFTs before they signed the SAFTs.

14 15. On or around February 22, 2018, Atonomi entered into a SAFT with Chris
15 Hunichen. A true and correct copy of this SAFT was attached as Exhibit A to the First Amended
16 Class Complaint. The SAFT is governed by Delaware law.

17 16. On or around February 22, 2018, Atonomi entered into a SAFT with David
18 Patrick Peters. Other than specific information pertaining to Peters including his investment
19 amount, the SAFT was otherwise identical to Hunichen’s SAFT.

20 17. On or around February 22, 2018, Atonomi entered into a SAFT with David
21 Cutler. Other than specific information pertaining to Cutler including his investment amount, the
22 SAFT was otherwise identical to Hunichen’s SAFT.

23 18. On or around February 23, 2018, Atonomi entered into a SAFT with Sean
24 Getzwiller. Other than specific information pertaining to Getzwiller including his investment
25 amount, the SAFT was otherwise identical to Hunichen’s SAFT.

26 19. On or around February 23, 2018, Atonomi entered into a SAFT with Chance
27 Kornuth. Other than specific information pertaining to Kornuth including his investment

1 amount, the SAFT was otherwise identical to Hunichen’s SAFT.

2 20. On or around February 23, 2018, Atonomi entered into a SAFT with Dennis
3 Samuel Blieden. Other than specific information pertaining to Blieden including his investment
4 amount, the SAFT was otherwise identical to Hunichen’s SAFT.

5 21. On information and belief, Hunichen and Co-conspirators were working together
6 before they entered into the SAFTs with Atonomi, as evidenced by Hunichen’s agreement to
7 receive certain ATMI Tokens from Third-Party Defendants. *See Hunichen Response to Atonomi*
8 *Interrogatories, Set 2*, attached.

9 22. Hunichen and Co-conspirators represented under Paragraph 6(b) in their
10 respective SAFTs that they were “purchasing this instrument for [his] own account for
11 investment, not as a nominee or agent, and not with a view to, or for resale in connection with,
12 the distribution thereof, and [he] has no present intention of selling, granting any participation in,
13 or otherwise distributing the same.”

14 23. Hunichen and Co-conspirators further agreed, pursuant to Paragraph 6(l) of their
15 respective SAFTs, that they would “at all times maintain control of [his] wallet where any
16 Tokens are stored, and [he] will not share or disclose the account credentials associated with
17 such wallet with any other party. If [he] transfers Tokens into another wallet or value, [he] will
18 likewise at all times maintain control of such other wallet or vault with any other party.”

19 24. The Atonomi Network was launched in May 2018. The launch included a
20 software development kit available on GitHub so that developers could embed the Atonomi
21 Network security protocol into their IoT devices. Atonomi also made available a QuickStart
22 Guide to help developers understand how to implement the technology and the process for
23 registering a device with the Atonomi Network.

24 25. Once the Atonomi Network was launched, Atonomi conducted a token sale on
25 June 6, 2018. As part of the sale, Atonomi offered the tokens broadly, focusing on developers or
26 end users, but excluding those in the United States and China.

27 26. All Atonomi Tokens were subject to the Terms of Token Sale (which the SAFTs

1 had also incorporated), which explicitly stated that the Atonomi tokens were only to be used in
2 connection with token utility, not for investment, speculative, or other financial purposes. Nor
3 did the tokens confer any ownership, voting, distribution, redemption, liquidation, proprietary, or
4 other financial or legal rights.

5 27. Atonomi tokens were delivered to SAFT investors and other purchasers on or
6 around July 2, 2018. “Bonus” tokens due to SAFT investors were delivered on or around
7 September 9, 2018.

8 28. On or around July 2, 2018, Hunichen received 2,137,500 Atonomi tokens.
9 Shortly after the tokens were unlocked, on or around July 12, 2018, despite his contractual
10 agreement not to do so, Hunichen immediately “dumped” 1,946,709 tokens to the IDEX trading
11 platform, on information and belief, presumably to sell them. On information and belief, this
12 high number of Atonomi tokens that Hunichen listed for sale on the IDEX platform (along with
13 others acting in concert with him, such as Blieden also “dumping” tokens on the same day)
14 caused a chain reaction; namely, because supply was higher than demand, this quickly
15 diminished the trading value of the Atonomi tokens and then caused more individuals to panic
16 and attempt to “dump” their Atonomi tokens.

17 29. That same day on July 12, 2018, Hunichen also sent 67,291 tokens to another
18 wallet that was on information and belief outside his control. Plaintiff states that he “sold 67,291
19 tokens and transferred these tokens directly to the buyer on July 12, 2018 without using any
20 online exchange.” *See Plaintiff’s Response to Atonomi LLC’s Interrogatories, Set One*, attached.
21 Also on July 12, 2018, Hunichen received 45,600 tokens from another wallet that was outside his
22 control, and 75,050 tokens from Peters. Even though Plaintiff states that he does not have any
23 records concerning this transaction, that he did not cause the transfer to be made to Plaintiff, and
24 refers to a wallet address that allegedly made numerous transfers of that amount on that day, a
25 reading of the public

26 [https://etherscan.io/token/0x97aeb5066e1a590e868b511457beb6fe99d329f5?a=0x2a152b0e2B7](https://etherscan.io/token/0x97aeb5066e1a590e868b511457beb6fe99d329f5?a=0x2a152b0e2B733b1f02F0c590Db9ae4f5D2e318E0)
27 [33b1f02F0c590Db9ae4f5D2e318E0](https://etherscan.io/token/0x97aeb5066e1a590e868b511457beb6fe99d329f5?a=0x2a152b0e2B733b1f02F0c590Db9ae4f5D2e318E0) reflects that the wallet that Plaintiff provides in fact

1 transferred that amount to the wallet identified to Plaintiff where Plaintiff received his tokens
2 from Atonomi. *See Plaintiff's Response to Atonomi LLC's Interrogatories, Set One.*

3 30. On or around July 13, 2018, Hunichen sent 90,250 Atonomi tokens to another
4 wallet that was on information and belief outside his control. Plaintiff states that he "sold 90,250
5 tokens and transferred these tokens directly to the buyer on July 13, 2018 without using any
6 online exchange." *See Plaintiff's Response to Atonomi LLC's Interrogatories, Set One*, attached.
7 He also received 27,906 tokens from Andras Vaczo, another SAFT signatory who on
8 information and belief, resides in Hungary.

9 31. On July 23, 2018, Getzwiller sent Hunichen 37,525 Atonomi tokens. That same
10 day, Cutler also sent Hunichen 9,500 tokens.

11 32. On August 20, 2018, Hunichen received 1,706,554 Atonomi tokens from the
12 IDEX trading platform, then another 142,289 tokens from the same platform, and then 95,000
13 tokens from Kornuth.

14 33. On information and belief, Hunichen was the "ring leader" of his Co-conspirators.

15 34. Based on the trading activity in the above paragraphs, it was clear that Hunichen
16 and Co-conspirators were not trading the Atonomi tokens for their intended utility purposes.
17 Instead, despite knowing that the Atonomi tokens were utility tokens, on information and belief,
18 Hunichen and his Co-conspirators convinced other investors and/or each other that Atonomi
19 tokens should be treated as monetary currency only, thereby contributing in part to the Atonomi
20 Network and the Atonomi tokens not being able to be used as intended and thus "crashing."

21 35. Furthermore, on information and belief, Hunichen's actions, including without
22 limitation, convincing others and/or each other to materially breach their SAFT and/or Terms of
23 Token Sale, was willful and malicious. On information and belief, Hunichen knew that misuse
24 of the Atonomi token and his breach of contract would seriously affect the viability of the
25 Atonomi Network and thus Atonomi. However, on information and belief, Hunichen only cared
26 about getting immediate returns through trading the Atonomi tokens, in violation of the SAFT,
27 and willfully and maliciously injured Atonomi by depriving Atonomi the benefits of the SAFT

1 and as it pertains to Co-conspirators, the benefits of the Co-conspirator SAFTs, as well as the
2 Terms of Token Sale.

3 **V. BREACH OF CONTRACT**

4 36. Atonomi hereby incorporates by reference the allegations contained in the
5 preceding paragraphs.

6 37. Hunichen entered into a SAFT with Atonomi. Atonomi fully performed under the
7 SAFT.

8 38. On information and belief, Hunichen never intended to abide by Paragraph 6(l) of
9 their respective SAFTs, as at all relevant times, Hunichen intended to trade his Atonomi tokens
10 as soon as he was able to do so, and/or enabled and encouraged others such as his Co-
11 conspirators to do so, all for non-utility purposes.

12 39. On information and belief, Hunichen and his Co-conspirators have entered into
13 other agreements, whether oral or written or formal or informal, with third parties and/or each
14 other regarding the Atonomi tokens that interfere with and violate the SAFT. This is evidenced
15 by their trading activities.

16 40. By virtue of their actions, Hunichen materially breached the SAFT. Specifically,
17 Hunichen agreed, pursuant to Paragraph 6(l) of the SAFTs, that he would “at all times maintain
18 control of [his] wallet where any Tokens are stored, and [he] will not share or disclose the
19 account credentials associated with such wallet with any other party. If [he] transfers Tokens
20 into another wallet or value, [he] will likewise at all times maintain control of such other wallet
21 or vault with any other party.” By virtue of transferring Tokens to wallets outside of his control,
22 Hunichen has materially breached the SAFT.

23 41. As a proximate result of Hunichen’s breach, Atonomi has suffered damages to be
24 proven at trial, but are believed to be in excess of \$75,000.

25 42. Hunichen’s willful and malicious acts justify an award of exemplary and/or
26 punitive damages.

VI. FRAUD

1
2 43. Atonomi hereby incorporates by reference the allegations contained in the
3 preceding paragraphs.

4 44. On information and belief, Hunichen was a sophisticated investor; he was also
5 experienced with crypto-currency, as well as the Ethereum blockchain system upon which
6 Atonomi was building its Atonomi Network. He understood what Atonomi was trying to
7 accomplish with the Atonomi Network, in light of Atonomi's White Paper and other
8 communications and documents.

9 45. On information and belief, prior to entering into the SAFT, Hunichen had already
10 entered into agreements, whether oral or written or formal or informal, with Co-conspirators
11 and/or third parties that they would trade, attempt to sell, and/or sell Atonomi tokens contrary to
12 their utilitarian purposes, seek quick monetary returns, and/or for other purposes that would
13 injure Atonomi.

14 46. Pursuant to the Washington Securities Act, RCW 21.20.010, Hunichen had a duty
15 not "to employ any device, scheme, or artifice to defraud," and not "to make any untrue
16 statement of a material fact or to omit to state a material fact necessary in order to make the
17 statements made," among other things.

18 47. Paragraph 6(b) of the SAFTs required that Hunichen represent that he was
19 "purchasing this instrument for [his] own account for investment, not as a nominee or agent, and
20 not with a view to, or for resale in connection with, the distribution thereof, and [he] has no
21 present intention of selling, granting any participation in, or otherwise distributing the same."
22 Hunichen so represented. However, on information and belief, Hunichen knew and/or believed
23 that those representations were false, or were made with reckless indifference to the truth.

24 48. Hunichen never told Atonomi that he had already reached other agreements or
25 plans with third parties and/or each other and that the representations made in Paragraph 6(b) of
26 the SAFT were false.

27 49. On information and belief, Hunichen intended to induce Atonomi to continue to

1 develop the Atonomi Network and Atonomi tokens so that Hunichen could quickly make money.

2 50. Atonomi justifiably relied on the representations made by Hunichen in Paragraph
3 6(b) of the SAFT. Had Atonomi known that the representations in Paragraph 6(b) were false, it
4 would not have entered into the SAFT with Hunichen.

5 51. Also in reliance of Hunichen's misrepresentations, Atonomi released the Atonomi
6 Network and the Atonomi tokens, only to have Hunichen's illicit trading practices substantially
7 contributing to the downfall of the Atonomi Network and tokens.

8 52. As a proximate result of Hunichen's fraud, Atonomi has suffered damages to be
9 proven at trial, but are believed to be in excess of \$75,000.

10 53. Given Hunichen's willful and malicious behavior, punitive damages should be
11 assessed against him.

12 54. Furthermore, Hunichen's violations of RCW 21.20.010 render him liable to
13 Atonomi's reasonable attorneys' fees pursuant to RCW 21.20.430(2).

14 **VII. CIVIL CONSPIRACY**

15 55. Atonomi hereby incorporates by reference the allegations contained in the
16 preceding paragraphs.

17 56. Hunichen and his Co-conspirators acted as a "confederation" or combination of
18 two or more persons.

19 57. Together, Hunichen and his Co-conspirators breached their respective SAFTs and
20 fraudulently induced Atonomi to enter into SAFTs with them in furtherance of the conspiracy to
21 enrich themselves and each other at Atonomi's expense.

22 58. Hunichen and his Co-conspirators' scheme and conspiracy substantially
23 contributed to the downfall of the Atonomi Network and the Atonomi tokens.

24 59. As a proximate result of Hunichen and his Co-conspirators' fraud, Atonomi has
25 suffered damages to be proven at trial, but are believed to be in excess of \$75,000.

26 60. Given Hunichen and his Co-conspirators' willful and malicious behavior, punitive
27 damages should be assessed against them.

1 61. To the extent that Hunichen may not be found liable for his own breach of
2 contract or fraudulent inducement, Hunichen is nonetheless liable for any other Co-conspirator's
3 breach of contract or fraudulent inducement.

4 **VIII. CONTRIBUTION**

5 62. Atonomi hereby incorporates by reference the allegations contained in the
6 preceding paragraphs.

7 63. Hunichen violated RCW 21.20.010 in making misrepresentations, as described in
8 detail above. Combined with Hunichen's actions, breaches of contract, fraudulent inducements,
9 and conspiracy, including without limitation, their Atonomi token transfers, Hunichen
10 contributed to any loss in value of the Atonomi tokens.

11 64. While Atonomi denies liability under the SAC to Hunichen and any putative
12 class, to the extent that liability is found, and Plaintiff and the putative class members are
13 awarded any consideration paid for any purported security, Atonomi is entitled to contribution
14 from Hunichen in full or in part.

15 **IX. PRAYER FOR RELIEF**

16 WHEREFORE, Atonomi LLC prays for relief and judgment as follows:

- 17 A. Judgment against Hunichen for breach of contract, fraud, and/or civil conspiracy;
- 18 B. An award of compensatory damages suffered by Atonomi as a result of
19 Hunichen's breach, fraud, and/or civil conspiracy;
- 20 C. An award of exemplary/punitive damages against Hunichen for his willful and
21 malicious actions;
- 22 D. To the extent Plaintiff and/or the putative class succeeds in its claim, contribution
23 from Hunichen in full or in part;
- 24 E. Awarding costs of litigation, including expert witness costs;
- 25 F. Awarding Atonomi its reasonable attorneys' fees pursuant to RCW 21.20.430(2);
- 26 and
- 27 G. Such other and further relief as this Court may deem just and proper.

1 Dated: November 23, 2020

Respectfully submitted,

2 GORDON REES SCULLY MANSUKHANI LLP

3
4 By: */s/ David W. Silke*

5 David W. Silke, WSBA No. 23761
6 GORDON REES SCULLY MANSUKHANI LLP
7 701 Fifth Avenue, Suite 2100
8 Seattle, WA 98104
9 Telephone: (206) 695-5100
10 Facsimile: (206) 689-2822
11 E-Mails: dsilke@grsm.com

12 Miles Scully (CA SBN: 135853)
13 William Rathbone (CA SBN: 95864)
14 Joseph Goodman (CA SBN: 230161)
15 Yuo-Fong Chang Amato (CA SBN: 264135)
16 Oana Constantin (CA SBN: 325226)
17 GORDON REES SCULLY MANSUKHANI
18 101 West Broadway, Suite 2000
19 San Diego, CA 92101
20 Telephone: (619) 696-6700
21 Facsimile: (619) 696-7124
22 mscully@grsm.com
23 wrathbone@grsm.com
24 jgoodman@grsm.com
25 bamato@grsm.com
26 oconstantin@grsm.com

27 Attorneys for Defendant and
28 Counter- and Cross-Claimant Atonomi LLC

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **ATONOMI LLC’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT AND COUNTERCLAIMS AGAINST CHRIS HUNICHEN** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofo.com
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November,2020.

/s/ Sylvia Durazo
Sylvia Durazo

1 **ARD LAW GROUP PLLC**
Joel B. Ard, WSBA # 40104
2 P.O. Box 11633
3 Bainbridge Island, WA 98110
4 Phone:206.701.9243
Joel@Ard.law

5
6 **AFN LAW PLLC**
Angus F. Ni, WSBA # 53828
7 506 2nd Ave, Suite 1400
Seattle, WA 98104
8 Phone: (646) 543-7294
Angus@afnlegal.com

9
10 **THE RESTIS LAW FIRM, P.C.**
William R. Restis, Esq.
11 402 West Broadway, Suite 1520
San Diego, CA 92101
12 Tel: (619) 270-8383
william@restislaw.com

13
14 *Counsel for Plaintiff and the Putative Class*

15 **UNITED STATES DISTRICT COURT**
16 **FOR THE WESTERN DISTRICT OF WASHINGTON**

17 Master File No. 19-2-cv-00615-RAJ-MAT

18 CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

CLASS ACTION

19 Plaintiff,

**PLAINTIFF’S RESPONSE TO ATONOMI
LLC’S INTERROGATORIES, SET ONE**

20 v.

21 Atonomi LLC, a Delaware LLC, CENTRI
22 Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
23 Strickland, Kyle Strickland, Don DeLoach,
Wayne Wisehart, Woody Benson, Michael
24 Mackey, James Salter, and Luis Paris,

25 Defendants.

1 Pursuant to Rule 33 of the Federal Rules of Civil Procedure, Plaintiff Chris Hunichen
2 (“Plaintiff”) states his responses to Defendant Atonomi LLC’s Interrogatories, Set One
3 (“Interrogatories”) as follows:

4 **GENERAL RESPONSES AND OBJECTIONS**

5 A. Plaintiff’s investigation and development of all facts and circumstances relating to this
6 action is ongoing. These responses and objections are made without prejudice to, and are not a waiver
7 of, Plaintiff’s right to rely on other facts or documents at trial. Plaintiff expressly reserves the right
8 to supplement, clarify, revise, or correct any or all of the responses and objections herein, and to assert
9 additional objections or privileges, in one or more subsequent supplemental response(s).

10 B. The fact that Plaintiff responds to any Interrogatory shall not be construed as a waiver
11 of all or any part of the objections interposed by Plaintiff to any Interrogatory.

12 C. By making these responses and objections to the Interrogatories, Plaintiff does not
13 waive, and hereby expressly reserves, his right to assert any and all objections as to the admissibility
14 of such responses into evidence in this action, or in any other proceedings, on any and all grounds
15 including, but not limited to, competency, relevancy, materiality, and privilege. Further, Plaintiff
16 makes these responses and objections herein without in any way implying that he considers the
17 Interrogatories, and responses to the Interrogatories, to be relevant or material to the subject matter
18 of this action.

19 D. Plaintiff objects to the Interrogatories to the extent that they seek disclosure of
20 information protected under the attorney-client privilege, the work-product doctrine, or any other
21 applicable privilege or immunity. Nothing contained herein is intended to be, nor shall in any way
22 be construed as, a waiver of any attorney-client privilege, work-product doctrine, right to privacy, or
23 any other applicable privilege or immunity.

24 E. These Interrogatories could possibly be construed as seeking information from entities
25 or individuals other than Plaintiff. In responding to these interrogatories, Plaintiff is obligated, if at
26 all, to provide only information in his possession, custody or control; Plaintiff expressly objects to
27 these interrogatories to the extent they seek to require a response on behalf of any individual other
28 than Plaintiff.

1 F. Plaintiff objects to the Interrogatories, and any implied or express instruction or
2 direction in the Interrogatories, to the extent that they purport to impose obligations greater than those
3 imposed by the Federal Rules of Civil Procedure and/or the Local Rules of the United States District
4 Court for the Western District of Washington.

5 G. Plaintiff objects to the Interrogatories to the extent that they seek information or
6 materials that are or were readily available to Defendant from Defendant's own files or documents,
7 or from public resources.

8 H. Plaintiff objects to the Interrogatories to the extent that they call for or assume a legal
9 conclusion.

10 I. Plaintiff objects to the Interrogatories to the extent that they are overly broad, unduly
11 burdensome, not relevant to any claim or defense, or not proportional to the needs of the case.

12 J. Plaintiff objects to the Interrogatories to the extent that the Interrogatories are vague
13 and require Plaintiff to speculate as to the information which might come within the scope of the
14 Interrogatory.

15 K. Plaintiff objects to the Interrogatories to the extent that they are argumentative and/or
16 assume or suggest the existence of any fact or circumstance that is (or may in the future be) in dispute
17 in this action.

18 L. Plaintiff objects to the definition of the term "TOKEN(S)" or "ATMI" on the grounds
19 that it is vague and ambiguous as to the meaning of "purchasers". Plaintiff will construe the term
20 "TOKEN(S)" or "ATMI" to refer to any Atonomi Tokens issued and offered by Atonomi.

21 M. Plaintiff objects to the definition of the term "UTILITY TOKEN" on the grounds that
22 it assumes facts and legal conclusions that are erroneous and are in dispute in this action. Plaintiff
23 will construe the term "UTILITY TOKEN" to refer to a type of tokens that offers the right to service
24 or a product.

25 N. Plaintiff objects to the definition of the term "ATONOMI NETWORK" on the grounds
26 that it assumes facts and legal conclusions that are erroneous and are in dispute in this action. The
27 fact that Plaintiff responds to any Interrogatories involving "ATONOMI NETWORK" shall not be
28

1 construed as acknowledgement of the operation and functionality of the alleged “ATONOMI
2 NETWORK”.

3 O. Plaintiff objects to the use of the term “COMMUNICATION(S)” to the extent that it
4 has not been defined. Plaintiff will construe “COMMUNICATION(S)” to have the meaning defined
5 in Defendants’ Requests for Production, Set One.

6 P. These general objections are applicable to, and are expressly incorporated in,
7 Plaintiff’s specific responses and objections set forth below.

8 **SPECIFIC RESPONSES AND OBJECTIONS**

9 **INTERROGATORY NO. 1:**

10 Please DESCRIBE any and all COMMUNICATIONS between YOU and any PERSONS
11 where YOU provided any opinions or statements (whether encouragement, disapproval,
12 recommendation, disallowance, or any other opinion) of those PERSONS buying or considering
13 buying TOKENS.

14 **ANSWER:**

15 Plaintiff objects to Interrogatory No. 1 on the grounds that it is overly broad, unduly
16 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
17 the case. Plaintiff objects to the Interrogatory as seeking identification of information that is not, and
18 never was in Plaintiff’s possession, custody or control. Plaintiff further objects to the Interrogatory’s
19 definition of “YOU” as improper third-party discovery because it seeks identification of information
20 that, to the extent it exists, is not known to Plaintiff.

21 In addition, Plaintiff objects that he did not provide “any opinions or statements ... of [other]
22 PERSONS buying or considering buying TOKENS.” Subject to the General Objections and these
23 specific objections, Plaintiff refers to his Responses to Interrogatories Nos. 3, 5-7, 9, 10, 12, 14, 16,
24 17.

25 **INTERROGATORY NO. 2:**

26 Please DESCRIBE any and all AGREEMENTS between YOU and any PERSONS
27 CONCERNING TOKENS.

28 **ANSWER:**

1 Plaintiff objects to Interrogatory No. 2 on the grounds that it is overly broad, unduly
2 burdensome, not relevant to the claims or defenses in this action, not proportional to the needs of the
3 case, and it seeks information that is readily available to Defendants.

4 Subject to the General Objections and this specific objection, Plaintiff refers to his Responses
5 to Interrogatories No. 4, 8, 11, 13, 15, 18.

6 **INTERROGATORY NO. 3:**

7 Please DESCRIBE any and all COMMUNICATIONS between YOU and DENNIS SAMUEL
8 BLIEDEN (“BLIEDEN”) where YOU provided any opinions or statements (whether encouragement,
9 disapproval, recommendation, disallowance, or any other opinion) of Blieden buying or considering
10 buying TOKENS.

11 **ANSWER:**

12 Plaintiff objects to Interrogatory No. 3 on the grounds that it is overly broad, unduly
13 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
14 the case.

15 Subject to the General Objections and this specific objection, Plaintiff states that, from time
16 to time, he informed BLIEDEN of his communications with Atonomi and exchanged information
17 regarding Atonomi and the TOKENS. In addition, Plaintiff states that he did not provide “any
18 opinions or statements ... of BLIEDEN buying or considering buying TOKENS.”

19 **INTERROGATORY NO. 4:**

20 Please DESCRIBE any and all AGREEMENTS between YOU and BLIEDEN
21 CONCERNING TOKENS.

22 **ANSWER:**

23 Plaintiff objects to Interrogatory No. 4 on the grounds that it is overly broad, unduly
24 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
25 the case.

26 Subject to the General Objections and this specific objection, Plaintiff states that BLIEDEN
27 did not transfer any tokens to Plaintiff.

28 **INTERROGATORY NO. 5:**

1 Please DESCRIBE any and all COMMUNICATIONS between YOU and the PERSON or
2 PERSONS whose wallet YOU sent 67,291 TOKENS to on July 12, 2018.

3 **ANSWER:**

4 Plaintiff objects to Interrogatory No. 5 on the grounds that it is overly broad, unduly
5 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
6 the case.

7 Subject to the General Objections and this specific objection, Plaintiff states that Plaintiff sold
8 67,291 tokens OTC and transferred these tokens directly to the buyer on July 12, 2018 without using
9 any online exchange.

10 **INTERROGATORY NO. 6:**

11 Please DESCRIBE any and all COMMUNICATIONS between YOU and the PERSON or
12 PERSONS from whom YOU received 45,600 TOKENS on July 12, 2018.

13 **ANSWER:**

14 Plaintiff objects to Interrogatory No. 6 on the grounds that it is overly broad, unduly
15 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
16 the case.

17 Subject to the General Objections and this specific objection, Plaintiff states that Plaintiff has
18 no records concerning this transfer and did not cause this transfer to be made to Plaintiff. Plaintiff
19 refers Defendant to the following address:0x2a152b0e2b733b1f02f0c590db9ae4f5d2e318e0. This
20 wallet appears to have made numerous transfers of 45,600 ATMI tokens to numerous wallets on July
21 12, 2018.

22 **INTERROGATORY NO. 7:**

23 Please DESCRIBE any and all COMMUNICATIONS between YOU and DAVID PATRICK
24 PETERS (“PETERS”) where YOU provided any opinions or statements (whether encouragement,
25 disapproval, recommendation, disallowance, or any other opinion) of PETERS buying or considering
26 buying TOKENS.

27 **ANSWER:**

28

1 Plaintiff objects to Interrogatory No. 7 on the grounds that it is overly broad, unduly
2 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
3 the case.

4 Subject to the General Objections and this specific objection, Plaintiff states that, from time
5 to time, he informed PETERS of his communications with Atonomi and exchanged information
6 regarding Atonomi and the TOKENS. In addition, Plaintiff states that he did not provide “any
7 opinions or statements ... of PETERS buying or considering buying TOKENS.”

8 **INTERROGATORY NO. 8:**

9 Please DESCRIBE any and all AGREEMENTS between YOU and PETERS CONCERNING
10 TOKENS.

11 **ANSWER:**

12 Plaintiff objects to Interrogatory No. 8 on the grounds that it is overly broad, unduly
13 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
14 the case.

15 Plaintiff objects that there is a pending motion to dismiss all the claims to which this
16 interrogatory may have any relevance. Plaintiff reserves the right to supplement this interrogatory
17 pending the outcome of that motion.

18 Subject to the General Objections and this specific objection, Plaintiff states that PETERS
19 agreed to transfer and Plaintiff agreed to receive 75,050 TOKENS.

20 **INTERROGATORY NO. 9:**

21 Please DESCRIBE any and all COMMUNICATIONS between YOU and the PERSON or
22 PERSONS whose wallet YOU sent 90,250 TOKENS on July 13, 2018.

23 **ANSWER:**

24 Plaintiff objects to Interrogatory No. 9 on the grounds that it is overly broad, unduly
25 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
26 the case.

27
28

1 Subject to the General Objections and this specific objection, Plaintiff states that Plaintiff sold
2 90,250 tokens OTC and transferred these tokens directly to the buyer on July 13, 2018 without using
3 any online exchange.

4 **INTERROGATORY NO. 10:**

5 Please DESCRIBE any and all COMMUNICATIONS between YOU and ANDRAS VACZO
6 (“VACZO”) where YOU provided any opinions or statements (whether encouragement, disapproval,
7 recommendation, disallowance, or any other opinion) of VACZO buying or considering buying
8 TOKENS.

9 **ANSWER:**

10 Plaintiff objects to Interrogatory No. 10 on the grounds that it is overly broad, unduly
11 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
12 the case.

13 Subject to the General Objections and this specific objection, Plaintiff states that, from time
14 to time, he informed VACZO of his communications with Atonomi and exchanged information
15 regarding Atonomi and the TOKENS. In addition, Plaintiff states that he did not provide “any
16 opinions or statements ... of VACZO buying or considering buying TOKENS.”

17 **INTERROGATORY NO. 11:**

18 Please DESCRIBE any and all AGREEMENTS between YOU and VACZO CONCERNING
19 TOKENS.

20 **ANSWER:**

21 Plaintiff objects to Interrogatory No. 11 on the grounds that it is overly broad, unduly
22 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
23 the case.

24 Plaintiff objects that there is a pending motion to dismiss all the claims to which this
25 interrogatory may have any relevance. Plaintiff reserves the right to supplement this interrogatory
26 pending the outcome of that motion.

27 Subject to the General Objections and this specific objection, Plaintiff states that (i) VACZO
28 agreed to transfer and Plaintiff agreed to receive 27,906 TOKENS.

1 **INTERROGATORY NO. 12:**

2 Please DESCRIBE any and all COMMUNICATIONS between YOU and SEAN
3 GETZWILLER (“GETZWILLER”) where YOU provided any opinions or statements (whether
4 encouragement, disapproval, recommendation, disallowance, or any other opinion) of
5 GETZWILLER buying or considering buying TOKENS.

6 **ANSWER:**

7 Plaintiff objects to Interrogatory No. 12 on the grounds that it is overly broad, unduly
8 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
9 the case.

10 Subject to the General Objections and this specific objection, Plaintiff states that, from time
11 to time, he informed GETZWILLER of his communications with Atonomi and exchanged
12 information regarding Atonomi and the TOKENS. In addition, Plaintiff states that he did not provide
13 “any opinions or statements ... of GETZWILLER buying or considering buying TOKENS.”

14 **INTERROGATORY NO. 13:**

15 Please DESCRIBE any and all AGREEMENTS between YOU and GETZWILLER
16 CONCERNING TOKENS.

17 **ANSWER:**

18 Plaintiff objects to Interrogatory No. 13 on the grounds that it is overly broad, unduly
19 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
20 the case.

21 Plaintiff objects that there is a pending motion to dismiss all the claims to which this
22 interrogatory may have any relevance. Plaintiff reserves the right to supplement this interrogatory
23 pending the outcome of that motion.

24 Subject to the General Objections and this specific objection, Plaintiff states that (i)
25 GETZWILLER agreed to transfer and Plaintiff agreed to receive 37,525 TOKENS.

26 **INTERROGATORY NO. 14:**

27 Please DESCRIBE any and all COMMUNICATIONS between YOU and DAVID CUTLER
28 (“CUTLER”) where YOU provided any opinions or statements (whether encouragement,

1 disapproval, recommendation, disallowance, or any other opinion) of CUTLER buying or considering
2 buying TOKENS.

3 **ANSWER:**

4 Plaintiff objects to Interrogatory No. 14 on the grounds that it is overly broad, unduly
5 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
6 the case.

7 Subject to the General Objections and this specific objection, Plaintiff states that, from time
8 to time, he informed CUTLER of his communications with Atonomi and exchanged information
9 regarding Atonomi and the TOKENS. In addition, Plaintiff states that he did not provide “any
10 opinions or statements ... of CUTLER buying or considering buying TOKENS.”

11 **INTERROGATORY NO. 15:**

12 Please DESCRIBE any and all AGREEMENTS between YOU and CUTLER
13 CONCERNING TOKENS.

14 **ANSWER:**

15 Plaintiff objects to Interrogatory No. 15 on the grounds that it is overly broad, unduly
16 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
17 the case.

18 Plaintiff objects that there is a pending motion to dismiss all the claims to which this
19 interrogatory may have any relevance. Plaintiff reserves the right to supplement this interrogatory
20 pending the outcome of that motion.

21 Subject to the General Objections and this specific objection, Plaintiff states that (i) CUTLER
22 agreed to transfer and Plaintiff agreed to receive 9,500 TOKENS.

23 **INTERROGATORY NO. 16:**

24 Please DESCRIBE any and all COMMUNICATIONS between YOU and the PERSON or
25 PERSONS from whom YOU received 1,706,554 TOKENS on August 20, 2018.

26 **ANSWER:**

27
28

1 Plaintiff objects to Interrogatory No. 16 on the grounds that it is overly broad, unduly
2 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
3 the case.

4 Subject to the General Objections and this specific objection, Plaintiff states that he transferred
5 1,848,843 tokens back into his own wallet from IDEX on August 20, 2018 in two separate transfers,
6 one of 1,706,554.2 tokens and another of 142,289.3 tokens.

7 **INTERROGATORY NO. 17:**

8 Please DESCRIBE any and all COMMUNICATIONS between YOU and CHANCE
9 KORNUTH (“KORNUTH”) where YOU provided any opinions or statements (whether
10 encouragement, disapproval, recommendation, disallowance, or any other opinion) of KORNUTH
11 buying or considering buying TOKENS.

12 **ANSWER:**

13 Plaintiff objects to Interrogatory No. 17 on the grounds that it is overly broad, unduly
14 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
15 the case.

16 Subject to the General Objections and this specific objection, Plaintiff states that, from time
17 to time, he informed KORNUTH of his communications with Atonomi and exchanged information
18 regarding Atonomi and TOKENS. In addition, Plaintiff states that he did not provide “any opinions
19 or statements ... of KORNUTH buying or considering buying TOKENS.”

20 **INTERROGATORY NO. 18:**

21 Please DESCRIBE any and all AGREEMENTS between YOU and KORNUTH
22 CONCERNING TOKENS.

23 **ANSWER:**

24 Plaintiff objects to Interrogatory No. 18 on the grounds that it is overly broad, unduly
25 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
26 the case. Plaintiff objects that there is a pending motion to dismiss all the claims to which this
27 interrogatory may have any relevance. Plaintiff reserves the right to supplement this interrogatory
28 pending the outcome of that motion.

1 Subject to the General Objections and this specific objection, Plaintiff states that (i)
2 KORNUTH agreed to transfer and Plaintiff agreed to receive 95,000 TOKENS.

3 **INTERROGATORY NO. 19:**

4 Please DESCRIBE all facts that YOU intend to rely upon that support YOUR claim that this
5 action is appropriately brought as a CLASS pursuant to Rules 23(a) and 23(b)(2) and/or (b)(3) of the
6 Federal Rules of Civil Procedure under Section V. Class Allegations, Paragraph Nos. 184 through
7 193 in your First Amended Class Complaint.

8 **ANSWER:**

9 Plaintiff objects to Interrogatory No. 19 on the grounds that it is overly broad, unduly
10 burdensome, and it seeks disclosure of information protected under the work-product doctrine.
11 Plaintiff further objects that this Interrogatory is compound in that it seeks information concerning
12 multiple subjects, specifically the multiple elements of Fed. R. Civ. P. 23. Plaintiff further objects to
13 Interrogatory No. 19 because Plaintiff’s First Amended Class Complaint and other documents filed
14 have described relevant facts and are readily available to Defendants.

15 Plaintiff objects to the Interrogatory as seeking identification of information that is not, and
16 never was in Plaintiff’s possession, custody or control. Plaintiff further objects to the Interrogatory’s
17 definition of “YOU” as improper third-party discovery because it seeks identification of information
18 that, to the extent it exists, is not known to Plaintiff.

19 Plaintiff objects that this Interrogatory is premature as Plaintiff cannot state “all facts” absent
20 an opportunity for discovery. Plaintiff reserves the right to supplement this Interrogatory, if
21 appropriate, after a reasonable opportunity for discovery.

22 **INTERROGATORY NO. 20:**

23 Please DESCRIBE all facts that YOU intend to rely upon that support YOUR claim that
24 Defendants sold unregistered securities violation of the Washington Securities Act, Chapter 21.20
25 RCW (hereafter the “WSA” or the “Act”) under Section I. Introduction, Paragraph No. 1.

26 **ANSWER:**

27 Plaintiff objects to Interrogatory No. 20 on the grounds that it is overly broad, unduly
28 burdensome, and it seeks disclosure of information protected under the work-product doctrine.

1 Plaintiff further objects that this Interrogatory is compound in that it seeks information
2 concerning multiple subjects, specifically the multiple elements of the “Howey test”.

3 Plaintiff objects to the Interrogatory as seeking identification of information that is not, and
4 never was in Plaintiff’s possession, custody or control. Plaintiff further objects to the Interrogatory’s
5 definition of “YOU” as improper third-party discovery because it seeks identification of information
6 that, to the extent it exists, is not known to Plaintiff.

7 Plaintiff further objects to Interrogatory No. 20 because Plaintiff’s First Amended Class
8 Complaint and other briefs filed have described relevant facts and are readily available to Defendants.

9 Plaintiff objects that this Interrogatory is premature as Plaintiff cannot state “all facts” absent
10 an opportunity for discovery. Plaintiff reserves the right to supplement this Interrogatory, if
11 appropriate, after a reasonable opportunity for discovery.


12 **INTERROGATORY NO. 21:**

13 Please DESCRIBE in detail YOUR understanding of Defendants’ technology and what the
14 TOKENS meant.

15 **ANSWER:**

16 Plaintiff objects to Interrogatory No. 21 on the grounds that it is overly broad, unduly
17 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
18 the case. Subject to the General Objections and this specific objection, Plaintiff states that, TOKENS
19 were issued and exist solely on the Ethereum cryptocurrency network and have no substantive utility
20 other than as a vehicle for investment.

21
22 Date: August 31, 2020

23 By: 

24 Angus F. Ni, WSBA # 53828
25 **AFN Law PLLC**
26 506 2nd Ave, Suite 1400
27 Seattle, WA 98104
28 Phone: (646) 543-7294
Angus@afnlegal.com

Joel B. Ard, WSBA # 40104
Ard Law Group PLLC

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

P.O. Box 11633
Bainbridge Island, WA 98110
Phone:206.701.9243
Joel@Ard.law

William R. Restis, Esq.
THE RESTIS LAW FIRM, P.C.
402 West Broadway, Suite 1520
San Diego, CA 92101
Tel: (619) 270-8383
william@restislaw.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

VERIFICATION OF ANSWER TO INTERROGATORIES

I, CHRIS HUNICHEN, declare:

1. I have read the foregoing Answers to Defendant Atonomi LLC’s Interrogatories, Set One.
2. I believe, based on reasonable inquiry, that the foregoing Answers are true and correct to the best of my knowledge, information and belief.
3. I verify under penalty of perjury that the foregoing is true and correct.

Executed this 31st day of August 2020.

DocuSigned by:

 4F16C6B27F6B433...
 CHRIS HUNICHEN

1 **ARD LAW GROUP PLLC**
Joel B. Ard, WSBA # 40104
2 P.O. Box 11633
3 Bainbridge Island, WA 98110
4 Phone:206.701.9243
Joel@Ard.law

5
6 **AFN LAW PLLC**
Angus F. Ni, WSBA # 53828
7 506 2nd Ave, Suite 1400
Seattle, WA 98104
8 Phone: (646) 543-7294
Angus@afnlegal.com

9
10 **THE RESTIS LAW FIRM, P.C.**
William R. Restis, Esq.
11 402 West Broadway, Suite 1520
San Diego, CA 92101
12 Tel: (619) 270-8383
william@restislaw.com

13
14 *Counsel for Plaintiff and the Putative Class*

15 **UNITED STATES DISTRICT COURT**
16 **FOR THE WESTERN DISTRICT OF WASHINGTON**

17 Master File No. 19-2-cv-00615-RAJ-MAT

18 CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

CLASS ACTION

19 Plaintiff,

**PLAINTIFF’S RESPONSE TO ATONOMI
LLC’S INTERROGATORIES, SET TWO**

20 v.

21 Atonomi LLC, a Delaware LLC, CENTRI
22 Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
23 Strickland, Kyle Strickland, Don DeLoach,
Wayne Wischart, Woody Benson, Michael
24 Mackey, James Salter, and Luis Paris,

25 Defendants.

1 Pursuant to Rule 33 of the Federal Rules of Civil Procedure, Plaintiff Chris Hunichen
2 (“Plaintiff”) states his responses to Defendant Atonomi LLC’s Interrogatories, Set Two
3 (“Interrogatories”) as follows:

4 **GENERAL RESPONSES AND OBJECTIONS**

5 A. Plaintiff’s investigation and development of all facts and circumstances relating to this
6 action is ongoing. These responses and objections are made without prejudice to, and are not a waiver
7 of, Plaintiff’s right to rely on other facts or documents at trial. Plaintiff expressly reserves the right
8 to supplement, clarify, revise, or correct any or all of the responses and objections herein, and to assert
9 additional objections or privileges, in one or more subsequent supplemental response(s).

10 B. The fact that Plaintiff responds to any Interrogatory shall not be construed as a waiver
11 of all or any part of the objections interposed by Plaintiff to any Interrogatory.

12 C. By making these responses and objections to the Interrogatories, Plaintiff does not
13 waive, and hereby expressly reserves, his right to assert any and all objections as to the admissibility
14 of such responses into evidence in this action, or in any other proceedings, on any and all grounds
15 including, but not limited to, competency, relevancy, materiality, and privilege. Further, Plaintiff
16 makes these responses and objections herein without in any way implying that he considers the
17 Interrogatories, and responses to the Interrogatories, to be relevant or material to the subject matter
18 of this action.

19 D. Plaintiff objects to the Interrogatories to the extent that they seek disclosure of
20 information protected under the attorney-client privilege, the work-product doctrine, or any other
21 applicable privilege or immunity. Nothing contained herein is intended to be, nor shall in any way
22 be construed as, a waiver of any attorney-client privilege, work-product doctrine, right to privacy, or
23 any other applicable privilege or immunity.

24 E. These Interrogatories could possibly be construed as seeking information from entities
25 or individuals other than Plaintiff. In responding to these interrogatories, Plaintiff is obligated, if at
26 all, to provide only information in his possession, custody or control; Plaintiff expressly objects to
27 these interrogatories to the extent they seek to require a response on behalf of any individual other
28 than Plaintiff.

1 F. Plaintiff objects to the Interrogatories, and any implied or express instruction or
2 direction in the Interrogatories, to the extent that they purport to impose obligations greater than those
3 imposed by the Federal Rules of Civil Procedure and/or the Local Rules of the United States District
4 Court for the Western District of Washington.

5 G. Plaintiff objects to the Interrogatories to the extent that they seek information or
6 materials that are or were readily available to Defendant from Defendant's own files or documents,
7 or from public resources.

8 H. Plaintiff objects to the Interrogatories to the extent that they call for or assume a legal
9 conclusion.

10 I. Plaintiff objects to the Interrogatories to the extent that they are overly broad, unduly
11 burdensome, not relevant to any claim or defense, or not proportional to the needs of the case.

12 J. Plaintiff objects to the Interrogatories to the extent that the Interrogatories are vague
13 and require Plaintiff to speculate as to the information which might come within the scope of the
14 Interrogatory.

15 K. Plaintiff objects to the Interrogatories to the extent that they are argumentative and/or
16 assume or suggest the existence of any fact or circumstance that is (or may in the future be) in dispute
17 in this action.

18 L. Plaintiff objects to the definition of the term "TOKEN(S)" or "ATMI" on the grounds
19 that it is vague and ambiguous as to the meaning of "purchasers". Plaintiff will construe the term
20 "TOKEN(S)" or "ATMI" to refer to any Atonomi Tokens issued and offered by Atonomi.

21 M. Plaintiff objects to the definition of the term "UTILITY TOKEN" on the grounds that
22 it assumes facts and legal conclusions that are erroneous and are in dispute in this action. Plaintiff
23 will construe the term "UTILITY TOKEN" to refer to a type of tokens that offers the right to service
24 or a product.

25 N. Plaintiff objects to the definition of the term "ATONOMI NETWORK" on the grounds
26 that it assumes facts and legal conclusions that are erroneous and are in dispute in this action. The
27 fact that Plaintiff responds to any Interrogatories involving "ATONOMI NETWORK" shall not be
28

1 construed as acknowledgement of the operation and functionality of the alleged “ATONOMI
2 NETWORK”.

3 O. Plaintiff objects to the use of the term “COMMUNICATION(S)” to the extent that it
4 has not been defined. Plaintiff will construe “COMMUNICATION(S)” to have the meaning defined
5 in Defendants’ Requests for Production, Set One.

6 P. These general objections are applicable to, and are expressly incorporated in,
7 Plaintiff’s specific responses and objections set forth below.

8 **SPECIFIC RESPONSES AND OBJECTIONS**

9 **INTERROGATORY NO. 22:**

10 Please DESCRIBE YOUR INVOLVEMENT with any investments or potential investments
11 in other token sales, cryptocurrency companies, and ICOs.

12 **ANSWER:**

13 Plaintiff objects to Interrogatory No. 22 on the grounds that it is overly broad, unduly
14 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
15 the case.

16 Subject to the General Objections and this specific objection, Plaintiff states that, on or about
17 February 22, 2018, Hunichen invested \$191,250 in the Atonomi ICO by executing a SAFT with
18 Atonomi LLC.

19 **INTERROGATORY NO. 23:**

20 Please DESCRIBE any and all COMMUNICATIONS between YOU and any PERSONS
21 where YOU provided any opinions or statements (whether encouragement, disapproval,
22 recommendation, disallowance, or any other opinion) CONCERNING any investments or potential
23 investments in other token sales, cryptocurrency companies, and ICOs.

24 **ANSWER:**

25 Plaintiff objects to Interrogatory No. 23 on the grounds that it is overly broad, unduly
26 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
27 the case.

28

1 Subject to the General Objections and this specific objection, Plaintiff states that, from time
2 to time, he informed certain of the TPDs of his communications with Atonomi and exchanged
3 information regarding Atonomi and ATMI with them.

4 **INTERROGATORY NO. 24:**

5 Please DESCRIBE any and all AGREEMENTS between YOU and any PERSONS
6 CONCERNING any investments or potential investments in other token sales, cryptocurrency
7 companies, and ICOs.

8 **ANSWER:**

9 Plaintiff objects to Interrogatory No. 24 on the grounds that it is overly broad, unduly
10 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
11 the case.

12 Subject to the General Objections and this specific objection, Plaintiff states that:

13 On or about February 22, 2018, Hunichen invested \$191,250 in the Atonomi ICO by executing
14 a SAFT with Atonomi LLC and agreed to receive certain ATMI tokens from the TPDs.

15 **INTERROGATORY NO. 25:**

16 Please DESCRIBE YOUR and THIRD PARTY DEFENDANTS' INVOLVEMENT with
17 any and all ICOs that YOU and THIRD PARTY DEFENDANTS participated in, all SAFTs signed,
18 all cryptocurrency bought, and/or all trading history.


19 **ANSWER:**

20 Plaintiff objects to Interrogatory No. 25 on the grounds that it is overly broad, unduly
21 burdensome, not relevant to the claims or defenses in this action, and not proportional to the needs of
22 the case. Plaintiff further objects that Plaintiff is not "competent" and has no "personal knowledge"
23 sufficient to testify as to the actions or inactions of third parties such as the THIRD PARTY
24 DEFENDANTS. As such, Plaintiff objects that the interrogatory seeks identification of information
25 that is not, and never was, in Plaintiff's possession, custody or control.

26 Subject to the General Objections and this specific objection, Plaintiff states that on or about
27 February 22, 2018, Hunichen invested \$191,250 in the Atonomi ICO by executing a SAFT with
28 Atonomi LLC.

1 Date: November 12, 2020

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

By: 

Angus F. Ni, WSBA # 53828
AFN Law PLLC
506 2nd Ave, Suite 1400
Seattle, WA 98104
Phone: (646) 543-7294
Angus@afnlegal.com

Joel B. Ard, WSBA # 40104
Ard Law Group PLLC
P.O. Box 11633
Bainbridge Island, WA 98110
Phone: 206.701.9243
Joel@Ard.law

William R. Restis, Esq.
THE RESTIS LAW FIRM, P.C.
402 West Broadway, Suite 1520
San Diego, CA 92101
Tel: (619) 270-8383
william@restislaw.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

VERIFICATION OF ANSWER TO INTERROGATORIES

I, CHRIS HUNICHEN, declare:

- 1. I have read the foregoing Answers to Defendant Atonomi LLC’s Interrogatories, Set One.
- 2. I believe, based on reasonable inquiry, that the foregoing Answers are true and correct to the best of my knowledge, information and belief.
- 3. I verify under penalty of perjury that the foregoing is true and correct.

Executed this 12th Day of November 2020.

DocuSigned by:

 4F16C6B27F6B433...
 CHRIS HUNICHEN

ATTACHMENT 2

TO PRAECIPE, REPLACING ECF NO. 159

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theile

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don DeLoach,
Wayne Wisehart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT
)
) **DEFENDANT CENTRI**
) **TECHNOLOGY, INC.’S ANSWER**
) **TO SECOND AMENDED CLASS**
) **ACTION COMPLAINT**
)
) **JURY DEMAND**

1 Defendant CENTRI Technology, Inc. (“Defendant”) hereby answers the Second
2 Amended Class Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits the allegations of paragraph 9 of the SAC.

20 10. Defendant admits that this Court has personal jurisdiction over it. Defendant is
21 without knowledge as to other individual defendants and on that basis denies the same.
22 Defendant denies the remaining allegations of paragraph 10 of the SAC.

23 11. Defendant admits that this Court has personal jurisdiction over it. Defendant is
24 without knowledge as to other individual defendants and on that basis denies the same.
25 Defendant denies the remaining allegations of paragraph 11 of the SAC.

26 12. Defendant admits that this Court has personal jurisdiction over the individual
27 defendants who reside in this state. Defendant denies the remaining allegations of paragraph 12

1 of the SAC.

2 13. Defendant admits that this Court has personal jurisdiction over the individual
3 defendants who reside in this state. Defendant denies the allegations of paragraph 13 of the
4 SAC.

5 14. Defendant admits that this Court has personal jurisdiction over the individual
6 defendants who reside in this state. Defendant denies the allegations of paragraph 14 of the
7 SAC.

8 15. Defendant admits the allegations of paragraph 15 of the SAC.

9 **III. PARTIES**

10 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
11 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
12 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

13 17. Defendant admits the allegations of paragraph 17 of the SAC.

14 18. Defendant admits the allegations of paragraph 18 of the SAC.

15 19. Defendant admits the allegations of paragraph 19 of the SAC.

16 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
17 and on that basis denies the same.

18 21. Defendant denies the allegations of paragraph 21 of the SAC.

19 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
20 and on that basis denies the same.

21 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
22 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
23 without knowledge as to the allegations relating to Emery’s residence and on that basis denies
24 the same. Defendant denies the remaining allegations of paragraph 23 of the SAC.

25 24. Defendant denies the allegations of paragraph 24 of the SAC.

26 25. Defendant admits that Robert Strickland, under contract through his firm, M37
27 Ventures, Inc., provided services to the company, including acting as CEO of Atonomi and CEO

1 of CENTRI. Defendant denies the remaining allegations of paragraph 25 of the SAC.

2 26. Defendant denies the allegations of paragraph 26 of the SAC.

3 27. Defendant admits that Don DeLoach was President and COO of CENTRI.

4 Defendant denies the remaining allegations of paragraph 27 of the SAC.

5 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant
6 admits that Wischart is a Washington resident. Defendant denies the remaining allegations of
7 paragraph 28 of the SAC.

8 29. Defendant denies the allegations of paragraph 29 of the SAC.

9 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
10 CENTRI. Defendant is without knowledge as to the allegations relating to Mackey's residence
11 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 30
12 of the SAC.

13 31. Defendant admits that James Salter was the acting Director of Marketing for
14 Atonomi and Director of Marketing for CENTRI. Defendant is without knowledge as to the
15 allegations relating to Salter's residence and on that basis denies the same. Defendant denies the
16 remaining allegations of paragraph 31 of the SAC.

17 32. Defendant admits that Luis Paris was the principal R&D engineer of Atonomi,
18 and principal R&D engineer of CENTRI. Defendant is without knowledge as to the allegations
19 relating to Paris's residence and on that basis denies the same. Defendant denies the remaining
20 allegations of paragraph 32 of the SAC.

21 **IV. FACTS**

22 33. Defendant admits the allegations of paragraph 33 of the SAC.

23 34. Defendant admits that Atonomi publicly stated that it was using blockchain
24 technology to develop its network and the utility tokens to be used on the network. Defendant
25 denies the remaining allegations of paragraph 34 of the SAC.

26 35. Defendant admits the allegations of paragraph 35 of the SAC.

27 36. Defendant is without knowledge as to what other persons "often" do and on that
28

1 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
2 divorced from its context. Defendant admits that while some of the allegations may be generally
3 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
4 allegations of paragraph 36 of the SAC.

5 37. Defendant admits the allegations of paragraph 37 of the SAC.

6 38. Defendant admits the allegations of paragraph 38 of the SAC.

7 39. Defendant admits the allegations of paragraph 39 of the SAC.

8 40. Defendant admits the allegations of paragraph 40 of the SAC.

9 41. Defendant admits the allegations of paragraph 41 of the SAC.

10 42. Defendant denies the allegations of paragraph 42 of the SAC.

11 43. Defendant denies the allegations of paragraph 43 of the SAC.

12 44. Defendant admits that it entered into SAFTs with accredited investors, including
13 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
14 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
15 remaining allegations of paragraph 44 of the SAC.

16 45. Defendant admits that the SAFT is an agreement between Atonomi and an
17 accredited investor that speaks for itself. Defendant denies the remaining allegations of
18 paragraph 45 of the SAC.

19 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
20 Defendant denies the remaining allegations of paragraph 46 of the SAC.

21 47. Defendant admits the allegations of paragraph 47 of the SAC.

22 48. Defendant admits the allegations of paragraph 48 of the SAC.

23 49. Defendant admits the allegations of paragraph 49 of the SAC.

24 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
25 Defendant denies the remaining allegations of paragraph 50 of the SAC.

26 51. Defendant admits the allegations of paragraph 51 of the SAC.

27 52. Defendant admits that the SAFT discusses the use of investment capital, and the

1 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

2 53. Defendant admits the allegations of paragraph 53 of the SAC.

3 54. Defendant admits the allegations of paragraph 54 of the SAC.

4 55. Defendant admits that Atonomi entered into SAFTs with only accredited
5 investors, and thus these agreements were exempt from certain U.S. securities regulations.

6 Defendant denies the remaining allegations of paragraph 55 of the SAC.

7 56. Defendant admits that between February and early May 2018, Atonomi entered
8 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
9 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
10 allegations of paragraph 56 of the SAC.

11 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
12 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
13 allegations of paragraph 57 of the SAC.

14 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
15 conducted a token/coin sale directly to members of the public (excluding members of the public
16 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
17 allegations of paragraph 58 of the SAC.

18 59. Defendant admits the allegations of paragraph 59 of the SAC.

19 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
20 Defendant denies the remaining allegations of paragraph 60 of the SAC.

21 61. Defendant admits the allegations of paragraph 61 of the SAC.

22 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
23 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
24 allegations of paragraph 62 of the SAC.

25 63. Defendant admits the allegations of paragraph 63 of the SAC.

26 64. Defendant admits that as part of the SAFT sales, combined with the June 2018
27 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received

28

1 more ETH as part of the SAFT sales than as part of its June 2018 sale. Defendant denies the
2 remaining allegations of paragraph 64 of the SAC.

3 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
4 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

5 66. Defendant admits the allegations of paragraph 66 of the SAC.

6 67. Defendant admits that the Form D acknowledged that the SAFT was a security
7 subject to exemption. Defendant denies the remaining allegations of paragraph 67 of the SAC.

8 68. Defendant admits that Atonomi informed SAFT investors that the SAFT was not
9 a registered security. Defendant denies the remaining allegations of paragraph 68 of the SAC.

10 69. Defendant admits the allegations of paragraph 69 of the SAC.

11 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
12 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
13 70 of the SAC.

14 71. Defendant is without knowledge as to what “numerous online chat messages”
15 refer to and on that basis denies the same. Defendant denies the remaining allegations of
16 paragraph 71 of the SAC.

17 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
18 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
19 SAC.

20 73. Defendant admits the allegations of paragraph 73 of the SAC.

21 74. Defendant admits the allegations of paragraph 74 of the SAC.

22 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
23 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
24 the remaining allegations of paragraph 75 of the SAC.

25 76. Defendant denies the allegations of paragraph 76 of the SAC.

26 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT
27 would be used in part to support the Atonomi Network. Defendant denies the remaining

1 allegations of paragraph 77 of the SAC.

2 78. Defendant admits the allegations of paragraph 78 of the SAC.

3 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens
4 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
5 of the SAC.

6 80. Defendant denies the allegations of paragraph 80 of the SAC.

7 81. Defendant denies the allegations of paragraph 81 of the SAC.

8 82. Defendant admits that Atonomi published the material on
9 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
10 remaining allegations of paragraph 82 of the SAC.

11 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
12 remaining allegations of paragraph 83 of the SAC.

13 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
14 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

15 85. Defendant admits that the Atonomi Network was launched before any tokens
16 were issued to outside users. Because tokens were essential to the functionality, it was
17 impossible for outside users to use the Atonomi Network without the requisite tokens.
18 Defendant denies the remaining allegations of paragraph 85 of the SAC.

19 86. Defendant denies the allegations of paragraph 86 of the SAC.

20 87. Defendant admits that approximately one month after the June 2018 sale of utility
21 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
22 remaining allegations of paragraph 87 of the SAC.

23 88. Defendant admits that on July 12, 2018, if it received activation emails from
24 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
25 paragraph 88 of the SAC.

26 89. Defendant admits that the Atonomi tokens were, as always planned and
27 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open

1 source, public, blockchain-based distributed computing platform and operating system.

2 Defendant denies the remaining allegations of paragraph 89 of the SAC.

3 90. Defendant denies the allegations of paragraph 90 of the SAC.

4 91. Defendant denies the allegations of paragraph 91 of the SAC.

5 92. Defendant denies the allegations of paragraph 92 of the SAC.

6 93. Defendant admits that IDEX has listed Atonomi Tokens (“ATMI”) for trading
7 because users need to be able buy the tokens. Defendant admits that IDEX was one of the first
8 exchanges to list ATMI. Defendant is without knowledge as to these purported private messages
9 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 93
10 of the SAC.

11 94. Defendant is without knowledge as to these purported private messages and on
12 that basis denies the same. Defendant denies the remaining allegations of paragraph 94 of the
13 SAC.

14 95. Defendant is without knowledge as to these purported private messages and on
15 that basis denies the same. Defendant denies the remaining allegations of paragraph 95 of the
16 SAC.

17 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
18 FAQ” on its website and that the quoted language constitutes one portion of that webpage.
19 Defendant denies the remaining allegations of paragraph 96 of the SAC.

20 97. Defendant is without knowledge as to these purported private messages and on
21 that basis denies the same. Defendant denies the remaining allegations of paragraph 97 of the
22 SAC.

23 98. Defendant is without knowledge as to these purported private messages and on
24 that basis denies the same. Defendant denies the remaining allegations of paragraph 98 of the
25 SAC.

26 99. Defendant denies the allegations of paragraph 99 of the SAC.

27 100. Defendant denies the allegations of paragraph 100 of the SAC.

- 1 101. Defendant admits the allegations of paragraph 101 of the SAC.
- 2 102. Defendant denies the allegations of paragraph 102 of the SAC.
- 3 103. Defendant denies the allegations of paragraph 103 of the SAC.
- 4 104. Defendant admits the allegations of paragraph 104 of the SAC.
- 5 105. Defendant denies the allegations of paragraph 105 of the SAC.
- 6 106. Defendant denies the allegations of paragraph 106 of the SAC.
- 7 107. Defendant denies the allegations of paragraph 107 of the SAC.
- 8 108. Defendant denies the allegations of paragraph 108 of the SAC.
- 9 109. Defendant denies the allegations of paragraph 109 of the SAC.
- 10 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
11 SAC and on that basis denies the same.
- 12 111. Defendant is without knowledge as to any actions taken by third parties and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 111 of the
14 SAC.
- 15 112. Defendant denies the allegations of paragraph 112 of the SAC.
- 16 113. Defendant is without knowledge as to these purported private messages and on
17 that basis denies the same. Defendant denies the remaining allegations of paragraph 113 of the
18 SAC.
- 19 114. Defendant denies the allegations of paragraph 114 of the SAC.
- 20 115. Defendant denies the allegations of paragraph 115 of the SAC.
- 21 116. Defendant is without knowledge as to these purported private messages and on
22 that basis denies the same. Defendant denies the remaining allegations of paragraph 116 of the
23 SAC.
- 24 117. Defendant denies the allegations of paragraph 117 of the SAC.
- 25 118. Defendant denies the allegations of paragraph 118 of the SAC.
- 26 119. Defendant is without knowledge as to these purported communications and on
27 that basis denies the same. Defendant denies the remaining allegations of paragraph 119 of the

28

1 SAC.

2 120. Defendant admits that Atonomi required all SAFT purchasers to complete
3 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
4 client privilege information and cannot respond as to any attorney-client privileged information.
5 Defendant denies the remaining allegations of paragraph 120 of the SAC.

6 121. Defendant admits that Atonomi required all SAFT purchasers to complete
7 investor questionnaires. Defendant denies the remaining allegations of paragraph 121 of the
8 SAC.

9 122. Defendant denies the allegations of paragraph 122 of the SAC.

10 123. Defendant denies the allegations of paragraph 123 of the SAC.

11 124. Defendant denies the allegations of paragraph 124 of the SAC.

12 125. Defendant denies the allegations of paragraph 125 of the SAC.

13 126. Defendant denies the allegations of paragraph 126 of the SAC.

14 127. Defendant denies the allegations of paragraph 127 of the SAC.

15 128. Defendant admits that they used public channels to respond to questions.

16 Defendant denies the remaining allegations of paragraph 128 of the SAC.

17 129. Defendant is without knowledge as to the exact number of individuals as of the
18 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
19 paragraph 129 of the SAC.

20 130. Defendant denies the allegations of paragraph 130 of the SAC.

21 131. Defendant is without knowledge as to any actions taken by third parties and on
22 that basis denies the same. Defendant denies the remaining allegations of paragraph 131 of the
23 SAC.

24 132. Defendant denies the allegations of paragraph 132 of the SAC.

25 133. Defendant denies the allegations of paragraph 133 of the SAC.

26 134. Defendant admits that Atonomi had a public website. Defendant denies the
27 remaining allegations of paragraph 134 of the SAC.

28

1 135. Defendant admits that Atonomi made some public presentations about itself and
2 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

3 136. Defendant is without knowledge as to any actions taken by third parties and on
4 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
5 SAC.

6 137. Defendant is without knowledge as to any actions taken by third parties and on
7 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
8 SAC.

9 138. Defendant admits that on April 17, 2018, Defendant Emery and Grant Fjermedal
10 appeared in a Twitter “Ask Me Anything” session and responded to certain questions.
11 Defendant is without knowledge as to the actions of third parties and on that basis denies the
12 same. Defendant denies the remaining allegations of paragraph 138 of the SAC.

13 139. Defendant admits that Atonomi had and used a Twitter account and made posts.
14 Defendant denies the remaining allegations of paragraph 139 of the SAC.

15 140. Defendant admits that Atonomi would respond to questions in certain forums
16 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

17 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
18 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
19 denies the remaining allegations of paragraph 141 of the SAC.

20 142. Defendant admits the allegations of paragraph 142 of the SAC.

21 143. Defendant admits the allegations of paragraph 143 of the SAC.

22 144. Defendant denies the allegations of paragraph 144 of the SAC.

23 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
24 denies the remaining allegations of paragraph 145 of the SAC.

25 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
26 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
27 of the SAC.

1 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
2 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
3 of the SAC.

4 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
5 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
6 denies the allegations of remaining paragraph 148 of the SAC.

7 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
8 Defendant denies the remaining allegations of paragraph 149 of the SAC.

9 150. Defendant denies the allegations of paragraph 150 of the SAC.

10 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
11 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
12 the SAC.

13 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
14 denies the remaining allegations of paragraph 152 of the SAC.

15 153. Defendant denies the allegations of paragraph 153 of the SAC.

16 154. Defendant denies the allegations of paragraph 154 of the SAC.

17 155. Defendant denies the allegations of paragraph 155 of the SAC.

18 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
19 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
20 allegations of paragraph 156 of the SAC.

21 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
22 the remaining allegations of paragraph 157 of the SAC.

23 158. Defendant denies the allegations of paragraph 158 of the SAC.

24 159. Defendant admits that the utility tokens could be transferred upon release.
25 Defendant denies the remaining allegations of paragraph 159 of the SAC.

26 160. Defendant admits that they were seeking exchanges to list Atonomi's utility
27 tokens so that the public can buy the tokens for their intended use. Defendant denies the

1 remaining allegations of paragraph 160 of the SAC.

2 161. Defendant is without knowledge as to third party actions and on that basis denies
3 the same. Defendant admits that the Atonomi utility tokens are available on some public
4 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

5 162. Defendant denies the allegations of paragraph 162 of the SAC.

6 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
7 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
8 SAC.

9 164. Defendant denies the allegations of paragraph 164 of the SAC.

10 165. Defendant denies the allegations of paragraph 165 of the SAC.

11 166. Defendant is without knowledge as to third party actions and on that basis denies
12 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

13 167. Defendant is without knowledge as to third party actions and on that basis denies
14 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

15 168. Defendant denies the allegations of paragraph 168 of the SAC.

16 169. Defendant admits that CENTRI and Atonomi hosted sales meetings, product
17 demonstrations and sponsored events at Mobile World Congress 2019 in Barcelona, Spain.
18 Defendant denies the remaining allegations of paragraph 169 of the SAC.

19 170. Defendant admits the allegations of paragraph 165 of the SAC.

20 171. Defendant denies the allegations of paragraph 166 of the SAC.

21 172. Defendant admits the allegations of paragraph 167 of the SAC.

22 173. Defendant denies the allegations of paragraph 168 of the SAC.

23 174. Defendant admits that Robert Strickland, under contract through his firm, M37
24 Ventures, Inc., provided services to the company, including acting as CEO of Atonomi and CEO
25 of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

26 175. Defendant admits that the cited quote appears in a printout, originally Exhibit G to
27 the First Amended Complaint, which appeared to be a printout of a press release on Atonomi's

28

1 website, and that the press release speaks for itself.. Defendant denies the remaining allegations
2 of paragraph 175 of the SAC.

3 176. Defendant denies the allegations of paragraph 171 of the SAC.

4 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
5 Defendant denies all remaining allegations of paragraph 177 of the SAC.

6 178. Defendant denies the allegations of paragraph 178 of the SAC.

7 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
8 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

9 180. Defendant denies the allegations of paragraph 180 of the SAC.

10 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI, which is
11 not an Officer position. Defendant denies the remaining allegations of paragraph 181 of the
12 SAC.

13 182. Defendant admits the allegations of paragraph 182 of the SAC.

14 183. Defendant denies the allegations of paragraph 183 of the SAC.

15 184. Defendant admits that Defendant Wischart was a director of CENTRI during
16 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
17 allegations of paragraph 184 of the SAC.

18 185. Defendant denies the allegations of paragraph 185 of the SAC.

19 186. Defendant denies the allegations of paragraph 186 of the SAC.

20 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
21 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
22 denies the remaining allegations of paragraph 187 of the SAC.

23 188. Defendant denies the allegations of paragraph 188 of the SAC.

24 189. Defendant denies the allegations of paragraph 189 of the SAC.

25 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
26 SAC and on that basis denies the same.

27

28

1 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
2 SAC and on that basis denies the same.

3 192. Defendant denies the allegations of paragraph 192.

4 193. Defendant admits Gray was listed as one of the authors of the Atonomi White
5 paper. Defendant denies the remaining allegations of paragraph 193 of the SAC.

6 194. Defendant admits the allegations of paragraph 194 of the SAC.

7 195. Defendant denies the allegations of paragraph 195 of the SAC.

8 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
9 SAC and on that basis denies the same.

10 197. Defendant denies the allegations of paragraph 197 of the SAC.

11 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
12 SAC and on that basis denies the same.

13 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
14 SAC and on that basis denies the same.

15 **V. CLASS ALLEGATIONS**

16 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
17 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
18 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

19 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
20 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
21 paragraph 201 of the SAC.

22 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
23 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
24 paragraph 202 of the SAC.

25 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
26 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
27 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

1 204. Defendant denies the allegations of paragraph 204 of the SAC.

2 205. Defendant denies the allegations of paragraph 205 of the SAC.

3 206. Defendant denies the allegations of paragraph 206 of the SAC.

4 207. Defendant denies the allegations of paragraph 207 of the SAC.

5 208. Defendant denies the allegations of paragraph 208 of the SAC.

6 209. Defendant denies the allegations of paragraph 209 of the SAC.

7 **VI. CAUSE OF ACTION**

8 210. Defendants hereby incorporates by reference the responses contained in the
9 preceding paragraphs of this Answer.

10 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
11 Defendant denies the remaining allegations of paragraph 211 of the SAC.

12 212. Defendant denies the allegations of paragraph 212 of the SAC.

13 **VII. AFFIRMATIVE DEFENSES**

14 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
15 conduct, and omissions from obtaining any recovery in this action.

16 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
17 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

18 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
19 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
20 were unlocked.

21 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
22 permitted to obtain recovery in this action.

23 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
24 claims he might have against the Defendant.

25 6. Assumption of the Risk: The named Plaintiff's claims are barred in whole or in
26 part because he and any purported class members were expressly advised in public statements
27

1 about the material facts and risks. Plaintiff and any purported class members therefore assumed
2 the risk of any loss and are precluded from any recovery.

3 7. Failure to Mitigate Damages: The named Plaintiff's claims are barred in whole or
4 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
5 damage, which efforts would have prevented all or part of any such alleged injury or damage.

6 8. Defendants are not liable under RCW 21.20.430 in "that he or she did not know,
7 and in the exercise of reasonable care could not have known, of the existence of the facts by
8 reason of which the liability is alleged to exist."

9 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
10 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
11 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

12 **VIII. PRAYER FOR RELIEF**

13 WHEREFORE, Defendants pray for relief and judgment as follows:

- 14 A. Denying that this action is properly maintainable as a class action under Fed. R.
15 Civ. P. Rule 23;
16 B. Judgment against Plaintiffs and in Defendant's favor;
17 C. Awarding costs of litigation, including expert witness costs, and reasonable
18 attorneys' fees, against Plaintiffs; and
19 D. Such other and further relief as this Court may deem just and proper.

20 **XI. JURY DEMAND**

21 Defendants hereby demand a trial by jury for all issues so triable.

23 Dated: November 23, 2020

Respectfully submitted,

24 GORDON REES SCULLY MANSUKHANI LLP

25 By: /s/ David W. Silke

26 David W. Silke, WSBA No. 23761
27 GORDON REES SCULLY MANSUKHANI LLP
701 Fifth Avenue, Suite 2100
Seattle, WA 98104

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant CENTRI Technology, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT CENTRI TECHNOLOGY, INC.’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November, 2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 3

TO PRAECIPE, REPLACING ECF NO. 160

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don Deloach,
Wayne Wisehart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT

)
) **DEFENDANT JAMES SALTER'S**
) **ANSWER TO SECOND AMENDED**
) **CLASS ACTION COMPLAINT**

) **JURY DEMAND**

1 Defendant James Salter (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits that this Court has personal jurisdiction over him. Defendant is
20 without knowledge as to other individual defendants and on that basis denies the same.

21 Defendant denies the remaining allegations of paragraph 9 of the SAC.

22 10. Defendant admits that this Court has personal jurisdiction over him. Defendant is
23 without knowledge as to other individual defendants and on that basis denies the same.

24 Defendant denies the remaining allegations of paragraph 10 of the SAC.

25 11. Defendant admits that this Court has personal jurisdiction over him. Defendant is
26 without knowledge as to other individual defendants and on that basis denies the same.

27 Defendant denies the remaining allegations of paragraph 11 of the SAC.

1 25. Defendant admits that Robert Strickland is CEO of CENTRI and CEO of M37.
2 Defendant denies the remaining allegations of paragraph 25 of the SAC.

3 26. Defendant denies the allegations of paragraph 26 of the SAC.

4 27. Defendant admits that Don DeLoach was President and COO of CENTRI.
5 Defendant denies the remaining allegations of paragraph 27 of the SAC.

6 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant is
7 without knowledge as to Wischart's residence and on that basis denies the same. Defendant
8 denies the remaining allegations of paragraph 28 of the SAC.

9 29. Defendant denies the allegations of paragraph 29 of the SAC.

10 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
11 CENTRI. Defendant is without knowledge as to Mackey's residence and on that basis denies the
12 same. Defendant denies the remaining allegations of paragraph 30 of the SAC.

13 31. Defendant admits that he was the Director of Marketing for CENTRI until mid-
14 March 2018, and that as of mid-March 2018, he was acting Director of Marketing for Atonomi
15 until October 2018. Defendant admits that he is a Washington resident. Defendant denies the
16 remaining allegations of paragraph 31 of the SAC.

17 32. Defendant admits that Luis Paris was the Chief Scientist of CENTRI and worked
18 on Atonomi R&D engineering duties. Defendant is without knowledge as to Paris's residence
19 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 32
20 of the SAC.

21 **IV. FACTS**

22 33. Defendant admits the allegations of paragraph 28 of the SAC.

23 34. Defendant admits that Atonomi publicly stated that it was using blockchain
24 technology to develop its network and the utility tokens to be used on the network. Defendant
25 denies the remaining allegations of paragraph 34 of the SAC.

26 35. Defendant admits the allegations of paragraph 35 of the SAC.

27 36. Defendant is without knowledge as to what other persons "often" do and on that
28

1 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
2 divorced from its context. Defendant admits that while some of the allegations may be generally
3 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
4 allegations of paragraph 36 of the SAC.

5 37. Defendant admits the allegations of paragraph 37 of the SAC.

6 38. Defendant admits the allegations of paragraph 38 of the SAC.

7 39. Defendant admits the allegations of paragraph 39 of the SAC.

8 40. Defendant admits the allegations of paragraph 40 of the SAC.

9 41. Defendant admits the allegations of paragraph 41 of the SAC.

10 42. Defendant denies the allegations of paragraph 42 of the SAC.

11 43. Defendant denies the allegations of paragraph 43 of the SAC.

12 44. Defendant admits that it entered into SAFTs with accredited investors, including
13 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
14 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
15 remaining allegations of paragraph 44 of the SAC.

16 45. Defendant admits that the SAFT is an agreement between Atonomi and an
17 accredited investor that speaks for itself. Defendant denies the remaining allegations of
18 paragraph 45 of the SAC.

19 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
20 Defendant denies the remaining allegations of paragraph 46 of the SAC.

21 47. Defendant admits the allegations of paragraph 47 of the SAC.

22 48. Defendant admits the allegations of paragraph 48 of the SAC.

23 49. Defendant admits the allegations of paragraph 49 of the SAC.

24 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
25 Defendant denies the remaining allegations of paragraph 50 of the SAC.

26 51. Defendant admits the allegations of paragraph 51 of the SAC.

27 52. Defendant admits that the SAFT discusses the use of investment capital, and the

1 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

2 53. Defendant admits the allegations of paragraph 53 of the SAC.

3 54. Defendant admits the allegations of paragraph 54 of the SAC.

4 55. Defendant admits that Atonomi entered into SAFTs with only accredited
5 investors, and thus these agreements were exempt from certain U.S. securities regulations.

6 Defendant denies the remaining allegations of paragraph 55 of the SAC.

7 56. Defendant admits that between February and early May 2018, Atonomi entered
8 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
9 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
10 allegations of paragraph 56 of the SAC.

11 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
12 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
13 allegations of paragraph 57 of the SAC.

14 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
15 conducted a token/coin sale directly to members of the public (excluding members of the public
16 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
17 allegations of paragraph 58 of the SAC.

18 59. Defendant admits the allegations of paragraph 59 of the SAC.

19 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
20 Defendant denies the remaining allegations of paragraph 60 of the SAC.

21 61. Defendant admits the allegations of paragraph 61 of the SAC.

22 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
23 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
24 allegations of paragraph 62 of the SAC.

25 63. Defendant admits the allegations of paragraph 63 of the SAC.

26 64. Defendant admits that as part of the SAFT sales, combined with the June 2018
27 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received

1 more ETH as part of the SAFT sales than as part of its June 2018 sale. Defendant denies the
2 remaining allegations of paragraph 64 of the SAC.

3 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
4 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

5 66. Defendant admits the allegations of paragraph 66 of the SAC.

6 67. Defendant is without knowledge as to the allegations of paragraph 67 of the SAC
7 and on that basis denies the same.

8 68. Defendant is without knowledge as to the allegations of paragraph 68 of the SAC
9 and on that basis denies the same.

10 69. Defendant admits the allegations of paragraph 69 of the SAC.

11 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
12 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
13 70 of the SAC.

14 71. Defendant is without knowledge as to what “numerous online chat messages”
15 refer to and on that basis denies the same. Defendant denies the remaining allegations of
16 paragraph 71 of the SAC.

17 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
18 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
19 SAC.

20 73. Defendant is without knowledge as to the allegations of paragraph 73 of the SAC
21 and on that basis denies the same.

22 74. Defendant is without knowledge as to the allegations of paragraph 74 of the SAC
23 and on that basis denies the same.

24 75. Defendant is without knowledge as to the allegations of paragraph 75 of the SAC
25 and on that basis denies the same.

26 76. Defendant denies the allegations of paragraph 76 of the SAC.

27 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT

1 would be used in part to support the Atonomi Network. Defendant denies the remaining
2 allegations of paragraph 77 of the SAC.

3 78. Defendant is without knowledge as to the allegations of paragraph 78 of the SAC
4 and on that basis denies the same.

5 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens
6 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
7 of the SAC.

8 80. Defendant denies the allegations of paragraph 80 of the SAC.

9 81. Defendant denies the allegations of paragraph 81 of the SAC.

10 82. Defendant admits that Atonomi published the material on
11 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
12 remaining allegations of paragraph 82 of the SAC.

13 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
14 remaining allegations of paragraph 83 of the SAC.

15 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
16 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

17 85. Defendant admits that the Atonomi Network was launched before any tokens
18 were issued to outside users. Because tokens were essential to the functionality, it was
19 impossible for outside users to use the Atonomi Network without the requisite tokens.
20 Defendant denies the remaining allegations of paragraph 85 of the SAC.

21 86. Defendant denies the allegations of paragraph 86 of the SAC.

22 87. Defendant admits that approximately one month after the June 2018 sale of utility
23 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
24 remaining allegations of paragraph 87 of the SAC.

25 88. Defendant admits that on July 12, 2018, if it received activation emails from
26 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
27 paragraph 88 of the SAC.

1 89. Defendant admits that the Atonomi tokens were, as always planned and
2 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
3 source, public, blockchain-based distributed computing platform and operating system.

4 Defendant denies the remaining allegations of paragraph 89 of the SAC.

5 90. Defendant denies the allegations of paragraph 90 of the SAC.

6 91. Defendant denies the allegations of paragraph 91 of the SAC.

7 92. Defendant denies the allegations of paragraph 92 of the SAC.

8 93. Defendant admits that IDEX has listed Atonomi Tokens (“ATMI”) for trading
9 because users need to be able buy the tokens. Defendant admits that IDEX was one of the first
10 exchanges to list ATMI. Defendant is without knowledge as to these purported private messages
11 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 93
12 of the SAC.

13 94. Defendant is without knowledge as to these purported private messages and on
14 that basis denies the same. Defendant denies the remaining allegations of paragraph 94 of the
15 SAC.

16 95. Defendant is without knowledge as to these purported private messages and on
17 that basis denies the same. Defendant denies the remaining allegations of paragraph 95 of the
18 SAC.

19 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
20 FAQ” on its website and that the quoted language constitutes one portion of that webpage.
21 Defendant denies the remaining allegations of paragraph 96 of the SAC.

22 97. Defendant is without knowledge as to these purported private messages and on
23 that basis denies the same. Defendant denies the remaining allegations of paragraph 97 of the
24 SAC.

25 98. Defendant is without knowledge as to these purported private messages and on
26 that basis denies the same. Defendant denies the remaining allegations of paragraph 98 of the
27 SAC.

- 1 99. Defendant denies the allegations of paragraph 99 of the SAC.
- 2 100. Defendant denies the allegations of paragraph 100 of the SAC.
- 3 101. Defendant admits the allegations of paragraph 101 of the SAC.
- 4 102. Defendant denies the allegations of paragraph 102 of the SAC.
- 5 103. Defendant denies the allegations of paragraph 103 of the SAC.
- 6 104. Defendant admits the allegations of paragraph 104 of the SAC.
- 7 105. Defendant denies the allegations of paragraph 105 of the SAC.
- 8 106. Defendant denies the allegations of paragraph 106 of the SAC.
- 9 107. Defendant denies the allegations of paragraph 107 of the SAC.
- 10 108. Defendant denies the allegations of paragraph 108 of the SAC.
- 11 109. Defendant denies the allegations of paragraph 109 of the SAC.
- 12 110. Defendant is without knowledge as to any actions taken by third parties and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 110 of the
14 SAC.
- 15 111. Defendant is without knowledge as to any actions taken by third parties and on
16 that basis denies the same. Defendant denies the remaining allegations of paragraph 111 of the
17 SAC.
- 18 112. Defendant denies the allegations of paragraph 112 of the SAC.
- 19 113. Defendant is without knowledge as to these purported private messages and on
20 that basis denies the same. Defendant denies the remaining allegations of paragraph 113 of the
21 SAC.
- 22 114. Defendant denies the allegations of paragraph 114 of the SAC.
- 23 115. Defendant denies the allegations of paragraph 115 of the SAC.
- 24 116. Defendant is without knowledge as to these purported private messages and on
25 that basis denies the same. Defendant denies the remaining allegations of paragraph 116 of the
26 SAC.
- 27 117. Defendant denies the allegations of paragraph 117 of the SAC.

1 118. Defendant denies the allegations of paragraph 118 of the SAC.

2 119. Defendant is without knowledge as to these purported communications and on
3 that basis denies the same. Defendant denies the remaining allegations of paragraph 119 of the
4 SAC.

5 120. Defendant is without knowledge as to the allegations of paragraph 120 of the
6 SAC and on that basis denies the same.

7 121. Defendant is without knowledge as to the allegations of paragraph 121 of the
8 SAC and on that basis denies the same.

9 122. Defendant denies the allegations of paragraph 122 of the SAC.

10 123. Defendant denies the allegations of paragraph 123 of the SAC.

11 124. Defendant denies the allegations of paragraph 124 of the SAC.

12 125. Defendant denies the allegations of paragraph 125 of the SAC.

13 126. Defendant denies the allegations of paragraph 126 of the SAC.

14 127. Defendant denies the allegations of paragraph 127 of the SAC.

15 128. Defendant admits that they used public channels to respond to questions.

16 Defendant denies the remaining allegations of paragraph 128 of the SAC.

17 129. Defendant is without knowledge as to the exact number of individuals as of the
18 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
19 paragraph 129 of the SAC.

20 130. Defendant denies the allegations of paragraph 130 of the SAC.

21 131. Defendant is without knowledge as to any actions taken by third parties and on
22 that basis denies the same. Defendant denies the remaining allegations of paragraph 131 of the
23 SAC.

24 132. Defendant denies the allegations of paragraph 132 of the SAC.

25 133. Defendant denies the allegations of paragraph 133 of the SAC.

26 134. Defendant admits that Atonomi had a public website. Defendant denies the
27 remaining allegations of paragraph 134 of the SAC.

28

1 135. Defendant admits that Atonomi made some public presentations about itself and
2 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

3 136. Defendant is without knowledge as to any actions taken by third parties and on
4 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
5 SAC.

6 137. Defendant is without knowledge as to any actions taken by third parties and on
7 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
8 SAC.

9 138. Defendant admits that on April 17, 2018, Defendant Emery and Grant Fjermedal
10 appeared in a Twitter “Ask Me Anything” session and responded to certain questions.
11 Defendant is without knowledge as to the actions of third parties and on that basis denies the
12 same. Defendant denies the remaining allegations of paragraph 138 of the SAC.

13 139. Defendant admits that Atonomi had and used a Twitter account and made posts.
14 Defendant denies the remaining allegations of paragraph 139 of the SAC.

15 140. Defendant admits that Atonomi would respond to questions in certain forums
16 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

17 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
18 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
19 denies the remaining allegations of paragraph 141 of the SAC.

20 142. Defendant admits the allegations of paragraph 142 of the SAC.

21 143. Defendant admits the allegations of paragraph 143 of the SAC.

22 144. Defendant denies the allegations of paragraph 144 of the SAC.

23 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
24 denies the remaining allegations of paragraph 145 of the SAC.

25 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
26 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
27 of the SAC.

1 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
2 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
3 of the SAC.

4 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
5 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
6 denies the allegations of remaining paragraph 148 of the SAC.

7 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
8 Defendant denies the remaining allegations of paragraph 149 of the SAC.

9 150. Defendant denies the allegations of paragraph 150 of the SAC.

10 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
11 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
12 the SAC.

13 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
14 denies the remaining allegations of paragraph 152 of the SAC.

15 153. Defendant denies the allegations of paragraph 153 of the SAC.

16 154. Defendant denies the allegations of paragraph 154 of the SAC.

17 155. Defendant denies the allegations of paragraph 155 of the SAC.

18 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
19 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
20 allegations of paragraph 156 of the SAC.

21 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
22 the remaining allegations of paragraph 157 of the SAC.

23 158. Defendant denies the allegations of paragraph 158 of the SAC.

24 159. Defendant admits that the utility tokens could be transferred upon release.
25 Defendant denies the remaining allegations of paragraph 159 of the SAC.

26 160. Defendant admits that they were seeking exchanges to list Atonomi's utility
27 tokens so that the public can buy the tokens for their intended use. Defendant denies the

1 remaining allegations of paragraph 160 of the SAC.

2 161. Defendant is without knowledge as to third party actions and on that basis denies
3 the same. Defendant admits that the Atonomi utility tokens are available on some public
4 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

5 162. Defendant denies the allegations of paragraph 162 of the SAC.

6 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
7 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
8 SAC.

9 164. Defendant denies the allegations of paragraph 164 of the SAC.

10 165. Defendant denies the allegations of paragraph 165 of the SAC.

11 166. Defendant is without knowledge as to third party actions and on that basis denies
12 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

13 167. Defendant is without knowledge as to third party actions and on that basis denies
14 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

15 168. Defendant denies the allegations of paragraph 168 of the SAC.

16 169. Defendant is without knowledge as to the allegations of paragraph 169 of the
17 SAC and on that basis denies the same.

18 170. Defendant admits the allegations of paragraph 165 of the SAC.

19 171. Defendant denies the allegations of paragraph 171 of the SAC.

20 172. Defendant admits the allegations of paragraph 172 of the SAC.

21 173. Defendant denies the allegations of paragraph 173 of the SAC.

22 174. Defendant admits that Robert Strickland was under contract through his firm,
23 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
24 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

25 175. Defendant admits that the cited quote appears in a printout, originally Exhibit G to
26 the First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
27

1 website, and that the press release speaks for itself. Defendant denies all the remaining
2 allegations of paragraph 175 of the SAC.

3 176. Defendant denies the allegations of paragraph 176 of the SAC.

4 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
5 Defendant denies all remaining allegations of paragraph 177 of the SAC.

6 178. Defendant denies the allegations of paragraph 178 of the SAC.

7 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
8 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

9 180. Defendant denies the allegations of paragraph 180 of the SAC.

10 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI.
11 Defendant denies the remaining allegations of paragraph of 181 of the SAC.

12 182. Defendant admits the allegations of paragraph 182 of the SAC.

13 183. Defendant denies the allegations of paragraph 183 of the SAC.

14 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
15 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
16 allegations of paragraph 184 of the SAC.

17 185. Defendant denies the allegations of paragraph 185 of the SAC.

18 186. Defendant denies the allegations of paragraph 186 of the SAC.

19 187. Defendant admits that he was the acting Director of Marketing of Atonomi from
20 mid-March 2018 to October 2018 and fulfilled his job functions. Defendant denies the
21 remaining allegations of paragraph 187 of the SAC.

22 188. Defendant denies the allegations of paragraph 188 of the SAC.

23 189. Defendant is without knowledge as to the allegations of paragraph 189 of the
24 SAC and on that basis denies the same.

25 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
26 SAC and on that basis denies the same.

1 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
2 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
3 paragraph 202 of the SAC.

4 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
5 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
6 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

7 204. Defendant denies the allegations of paragraph 204 of the SAC.

8 205. Defendant denies the allegations of paragraph 205 of the SAC.

9 206. Defendant denies the allegations of paragraph 206 of the SAC.

10 207. Defendant denies the allegations of paragraph 207 of the SAC.

11 208. Defendant denies the allegations of paragraph 208 of the SAC.

12 209. Defendant denies the allegations of paragraph 209 of the SAC.

13 **VI. CAUSE OF ACTION**

14 210. Defendants hereby incorporates by reference the responses contained in the
15 preceding paragraphs of this Answer.

16 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
17 Defendant denies the remaining allegations of paragraph 211 of the SAC.

18 212. Defendant denies the allegations of paragraph 212 of the SAC.

19 **VII. AFFIRMATIVE DEFENSES**

20 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
21 conduct, and omissions from obtaining any recovery in this action.

22 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
23 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

24 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
25 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
26 were unlocked.

1 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
2 permitted to obtain recovery in this action.

3 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
4 claims he might have against the Defendant.

5 6. Assumption of the Risk: The named Plaintiff’s claims are barred in whole or in
6 part because he and any purported class members were expressly advised in public statements
7 about the material facts and risks. Plaintiff and any purported class members therefore assumed
8 the risk of any loss and are precluded from any recovery.

9 7. Failure to Mitigate Damages: The named Plaintiff’s claims are barred in whole or
10 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
11 damage, which efforts would have prevented all or part of any such alleged injury or damage.

12 8. Defendants are not liable under RCW 21.20.430 in “that he or she did not know,
13 and in the exercise of reasonable care could not have known, of the existence of the facts by
14 reason of which the liability is alleged to exist.”

15 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
16 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
17 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

18 **VIII. PRAYER FOR RELIEF**

19 WHEREFORE, Defendants pray for relief and judgment as follows:

20 A. Denying that this action is properly maintainable as a class action under Fed. R.
21 Civ. P. Rule 23;

22 B. Judgment against Plaintiffs and in Defendant’s favor;

23 C. Awarding costs of litigation, including expert witness costs, and reasonable
24 attorneys’ fees, against Plaintiffs; and

25 D. Such other and further relief as this Court may deem just and proper.

26 ///

27 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

XI. JURY DEMAND

Defendants hereby demand a trial by jury for all issues so triable.

Dated: November 23, 2020

Respectfully submitted,

GORDON REES SCULLY MANSUKHANI LLP

By: /s/ David W. Silke

David W. Silke, WSBA No. 23761
GORDON REES SCULLY MANSUKHANI LLP
701 Fifth Avenue, Suite 2100
Seattle, WA 98104
Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant James Salter

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT JAMES SALTER’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November,2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 4
TO PRAECIPE, REPLACING ECF NO. 161

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don Deloach,
Wayne Wisehart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendant.

) No. 19-2-cv-00615-RAJ-MAT
)
) **DEFENDANT KYLE**
) **STRICKLAND’S ANSWER TO**
) **SECOND AMENDED CLASS**
) **ACTION COMPLAINT**
)
) **JURY DEMAND**

1 Defendant Kyle Strickland (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that he violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that he violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant is without knowledge as to the allegations of paragraph 4 of the SAC
12 and on that basis denies the same.

13 5. Defendant is without knowledge as to the allegations of paragraph 5 of the SAC
14 and on that basis denies the same.

15 6. Defendant is without knowledge as to the allegations of paragraph 6 of the SAC
16 and on that basis denies the same.

17 7. Defendant is without knowledge as to the allegations of paragraph 7 of the SAC
18 and on that basis denies the same.

19 **II. JURISDICTION AND VENUE**

20 8. Defendant admits the allegations of paragraph 8 of the SAC.

21 9. Defendant is without knowledge as to the allegations of paragraph 9 of the SAC
22 and on that basis denies the same.

23 10. Defendant is without knowledge as to the allegations of paragraph 10 of the SAC
24 and on that basis denies the same.

25 11. Defendant is without knowledge as to the allegations of paragraph 11 of the SAC
26 and on that basis denies the same.

27 12. Defendant denies that this Court has personal jurisdiction over him. Defendant is

1 without knowledge as to the remaining allegations of paragraph 12 of the SAC and on that basis
2 denies the same.

3 13. Defendant denies that this Court has personal jurisdiction over him. Defendant is
4 without knowledge as to the remaining allegations of paragraph 13 of the SAC and on that basis
5 denies the same.

6 14. Defendant denies that this Court has personal jurisdiction over him. Defendant is
7 without knowledge as to the remaining allegations of paragraph 14 of the SAC and on that basis
8 denies the same.

9 15. Defendant is without knowledge as to the allegations of paragraph 15 of the SAC
10 and on that basis denies the same.

11 **III. PARTIES**

12 16. Defendant is without knowledge as to the allegations of paragraph 16 of the SAC
13 and on that basis denies the same.

14 17. Defendant is without knowledge as to the allegations of paragraph 17 of the SAC
15 and on that basis denies the same.

16 18. Defendant is without knowledge as to the allegations of paragraph 18 of the SAC
17 and on that basis denies the same.

18 19. Defendant is without knowledge as to the allegations of paragraph 19 of the SAC
19 and on that basis denies the same.

20 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
21 and on that basis denies the same.

22 21. Defendant is without knowledge as to the allegations of paragraph 21 of the SAC
23 and on that basis denies the same.

24 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
25 and on that basis denies the same.

26 23. Defendant is without knowledge as to the allegations of paragraph 23 of the SAC
27 and on that basis denies the same.

1 allegations of paragraph 36 of the SAC.

2 37. Defendant admits the allegations of paragraph 37 of the SAC.

3 38. Defendant is without knowledge as to the allegations of paragraph 38 of the SAC
4 and on that basis denies the same.

5 39. Defendant admits the allegations of paragraph 39 of the SAC.

6 40. Defendant admits the allegations of paragraph 40 of the SAC.

7 41. Defendant is without knowledge as to the allegations of paragraph 41 of the SAC
8 and on that basis denies the same.

9 42. Defendant is without knowledge as to the allegations of paragraph 42 of the SAC
10 and on that basis denies the same.

11 43. Defendant is without knowledge as to the allegations of paragraph 43 of the SAC
12 and on that basis denies the same.

13 44. Defendant is without knowledge as to the allegations of paragraph 44 of the SAC
14 and on that basis denies the same.

15 45. Defendant is without knowledge as to the allegations of paragraph 45 of the SAC
16 and on that basis denies the same.

17 46. Defendant is without knowledge as to the allegations of paragraph 46 of the SAC
18 and on that basis denies the same.

19 47. Defendant is without knowledge as to the allegations of paragraph 47 of the SAC
20 and on that basis denies the same.

21 48. Defendant is without knowledge as to the allegations of paragraph 48 of the SAC
22 and on that basis denies the same.

23 49. Defendant is without knowledge as to the allegations of paragraph 49 of the SAC
24 and on that basis denies the same.

25 50. Defendant is without knowledge as to the allegations of paragraph 50 of the SAC
26 and on that basis denies the same.

27 51. Defendant is without knowledge as to the allegations of paragraph 51 of the SAC

1 and on that basis denies the same.

2 52. Defendant is without knowledge as to the allegations of paragraph 52 of the SAC
3 and on that basis denies the same.

4 53. Defendant is without knowledge as to the allegations of paragraph 53 of the SAC
5 and on that basis denies the same.

6 54. Defendant is without knowledge as to the allegations of paragraph 54 of the SAC
7 and on that basis denies the same.

8 55. Defendant is without knowledge as to the allegations of paragraph 55 of the SAC
9 and on that basis denies the same.

10 56. Defendant is without knowledge as to the allegations of paragraph 56 of the SAC
11 and on that basis denies the same.

12 57. Defendant is without knowledge as to the allegations of paragraph 57 of the SAC
13 and on that basis denies the same.

14 58. Defendant is without knowledge as to the allegations of paragraph 58 of the SAC
15 and on that basis denies the same.

16 59. Defendant is without knowledge as to the allegations of paragraph 59 of the SAC
17 and on that basis denies the same.

18 60. Defendant is without knowledge as to the allegations of paragraph 60 of the SAC
19 and on that basis denies the same.

20 61. Defendant is without knowledge as to the allegations of paragraph 61 of the SAC
21 and on that basis denies the same.

22 62. Defendant is without knowledge as to the allegations of paragraph 62 of the SAC
23 and on that basis denies the same.

24 63. Defendant is without knowledge as to the allegations of paragraph 63 of the SAC
25 and on that basis denies the same.

26 64. Defendant is without knowledge as to the allegations of paragraph 64 of the SAC
27 and on that basis denies the same.

28 DEFENDANT KYLE STRICKLAND'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI, LLP
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 and on that basis denies the same.

2 79. Defendant is without knowledge as to the allegations of paragraph 79 of the SAC
3 and on that basis denies the same.

4 80. Defendant is without knowledge as to the allegations of paragraph 80 of the SAC
5 and on that basis denies the same.

6 81. Defendant is without knowledge as to the allegations of paragraph 81 of the SAC
7 and on that basis denies the same.

8 82. Defendant is without knowledge as to the allegations of paragraph 82 of the SAC
9 and on that basis denies the same.

10 83. Defendant is without knowledge as to the allegations of paragraph 83 of the SAC
11 and on that basis denies the same.

12 84. Defendant is without knowledge as to the allegations of paragraph 84 of the SAC
13 and on that basis denies the same.

14 85. Defendant is without knowledge as to the allegations of paragraph 85 of the SAC
15 and on that basis denies the same.

16 86. Defendant is without knowledge as to the allegations of paragraph 86 of the SAC
17 and on that basis denies the same.

18 87. Defendant is without knowledge as to the allegations of paragraph 87 of the SAC
19 and on that basis denies the same.

20 88. Defendant is without knowledge as to the allegations of paragraph 88 of the SAC
21 and on that basis denies the same.

22 89. Defendant is without knowledge as to the allegations of paragraph 88 of the SAC
23 and on that basis denies the same.

24 90. Defendant is without knowledge as to the allegations of paragraph 90 of the SAC
25 and on that basis denies the same.

26 91. Defendant is without knowledge as to the allegations of paragraph 91 of the SAC
27 and on that basis denies the same.

28 DEFENDANT KYLE STRICKLAND'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI, LLP
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 92. Defendant is without knowledge as to the allegations of paragraph 92 of the SAC
2 and on that basis denies the same.

3 93. Defendant is without knowledge as to the allegations of paragraph 93 of the SAC
4 and on that basis denies the same.

5 94. Defendant is without knowledge as to the allegations of paragraph 94 of the SAC
6 and on that basis denies the same.

7 95. Defendant is without knowledge as to the allegations of paragraph 95 of the SAC
8 and on that basis denies the same.

9 96. Defendant is without knowledge as to the allegations of paragraph 96 of the SAC
10 and on that basis denies the same.

11 97. Defendant is without knowledge as to the allegations of paragraph 97 of the SAC
12 and on that basis denies the same.

13 98. Defendant is without knowledge as to the allegations of paragraph 98 of the SAC
14 and on that basis denies the same.

15 99. Defendant is without knowledge as to the allegations of paragraph 99 of the SAC
16 and on that basis denies the same.

17 100. Defendant is without knowledge as to the allegations of paragraph 100 of the
18 SAC and on that basis denies the same.

19 101. Defendant is without knowledge as to the allegations of paragraph 101 of the
20 SAC and on that basis denies the same.

21 102. Defendant is without knowledge as to the allegations of paragraph 102 of the
22 SAC and on that basis denies the same.

23 103. Defendant is without knowledge as to the allegations of paragraph 103 of the
24 SAC and on that basis denies the same.

25 104. Defendant is without knowledge as to the allegations of paragraph 104 of the
26 SAC and on that basis denies the same.

27 105. Defendant is without knowledge as to the allegations of paragraph 105 of the

1 SAC and on that basis denies the same.

2 106. Defendant is without knowledge as to the allegations of paragraph 106 of the
3 SAC and on that basis denies the same.

4 107. Defendant is without knowledge as to the allegations of paragraph 107 of the
5 SAC and on that basis denies the same.

6 108. Defendant is without knowledge as to the allegations of paragraph 108 of the
7 SAC and on that basis denies the same.

8 109. Defendant is without knowledge as to the allegations of paragraph 109 of the
9 SAC and on that basis denies the same.

10 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
11 SAC and on that basis denies the same.

12 111. Defendant is without knowledge as to the allegations of paragraph 111 of the
13 SAC and on that basis denies the same.

14 112. Defendant is without knowledge as to the allegations of paragraph 112 of the
15 SAC and on that basis denies the same.

16 113. Defendant is without knowledge as to the allegations of paragraph 113 of the
17 SAC and on that basis denies the same.

18 114. Defendant is without knowledge as to the allegations of paragraph 114 of the
19 SAC and on that basis denies the same.

20 115. Defendant is without knowledge as to the allegations of paragraph 115 of the
21 SAC and on that basis denies the same.

22 116. Defendant is without knowledge as to the allegations of paragraph 116 of the
23 SAC and on that basis denies the same.

24 117. Defendant is without knowledge as to the allegations of paragraph 117 of the
25 SAC and on that basis denies the same.

26 118. Defendant is without knowledge as to the allegations of paragraph 118 of the
27 SAC and on that basis denies the same.

28 DEFENDANT KYLE STRICKLAND'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI, LLP
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 119. Defendant is without knowledge as to the allegations of paragraph 119 of the
2 SAC and on that basis denies the same.

3 120. Defendant is without knowledge as to the allegations of paragraph 120 of the
4 SAC and on that basis denies the same.

5 121. Defendant is without knowledge as to the allegations of paragraph 121 of the
6 SAC and on that basis denies the same.

7 122. Defendant is without knowledge as to the allegations of paragraph 122 of the
8 SAC and on that basis denies the same.

9 123. Defendant is without knowledge as to the allegations of paragraph 123 of the
10 SAC and on that basis denies the same.

11 124. Defendant is without knowledge as to the allegations of paragraph 124 of the
12 SAC and on that basis denies the same.

13 125. Defendant is without knowledge as to the allegations of paragraph 125 of the
14 SAC and on that basis denies the same.

15 126. Defendant is without knowledge as to the allegations of paragraph 126 of the
16 SAC and on that basis denies the same.

17 127. Defendant is without knowledge as to the allegations of paragraph 127 of the
18 SAC and on that basis denies the same.

19 128. Defendant is without knowledge as to the allegations of paragraph 128 of the
20 SAC and on that basis denies the same.

21 129. Defendant is without knowledge as to the allegations of paragraph 129 of the
22 SAC and on that basis denies the same.

23 130. Defendant is without knowledge as to the allegations of paragraph 130 of the
24 SAC and on that basis denies the same.

25 131. Defendant is without knowledge as to the allegations of paragraph 131 of the
26 SAC and on that basis denies the same.

27 132. Defendant is without knowledge as to the allegations of paragraph 132 of the

1 SAC and on that basis denies the same.

2 133. Defendant is without knowledge as to the allegations of paragraph 133 of the
3 SAC and on that basis denies the same.

4 134. Defendant is without knowledge as to the allegations of paragraph 134 of the
5 SAC and on that basis denies the same.

6 135. Defendant is without knowledge as to the allegations of paragraph 135 of the
7 SAC and on that basis denies the same.

8 136. Defendant is without knowledge as to the allegations of paragraph 136 of the
9 SAC and on that basis denies the same.

10 137. Defendant is without knowledge as to the allegations of paragraph 137 of the
11 SAC and on that basis denies the same.

12 138. Defendant is without knowledge as to the allegations of paragraph 138 of the
13 SAC and on that basis denies the same.

14 139. Defendant is without knowledge as to the allegations of paragraph 139 of the
15 SAC and on that basis denies the same.

16 140. Defendant is without knowledge as to the allegations of paragraph 140 of the
17 SAC and on that basis denies the same.

18 141. Defendant is without knowledge as to the allegations of paragraph 141 of the
19 SAC and on that basis denies the same.

20 142. Defendant is without knowledge as to the allegations of paragraph 142 of the
21 SAC and on that basis denies the same.

22 143. Defendant is without knowledge as to the allegations of paragraph 143 of the
23 SAC and on that basis denies the same.

24 144. Defendant is without knowledge as to the allegations of paragraph 144 of the
25 SAC and on that basis denies the same.

26 145. Defendant is without knowledge as to the allegations of paragraph 145 of the
27 SAC and on that basis denies the same.

1 146. Defendant is without knowledge as to the allegations of paragraph 146 of the
2 SAC and on that basis denies the same.

3 147. Defendant is without knowledge as to the allegations of paragraph 147 of the
4 SAC and on that basis denies the same.

5 148. Defendant is without knowledge as to the allegations of paragraph 148 of the
6 SAC and on that basis denies the same.

7 149. Defendant is without knowledge as to the allegations of paragraph 149 of the
8 SAC and on that basis denies the same.

9 150. Defendant is without knowledge as to the allegations of paragraph 150 of the
10 SAC and on that basis denies the same.

11 151. Defendant is without knowledge as to the allegations of paragraph 151 of the
12 SAC and on that basis denies the same.

13 152. Defendant is without knowledge as to the allegations of paragraph 152 of the
14 SAC and on that basis denies the same.

15 153. Defendant is without knowledge as to the allegations of paragraph 153 of the
16 SAC and on that basis denies the same.

17 154. Defendant is without knowledge as to the allegations of paragraph 154 of the
18 SAC and on that basis denies the same.

19 155. Defendant is without knowledge as to the allegations of paragraph 155 of the
20 SAC and on that basis denies the same.

21 156. Defendant is without knowledge as to the allegations of paragraph 156 of the
22 SAC and on that basis denies the same.

23 157. Defendant is without knowledge as to the allegations of paragraph 157 of the
24 SAC and on that basis denies the same.

25 158. Defendant is without knowledge as to the allegations of paragraph 158 of the
26 SAC and on that basis denies the same.

27 159. Defendant is without knowledge as to the allegations of paragraph 159 of the

28

1 SAC and on that basis denies the same.

2 160. Defendant is without knowledge as to the allegations of paragraph 160 of the
3 SAC and on that basis denies the same.

4 161. Defendant is without knowledge as to the allegations of paragraph 161 of the
5 SAC and on that basis denies the same.

6 162. Defendant is without knowledge as to the allegations of paragraph 162 of the
7 SAC and on that basis denies the same.

8 163. Defendant is without knowledge as to the allegations of paragraph 163 of the
9 SAC and on that basis denies the same.

10 164. Defendant is without knowledge as to the allegations of paragraph 164 of the
11 SAC and on that basis denies the same.

12 165. Defendant is without knowledge as to the allegations of paragraph 165 of the
13 SAC and on that basis denies the same.

14 166. Defendant is without knowledge as to the allegations of paragraph 166 of the
15 SAC and on that basis denies the same.

16 167. Defendant is without knowledge as to the allegations of paragraph 167 of the
17 SAC and on that basis denies the same.

18 168. Defendant is without knowledge as to the allegations of paragraph 168 of the
19 SAC and on that basis denies the same.

20 169. Defendant admits that CENTRI and Atonomi hosted meetings and sponsored
21 events at Mobile World Congress 2019 in Barcelona, Spain. Defendant denies the remaining
22 allegations of paragraph 169 of the SAC.

23 170. Defendant is without knowledge as to the allegations of paragraph 170 of the
24 SAC and on that basis denies the same.

25 171. Defendant is without knowledge as to the allegations of paragraph 171 of the
26 SAC and on that basis denies the same.

27 172. Defendant is without knowledge as to the allegations of paragraph 172 of the

28

1 SAC and on that basis denies the same.

2 173. Defendant is without knowledge as to the allegations of paragraph 173 of the
3 SAC and on that basis denies the same.

4 174. Defendant is without knowledge as to the allegations of paragraph 174 of the
5 SAC and on that basis denies the same.

6 175. Defendant is without knowledge as to the allegations of paragraph 175 of the
7 SAC and on that basis denies the same.

8 176. Defendant is without knowledge as to the allegations of paragraph 176 of the
9 SAC and on that basis denies the same.

10 177. Defendant is without knowledge as to the allegations of paragraph 177 of the
11 SAC and on that basis denies the same.

12 178. Defendant is without knowledge as to the allegations of paragraph 178 of the
13 SAC and on that basis denies the same.

14 179. Defendant is without knowledge as to the allegations of paragraph 179 of the
15 SAC and on that basis denies the same.

16 180. Defendant is without knowledge as to the allegations of paragraph 180 of the
17 SAC and on that basis denies the same.

18 181. Defendant is without knowledge as to the allegations of paragraph 181 of the SAC
19 and on that basis denies the same.

20 182. Defendant is without knowledge as to the allegations of paragraph 182 of the
21 SAC and on that basis denies the same.

22 183. Defendant is without knowledge as to the allegations of paragraph 183 of the
23 SAC and on that basis denies the same.

24 184. Defendant is without knowledge as to the allegations of paragraph 184 of the
25 SAC and on that basis denies the same.

26 185. Defendant is without knowledge as to the allegations of paragraph 185 of the
27 SAC and on that basis denies the same.

1 186. Defendant denies the allegations of paragraph 186 of the SAC.

2 187. Defendant is without knowledge as to the allegations of paragraph 187 of the
3 SAC and on that basis denies the same.

4 188. Defendant is without knowledge as to the allegations of paragraph 188 of the
5 SAC and on that basis denies the same.

6 189. Defendant is without knowledge as to the allegations of paragraph 189 of the
7 SAC and on that basis denies the same.

8 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
9 SAC and on that basis denies the same.

10 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
11 SAC and on that basis denies the same.

12 192. Defendant is without knowledge as to the allegations of paragraph 192 of the
13 SAC and on that basis denies the same.

14 193. Defendant is without knowledge as to the allegations of paragraph 193 of the
15 SAC and on that basis denies the same.

16 194. Defendant is without knowledge as to the allegations of paragraph 194 of the
17 SAC and on that basis denies the same.

18 195. Defendant is without knowledge as to the allegations of paragraph 195 of the
19 SAC and on that basis denies the same.

20 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
21 SAC and on that basis denies the same.

22 197. Defendant is without knowledge as to the allegations of paragraph 197 of the
23 SAC and on that basis denies the same.

24 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
25 SAC and on that basis denies the same.

26 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
27 SAC and on that basis denies the same.

V. CLASS ALLEGATIONS

200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and has provided a class definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of paragraph 201 of the SAC.

202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of paragraph 202 of the SAC.

203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

204. Defendant denies the allegations of paragraph 204 of the SAC.

205. Defendant denies the allegations of paragraph 205 of the SAC.

206. Defendant denies the allegations of paragraph 206 of the SAC.

207. Defendant denies the allegations of paragraph 207 of the SAC.

208. Defendant denies the allegations of paragraph 208 of the SAC.

209. Defendant denies the allegations of paragraph 209 of the SAC.

VI. CAUSE OF ACTION

210. Defendant hereby incorporates by reference the responses contained in the preceding paragraphs of this Answer.

211. Defendant admits that Plaintiffs purport to bring a claim against all Defendant. Defendant denies the remaining allegations of paragraph 211 of the SAC.

212. Defendant denies the allegations of paragraph 212 of the SAC.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

VII. AFFIRMATIVE DEFENSES

- 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts, conduct, and omissions from obtaining any recovery in this action.
- 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the SAFT and acted in bad faith, the names Plaintiff should not be able to recover.
- 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff’s promise to abide by the terms of the SAFT and not “dump” the Tokens on the day that Tokens were unlocked.
- 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were permitted to obtain recovery in this action.
- 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged claims he might have against the Defendant.
- 6. Assumption of the Risk: The named Plaintiff’s claims are barred in whole or in part because he and any purported class members were expressly advised in public statements about the material facts and risks. Plaintiff and any purported class members therefore assumed the risk of any loss and are precluded from any recovery.
- 7. Failure to Mitigate Damages: The named Plaintiff’s claims are barred in whole or in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or damage, which efforts would have prevented all or part of any such alleged injury or damage.
- 8. Defendants are not liable under RCW 21.20.430 in “that he or she did not know, and in the exercise of reasonable care could not have known, of the existence of the facts by reason of which the liability is alleged to exist.”
- 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

///
///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

VIII. PRAYER FOR RELIEF

WHEREFORE, Defendant prays for relief and judgment as follows:

- A. Denying that this action is properly maintainable as a class action under Fed. R. Civ. P. Rule 23;
- B. Dismissal of Defendant as an improper defendant in this case;
- B. Judgment against Plaintiffs and in Defendant’s favor;
- C. Awarding costs of litigation, including expert witness costs, and reasonable attorneys’ fees, against Plaintiffs; and
- D. Such other and further relief as this Court may deem just and proper.

XI. JURY DEMAND

Defendant hereby demands a trial by jury for all issues so triable.

Dated: November 23, 2020

Respectfully submitted,

GORDON REES SCULLY MANSUKHANI LLP

By: */s/ David W. Silke*

David W. Silke, WSBA No. 23761
GORDON REES SCULLY MANSUKHANI LLP
701 Fifth Avenue, Suite 2100
Seattle, WA 98104
Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Kyle Strickland

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT KYLE STRICKLAND’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23th day of November, 2020.

s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 5
TO PRAECIPE, REPLACING ECF NO. 162

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don Deloach,
Wayne Wisehart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT

)
) **DEFENDANT LUIS PARIS'S**
) **ANSWER TO SECOND AMENDED**
) **CLASS ACTION COMPLAINT**

) **JURY DEMAND**

1 Defendant Luis Paris (“Defendant”) hereby answers the Second Amended Class Action
2 Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant is without knowledge as to allegations relating to the other individual
20 defendants and on that basis denies the same. Defendant denies the remaining allegations of
21 paragraph 9 of the SAC.

22 10. Defendant is without knowledge as to allegations relating to LaunchCapital LLC
23 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 10
24 of the SAC.

25 11. Defendant is without knowledge as to allegations relating to M37 Ventures Inc.
26 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 11
27 of the SAC.

28 12. Defendant is without knowledge as to allegations relating to the other individual

1 defendants and on that basis denies the same. Defendant denies the remaining allegations of
2 paragraph 12 of the SAC.

3 13. Defendant is without knowledge as to allegations relating to the other individual
4 defendants and on that basis denies the same. Defendant denies the remaining allegations of
5 paragraph 13 of the SAC.

6 14. Defendant is without knowledge as to allegations relating to the other individual
7 defendants and on that basis denies the same. Defendant denies the remaining allegations of
8 paragraph 14 of the SAC.

9 15. Defendant admits the allegations of paragraph 15 of the SAC.

10 **III. PARTIES**

11 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
12 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
13 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

14 17. Defendant admits the allegations of paragraph 17 of the SAC.

15 18. Defendant admits the allegations of paragraph 18 of the SAC.

16 19. Defendant admits the allegations of paragraph 19 of the SAC.

17 20. Defendant is without knowledge as to allegations relating to LaunchCapital LLC
18 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 20
19 of the SAC.

20 21. Defendant is without knowledge as to allegations relating to LaunchCapital LLC
21 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 21
22 of the SAC.

23 22. Defendant is without knowledge as to allegations relating to M37 Ventures, Inc.
24 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 22
25 of the SAC.

26 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
27 Atonomi. Defendant admits that Defendant Emery was a founder and former CEO of CENTRI.

28

1 Defendant is without knowledge as to the allegations relating to Emery's residence and on that
2 basis denies the same. Defendant denies the remaining allegations of paragraph 23 of the SAC.

3 24. Defendant denies the allegations of paragraph 24 of the SAC.

4 25. Defendant admits that Robert Strickland is CEO of CENTRI and CEO of M37.
5 Defendant denies the remaining allegations of paragraph 25 of the SAC.

6 26. Defendant denies the allegations of paragraph 26 of the SAC.

7 27. Defendant admits that Don DeLoach was President and COO of CENTRI.
8 Defendant denies the remaining allegations of paragraph 27 of the SAC.

9 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant is
10 without knowledge as to the allegations relating to Wischart's residence and on that basis denies
11 the same. Defendant denies the remaining allegations of paragraph 28 of the SAC.

12 29. Defendant denies the allegations of paragraph 29 of the SAC.

13 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
14 CENTRI. Defendant is without knowledge as to the allegations relating to Mackey's residence
15 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 30
16 of the SAC.

17 31. Defendant admits that James Salter was the Director of Marketing for CENTRI.
18 Defendant is without knowledge as to the allegations relating to Salter's residence and on that
19 basis denies the same. Defendant denies the remaining allegations of paragraph 31 of the SAC.

20 32. Defendant admits that he was Chief Scientist of CENTRI (which is not an
21 Officer) and worked on Atonomi R&D engineering duties. Defendant denies the remaining
22 allegations of paragraph 32 of the SAC.

23 **IV. FACTS**

24 33. Defendant admits the allegations of paragraph 33 of the SAC.

25 34. Defendant admits that Atonomi publicly stated that it was using blockchain
26 technology to develop its network and the utility tokens to be used on the network. Defendant
27 denies the remaining allegations of paragraph 34 of the SAC.

28 35. Defendant admits the allegations of paragraph 35 of the SAC.

1 36. Defendant is without knowledge as to what other persons “often” do and on that
2 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
3 divorced from its context. Defendant admits that while some of the allegations may be generally
4 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
5 allegations of paragraph 36 of the SAC.

6 37. Defendant admits the allegations of paragraph 37 of the SAC.

7 38. Defendant admits the allegations of paragraph 38 of the SAC.

8 39. Defendant admits the allegations of paragraph 39 of the SAC.

9 40. Defendant admits the allegations of paragraph 40 of the SAC.

10 41. Defendant is without knowledge as to the allegations of paragraph 41 of the SAC
11 and on that basis denies the same.

12 42. Defendant denies the allegations of paragraph 42 of the SAC.

13 43. Defendant denies the allegations of paragraph 43 of the SAC.

14 44. Defendant admits that it entered into SAFTs with accredited investors, including
15 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
16 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
17 remaining allegations of paragraph 44 of the SAC.

18 45. Defendant admits that the SAFT is an agreement between Atonomi and an
19 accredited investor that speaks for itself. Defendant denies the remaining allegations of
20 paragraph 45 of the SAC.

21 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
22 Defendant denies the remaining allegations of paragraph 46 of the SAC.

23 47. Defendant admits the allegations of paragraph 47 of the SAC.

24 48. Defendant admits the allegations of paragraph 48 of the SAC.

25 49. Defendant admits the allegations of paragraph 49 of the SAC.

26 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
27 Defendant denies the remaining allegations of paragraph 50 of the SAC.

28 51. Defendant admits the allegations of paragraph 51 of the SAC.

1 52. Defendant admits that the SAFT discusses the use of investment capital, and the
2 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

3 53. Defendant admits the allegations of paragraph 53 of the SAC.

4 54. Defendant admits the allegations of paragraph 54 of the SAC.

5 55. Defendant admits that Atonomi entered into SAFTs with only accredited
6 investors, and thus these agreements were exempt from certain U.S. securities regulations.
7 Defendant denies the remaining allegations of paragraph 55 of the SAC.

8 56. Defendant admits that between February and early May 2018, Atonomi entered
9 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
10 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
11 allegations of paragraph 56 of the SAC.

12 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
13 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
14 allegations of paragraph 57 of the SAC.

15 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
16 conducted a token/coin sale directly to members of the public (excluding members of the public
17 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
18 allegations of paragraph 58 of the SAC.

19 59. Defendant admits the allegations of paragraph 59 of the SAC.

20 60. Defendant is without knowledge as to the allegations of paragraph 60 of the SAC
21 and on that basis denies the same.

22 61. Defendant is without knowledge as to the allegations of paragraph 61 of the SAC
23 and on that basis denies the same.

24 62. Defendant is without knowledge as to the allegations of paragraph 62 of the SAC
25 and on that basis denies the same.

26 63. Defendant is without knowledge as to the allegations of paragraph 63 of the SAC
27 and on that basis denies the same.

28 64. Defendant is without knowledge as to the allegations of paragraph 64 of the SAC

1 and on that basis denies the same.

2 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
3 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

4 66. Defendant is without knowledge as to the allegations of paragraph 66 of the SAC
5 and on that basis denies the same.

6 67. Defendant is without knowledge as to the allegations of paragraph 67 of the SAC
7 and on that basis denies the same.

8 68. Defendant is without knowledge as to the allegations of paragraph 68 of the SAC
9 and on that basis denies the same.

10 69. Defendant admits the allegations of paragraph 69 of the SAC.

11 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
12 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
13 70 of the SAC.

14 71. Defendant is without knowledge as to what “numerous online chat messages”
15 refer to and on that basis denies the same. Defendant denies the remaining allegations of
16 paragraph 71 of the SAC.

17 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
18 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
19 SAC.

20 73. Defendant admits the allegations of paragraph 73 of the SAC.

21 74. Defendant admits the allegations of paragraph 74 of the SAC.

22 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
23 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
24 the remaining allegations of paragraph 75 of the SAC.

25 76. Defendant denies the allegations of paragraph 76 of the SAC.

26 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT
27 would be used in part to support the Atonomi Network. Defendant denies the remaining
28 allegations of paragraph 77 of the SAC.

1 78. Defendant admits the allegations of paragraph 78 of the SAC.

2 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens
3 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
4 of the SAC.

5 80. Defendant denies the allegations of paragraph 80 of the SAC.

6 81. Defendant denies the allegations of paragraph 81 of the SAC.

7 82. Defendant admits that Atonomi published the material on
8 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
9 remaining allegations of paragraph 82 of the SAC.

10 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
11 remaining allegations of paragraph 83 of the SAC.

12 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
13 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

14 85. Defendant admits that the Atonomi Network was launched before any tokens
15 were issued to outside users. Because tokens were essential to the functionality, it was
16 impossible for outside users to use the Atonomi Network without the requisite tokens.
17 Defendant denies the remaining allegations of paragraph 85 of the SAC.

18 86. Defendant denies the allegations of paragraph 86 of the SAC.

19 87. Defendant admits that approximately one month after the June 2018 sale of utility
20 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
21 remaining allegations of paragraph 87 of the SAC.

22 88. Defendant is without knowledge as to the allegations of paragraph 88 of the SAC
23 and on that basis denies the same.

24 89. Defendant admits that the Atonomi tokens were, as always planned and
25 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
26 source, public, blockchain-based distributed computing platform and operating system.
27 Defendant denies the remaining allegations of paragraph 89 of the SAC.

28 90. Defendant denies the allegations of paragraph 90 of the SAC.

1 91. Defendant denies the allegations of paragraph 91 of the SAC.

2 92. Defendant denies the allegations of paragraph 92 of the SAC.

3 93. Defendant is without knowledge as to the allegations of paragraph 93 of the SAC
4 and on that basis denies the same.

5 94. Defendant is without knowledge as to these purported private messages and on
6 that basis denies the same. Defendant denies the remaining allegations of paragraph 94 of the
7 SAC.

8 95. Defendant is without knowledge as to these purported private messages and on
9 that basis denies the same. Defendant denies the remaining allegations of paragraph 95 of the
10 SAC.

11 96. Defendant is without knowledge as to the allegations of paragraph 96 of the SAC
12 and on that basis denies the same.

13 97. Defendant is without knowledge as to the allegations of paragraph 97 of the SAC
14 and on that basis denies the same.

15 98. Defendant is without knowledge as to the allegations of paragraph 98 of the SAC
16 and on that basis denies the same.

17 99. Defendant is without knowledge as to the allegations of paragraph 99 of the SAC
18 and on that basis denies the same.

19 100. Defendant is without knowledge as to the allegations of paragraph 100 of the
20 SAC and on that basis denies the same.

21 101. Defendant admits the allegations of paragraph 101 of the SAC.

22 102. Defendant is without knowledge as to the allegations of paragraph 102 of the
23 SAC and on that basis denies the same.

24 103. Defendant is without knowledge as to the allegations of paragraph 103 of the
25 SAC and on that basis denies the same.

26 104. Defendant admits the allegations of paragraph 104 of the SAC.

27 105. Defendant is without knowledge as to the allegations of paragraph 105 of the
28 SAC and on that basis denies the same.

1 106. Defendant is without knowledge as to the allegations of paragraph 106 of the
2 SAC and on that basis denies the same.

3 107. Defendant is without knowledge as to the allegations of paragraph 107 of the
4 SAC and on that basis denies the same.

5 108. Defendant is without knowledge as to the allegations of paragraph 108 of the
6 SAC and on that basis denies the same.

7 109. Defendant is without knowledge as to the allegations of paragraph 109 of the
8 SAC and on that basis denies the same.

9 110. Defendant is without knowledge as to any actions taken by third parties and on
10 that basis denies the same. Defendant denies the remaining allegations of paragraph 110 of the
11 SAC.

12 111. Defendant is without knowledge as to any actions taken by third parties and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 111 of the
14 SAC.

15 112. Defendant is without knowledge as to the allegations of paragraph 112 of the
16 SAC and on that basis denies the same.

17 113. Defendant is without knowledge as to the allegations of paragraph 113 of the
18 SAC and on that basis denies the same.

19 114. Defendant is without knowledge as to the allegations of paragraph 114 of the
20 SAC and on that basis denies the same.

21 115. Defendant is without knowledge as to the allegations of paragraph 115 of the
22 SAC and on that basis denies the same.

23 116. Defendant is without knowledge as to the allegations of paragraph 116 of the
24 SAC and on that basis denies the same.

25 117. Defendant is without knowledge as to the allegations of paragraph 117 of the
26 SAC and on that basis denies the same.

27 118. Defendant is without knowledge as to the allegations of paragraph 118 of the
28 SAC and on that basis denies the same.

1 119. Defendant is without knowledge as to the allegations of paragraph 119 of the
2 SAC and on that basis denies the same.

3 120. Defendant admits that Atonomi required all SAFT purchasers to complete
4 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
5 client privilege information and cannot respond as to any attorney-client privileged information.
6 Defendant denies the remaining allegations of paragraph 12 of the SAC.

7 121. Defendant is without knowledge as to the allegations of paragraph 121 of the
8 SAC and on that basis denies the same.

9 122. Defendant is without knowledge as to the allegations of paragraph 122 of the
10 SAC and on that basis denies the same.

11 123. Defendant is without knowledge as to the allegations of paragraph 123 of the
12 SAC and on that basis denies the same.

13 124. Defendant is without knowledge as to the allegations of paragraph 124 of the
14 SAC and on that basis denies the same.

15 125. Defendant is without knowledge as to the allegations of paragraph 125 of the
16 SAC and on that basis denies the same.

17 126. Defendant is without knowledge as to the allegations of paragraph 126 of the
18 SAC and on that basis denies the same.

19 127. Defendant is without knowledge as to the allegations of paragraph 127 of the
20 SAC and on that basis denies the same.

21 128. Defendant is without knowledge as to the allegations of paragraph 128 of the
22 SAC and on that basis denies the same.

23 129. Defendant is without knowledge as to the allegations of paragraph 129 of the
24 SAC and on that basis denies the same.

25 130. Defendant is without knowledge as to the allegations of paragraph 130 of the
26 SAC and on that basis denies the same.

27 131. Defendant is without knowledge as to the allegations of paragraph 131 of the
28 SAC and on that basis denies the same.

1 132. Defendant is without knowledge as to the allegations of paragraph 132 of the
2 SAC and on that basis denies the same.

3 133. Defendant is without knowledge as to the allegations of paragraph 133 of the
4 SAC and on that basis denies the same.

5 134. Defendant admits that Atonomi had a public website. Defendant denies the
6 remaining allegations of paragraph 134 of the SAC.

7 135. Defendant admits that Atonomi made some public presentations about itself and
8 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

9 136. Defendant is without knowledge as to any actions taken by third parties and on
10 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
11 SAC.

12 137. Defendant is without knowledge as to any actions taken by third parties and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
14 SAC.

15 138. Defendant is without knowledge as to the allegations of paragraph 138 of the
16 SAC and on that basis denies the same.

17 139. Defendant is without knowledge as to the allegations of paragraph 139 of the
18 SAC and on that basis denies the same.

19 140. Defendant is without knowledge as to the allegations of paragraph 140 of the
20 SAC and on that basis denies the same.

21 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
22 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
23 denies the remaining allegations of paragraph 141 of the SAC.

24 142. Defendant admits the allegations of paragraph 142 of the SAC.

25 143. Defendant admits the allegations of paragraph 143 of the SAC.

26 144. Defendant denies the allegations of paragraph 144 of the SAC.

27 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
28 denies the remaining allegations of paragraph 145 of the SAC.

1 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
2 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
3 of the SAC.

4 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
5 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
6 of the SAC.

7 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
8 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
9 denies the allegations of remaining paragraph 148 of the SAC.

10 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
11 Defendant denies the remaining allegations of paragraph 149 of the SAC.

12 150. Defendant denies the allegations of paragraph 150 of the SAC.

13 151. Defendant is without knowledge as to the allegations of paragraph 151 of the
14 SAC and on that basis denies the same.

15 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
16 denies the remaining allegations of paragraph 152 of the SAC.

17 153. Defendant denies the allegations of paragraph 153 of the SAC.

18 154. Defendant denies the allegations of paragraph 154 of the SAC.

19 155. Defendant denies the allegations of paragraph 155 of the SAC.

20 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
21 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
22 allegations of paragraph 156 of the SAC.

23 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
24 the remaining allegations of paragraph 157 of the SAC.

25 158. Defendant is without knowledge as to the allegations of paragraph 158 of the
26 SAC and on that basis denies the same.

27 159. Defendant is without knowledge as to the allegations of paragraph 159 of the
28 SAC and on that basis denies the same.

1 160. Defendant is without knowledge as to the allegations of paragraph 160 of the
2 SAC and on that basis denies the same.

3 161. Defendant is without knowledge as to the allegations of paragraph 161 of the
4 SAC and on that basis denies the same.

5 162. Defendant is without knowledge as to the allegations of paragraph 162 of the
6 SAC and on that basis denies the same.

7 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
8 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
9 SAC.

10 164. Defendant is without knowledge as to the allegations of paragraph 164 of the
11 SAC and on that basis denies the same.

12 165. Defendant is without knowledge as to the allegations of paragraph 165 of the
13 SAC and on that basis denies the same.

14 166. Defendant is without knowledge as to the allegations of paragraph 166 of the
15 SAC and on that basis denies the same.

16 167. Defendant is without knowledge as to the allegations of paragraph 167 of the
17 SAC and on that basis denies the same.

18 168. Defendant is without knowledge as to the allegations of paragraph 168 of the
19 SAC and on that basis denies the same.

20 169. Defendant is without knowledge as to the allegations of paragraph 169 of the
21 SAC and on that basis denies the same.

22 170. Defendant admits the allegations of paragraph 170 of the SAC.

23 171. Defendant denies the allegations of paragraph 171 of the SAC.

24 172. Defendant admits the allegations of paragraph 172 of the SAC.

25 173. Defendant denies the allegations of paragraph 173 of the SAC.

26 174. Defendant admits Strickland has been appointed the CEO of CENTRI. Defendant
27 denies the remaining allegations of paragraph 174 of the SAC.

28 175. Defendant is without knowledge as to the allegations of paragraph 175 of the

1 SAC and on that basis denies the same.

2 176. Defendant is without knowledge as to the allegations of paragraph 176 of the
3 SAC and on that basis denies the same.

4 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
5 Defendant denies all remaining allegations of paragraph 177 of the SAC.

6 178. Defendant denies the allegations of paragraph 178 of the SAC.

7 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
8 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

9 180. Defendant denies the allegations of paragraph 180 of the SAC.

10 181. Defendant admits that he was Chief Scientist of CENTRI, which is not an Officer.
11 Defendant denies the remaining allegations of paragraph 181 of the SAC.

12 182. Defendant admits the allegations of paragraph 182 of the SAC.

13 183. Defendant denies the allegations of paragraph 183 of the SAC.

14 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
15 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
16 allegations of paragraph 184 of the SAC.

17 185. Defendant denies the allegations of paragraph 185 of the SAC.

18 186. Defendant denies the allegations of paragraph 186 of the SAC.

19 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
20 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
21 denies the remaining the allegations of paragraph 187 of the SAC.

22 188. Defendant denies the allegations of paragraph 188 of the SAC.

23 189. Defendant is without knowledge as to the allegations of paragraph 189 of the
24 SAC and on that basis denies the same.

25 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
26 SAC and on that basis denies the same.

27 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
28 SAC and on that basis denies the same.

1 192. Defendant is without knowledge as to the allegations of paragraph 192 of the
2 SAC and on that basis denies the same.

3 193. Defendant is without knowledge as to the allegations of paragraph 193 of the
4 SAC and on that basis denies the same.

5 194. Defendant is without knowledge as to the allegations of paragraph 194 of the
6 SAC and on that basis denies the same.

7 195. Defendant is without knowledge as to the allegations of paragraph 195 of the
8 SAC and on that basis denies the same.

9 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
10 SAC and on that basis denies the same.

11 197. Defendant is without knowledge as to the allegations of paragraph 197 of the
12 SAC and on that basis denies the same.

13 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
14 SAC and on that basis denies the same.

15 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
16 SAC and on that basis denies the same.

17 **V. CLASS ALLEGATIONS**

18 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
19 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
20 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

21 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
22 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
23 paragraph 201 of the SAC.

24 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
25 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
26 paragraph 202 of the SAC.

27
28

1 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
2 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
3 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

4 204. Defendant denies the allegations of paragraph 204 of the SAC.

5 205. Defendant denies the allegations of paragraph 205 of the SAC.

6 206. Defendant denies the allegations of paragraph 206 of the SAC.

7 207. Defendant denies the allegations of paragraph 207 of the SAC.

8 208. Defendant denies the allegations of paragraph 208 of the SAC.

9 209. Defendant denies the allegations of paragraph 209 of the SAC.

10 **VI. CAUSE OF ACTION**

11 210. Defendants hereby incorporates by reference the responses contained in the
12 preceding paragraphs of this Answer.

13 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
14 Defendant denies the remaining allegations of paragraph 211 of the SAC.

15 212. Defendant denies the allegations of paragraph 212 of the SAC.

16 **VII. AFFIRMATIVE DEFENSES**

17 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
18 conduct, and omissions from obtaining any recovery in this action.

19 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
20 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

21 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
22 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
23 were unlocked.

24 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
25 permitted to obtain recovery in this action.

26 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
27 claims he might have against the Defendant.

1 6. Assumption of the Risk: The named Plaintiff’s claims are barred in whole or in
2 part because he and any purported class members were expressly advised in public statements
3 about the material facts and risks. Plaintiff and any purported class members therefore assumed
4 the risk of any loss and are precluded from any recovery.

5 7. Failure to Mitigate Damages: The named Plaintiff’s claims are barred in whole or
6 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
7 damage, which efforts would have prevented all or part of any such alleged injury or damage.

8 8. Defendants are not liable under RCW 21.20.430 in “that he or she did not know,
9 and in the exercise of reasonable care could not have known, of the existence of the facts by
10 reason of which the liability is alleged to exist.”

11 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
12 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
13 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

14 **VIII. PRAYER FOR RELIEF**

15 WHEREFORE, Defendants pray for relief and judgment as follows:

- 16 A. Denying that this action is properly maintainable as a class action under Fed. R.
17 Civ. P. Rule 23;
- 18 B. Judgment against Plaintiffs and in Defendant’s favor;
- 19 C. Awarding costs of litigation, including expert witness costs, and reasonable
20 attorneys’ fees, against Plaintiffs; and
- 21 D. Such other and further relief as this Court may deem just and proper.

22 **XI. JURY DEMAND**

23 Defendants hereby demand a trial by jury for all issues so triable.

24 Dated: November 23, 2020

Respectfully submitted,

25 GORDON REES SCULLY MANSUKHANI LLP

26 By: */s/ David W. Silke*

27 David W. Silke, WSBA No. 23761
GORDON REES SCULLY MANSUKHANI LLP
701 Fifth Avenue, Suite 2100
28 Seattle, WA 98104

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Luis Paris

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT LUIS PARIS’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November,2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 6

TO PRAECIPE, REPLACING ECF NO. 163

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
 (On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
 WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
 behalf of all others similarly situated,

 Plaintiff,

 vs.

 Atonomi LLC, a Delaware LLC, CENTRI
 Technology, Inc., a Delaware Corporation,
 Vaughan Emery, David Fragale, Rob
 Strickland, Kyle Strickland, Don Deloach,
 Wayne Wisehart, Woody Benson, Michael
 Mackey, James Salter, and Luis Paris

 Defendants.

) No. 19-2-cv-00615-RAJ-MAT
)
) **DEFENDANT MICHAEL**
) **MACKEY’S ANSWER TO SECOND**
) **AMENDED CLASS ACTION**
) **COMPLAINT**
)
) **JURY DEMAND**
)
)
)
)
)
)
)
)

1 Defendant Michael Mackey (“Defendants”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits the allegations of paragraph 9 of the SAC.

20 10. Defendant admits that this Court has personal jurisdiction over him. Defendant is
21 without knowledge as to other individual defendants and on that basis denies the same.
22 Defendant denies the remaining allegations of paragraph 10 of the SAC.

23 11. Defendant admits that this Court has personal jurisdiction over him. Defendant is
24 without knowledge as to other individual defendants and on that basis denies the same.
25 Defendant denies the remaining allegations of paragraph 11 of the SAC.

26 12. Defendant admits that this Court has personal jurisdiction over him. Defendant is
27 without knowledge as to the allegations regarding other defendants’ residence and on that basis

1 denies the same. Defendant denies the remaining allegations of paragraph 12 of the SAC.

2 13. Defendant admits that this Court has personal jurisdiction over him. Defendant is
3 without knowledge as to the allegations regarding other defendants' residence and on that basis
4 denies the same. Defendant denies the remaining allegations of paragraph 13 of the SAC.

5 14. Defendant admits that this Court has personal jurisdiction over him. Defendant is
6 without knowledge as to the allegations regarding other defendants' residence and on that basis
7 denies the same. Defendant denies the remaining allegations of paragraph 14 of the SAC.

8 15. Defendant admits the allegations of paragraph 15 of the SAC.

9 **III. PARTIES**

10 16. Defendant is without knowledge as to the allegations of paragraph 16 of the SAC
11 and on that basis denies the same.

12 17. Defendant admits the allegations of paragraph 17 of the SAC.

13 18. Defendant admits the allegations of paragraph 18 of the SAC.

14 19. Defendant admits the allegations of paragraph 19 of the SAC.

15 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
16 and on that basis denies the same.

17 21. Defendant is without knowledge as to the allegations of paragraph 21 of the SAC
18 and on that basis denies the same.

19 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
20 and on that basis denies the same.

21 23. Defendant admits that Defendant Vaughan Emery ("Emery") was a founder of
22 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
23 without knowledge as to the residence of Emery and on that basis denies the same. Defendant
24 denies the remaining allegations of paragraph 23 of the SAC.

25 24. Defendant denies the allegations of paragraph 24 of the SAC.

26 25. Defendant admits that Robert Strickland is CEO of CENTRI and CEO of M37.
27 Defendant denies the remaining allegations of paragraph 25 of the SAC.

1 26. Defendant denies the allegations of paragraph 26 of the SAC.

2 27. Defendant admits that Don DeLoach was President and COO of CENTRI.

3 Defendant denies the remaining allegations of paragraph 27 of the SAC.

4 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant is
5 without knowledge as to the allegations relating to Wischart's residence and on that basis denies
6 the same. Defendant is without knowledge as to the remaining allegations of paragraph 28 of the
7 SAC and on that basis denies the same.

8 29. Defendant is without knowledge as to the allegations of paragraph 29 of the SAC
9 and on that basis denies the same.

10 30. Defendant admits that he was the Chief Technology Officer of CENTRI.
11 Defendant admits that he is a Washington resident. Defendant denies the remaining allegations
12 of paragraph 30 of the SAC.

13 31. Defendant admits that James Salter was the acting Director of Marketing for
14 Atonomi and Director of Marketing for CENTRI. Defendant is without knowledge as to the
15 allegations relating to Salter's residence and on that basis denies the same. Defendant denies the
16 remaining allegations of paragraph 31 of the SAC.

17 32. Defendant admits that Luis Paris was Chief Scientist of CENTRI and worked on
18 Atonomi R&D engineering duties. Defendant is without knowledge as to the allegations relating
19 to Paris's residence and on that basis denies the same. Defendant denies the remaining
20 allegations of paragraph 32 of the SAC.

21 **IV. FACTS**

22 33. Defendant admits the allegations of paragraph 33 of the SAC.

23 34. Defendant admits that Atonomi was using blockchain technology to develop its
24 network and the utility tokens to be used on the network. Defendant is without knowledge as to
25 the allegations relating to marketing and/or public statements and on that basis denies the same.
26 Defendant denies the remaining allegations of paragraph 34 of the SAC.

27 35. Defendant admits the allegations of paragraph 35 of the SAC.

1 36. Defendant is without knowledge as to what other persons “often” do and on that
2 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
3 divorced from its context. Defendant admits that while some of the allegations may be generally
4 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
5 allegations of paragraph 36 of the SAC.

6 37. Defendant admits the allegations of paragraph 37 of the SAC.

7 38. Defendant is without knowledge as to the allegations of paragraph 38 of the SAC
8 and on that basis denies the same.

9 39. Defendant is without knowledge as to the allegations of paragraph 39 of the SAC
10 and on that basis denies the same.

11 40. Defendant is without knowledge as to the allegations of paragraph 40 of the SAC
12 and on that basis denies the same.

13 41. Defendant is without knowledge as to the allegations of paragraph 41 of the SAC
14 and on that basis denies the same.

15 42. Defendant is without knowledge as to the allegations of paragraph 42 of the SAC
16 and on that basis denies the same.

17 43. Defendant is without knowledge as to the allegations of paragraph 43 of the SAC
18 and on that basis denies the same.

19 44. Defendant is without knowledge as to the allegations of paragraph 44 of the SAC
20 and on that basis denies the same.

21 45. Defendant is without knowledge as to the allegations of paragraph 45 of the SAC
22 and on that basis denies the same.

23 46. Defendant is without knowledge as to the allegations of paragraph 46 of the SAC
24 and on that basis denies the same.

25 47. Defendant is without knowledge as to the allegations of paragraph 47 of the SAC
26 and on that basis denies the same.

27 48. Defendant is without knowledge as to the allegations of paragraph 48 of the SAC

1 and on that basis denies the same.

2 49. Defendant is without knowledge as to the allegations of paragraph 49 of the SAC
3 and on that basis denies the same.

4 50. Defendant is without knowledge as to the allegations of paragraph 50 of the SAC
5 and on that basis denies the same.

6 51. Defendant is without knowledge as to the allegations of paragraph 51 of the SAC
7 and on that basis denies the same.

8 52. Defendant is without knowledge as to the allegations of paragraph 52 of the SAC
9 and on that basis denies the same.

10 53. Defendant is without knowledge as to the allegations of paragraph 53 of the SAC
11 and on that basis denies the same.

12 54. Defendant is without knowledge as to the allegations of paragraph 54 of the SAC
13 and on that basis denies the same.

14 55. Defendant is without knowledge as to the allegations of paragraph 55 of the SAC
15 and on that basis denies the same.

16 56. Defendant is without knowledge as to the allegations of paragraph 56 of the SAC
17 and on that basis denies the same.

18 57. Defendant is without knowledge as to the allegations of paragraph 57 of the SAC
19 and on that basis denies the same.

20 58. Defendant is without knowledge as to the allegations of paragraph 58 of the SAC
21 and on that basis denies the same.

22 59. Defendant is without knowledge as to the allegations of paragraph 59 of the SAC
23 and on that basis denies the same.

24 60. Defendant is without knowledge as to the allegations of paragraph 60 of the SAC
25 and on that basis denies the same.

26 61. Defendant is without knowledge as to the allegations of paragraph 61 of the SAC
27 and on that basis denies the same.

28 DEFENDANT MICHAEL MACKKEY'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 62. Defendant is without knowledge as to the allegations of paragraph 62 of the SAC
2 and on that basis denies the same.

3 63. Defendant is without knowledge as to the allegations of paragraph 63 of the SAC
4 and on that basis denies the same.

5 64. Defendant is without knowledge as to the allegations of paragraph 64 of the SAC
6 and on that basis denies the same.

7 65. Defendant is without knowledge as to the allegations of paragraph 65 of the SAC
8 and on that basis denies the same.

9 66. Defendant is without knowledge as to the allegations of paragraph 66 of the SAC
10 and on that basis denies the same.

11 67. Defendant is without knowledge as to the allegations of paragraph 67 of the SAC
12 and on that basis denies the same.

13 68. Defendant is without knowledge as to the allegations of paragraph 68 of the SAC
14 and on that basis denies the same.

15 69. Defendant is without knowledge as to the allegations of paragraph 69 of the SAC
16 and on that basis denies the same.

17 70. Defendant is without knowledge as to the allegations of paragraph 70 of the SAC
18 and on that basis denies the same.

19 71. Defendant is without knowledge as to the allegations of paragraph 71 of the SAC
20 and on that basis denies the same.

21 72. Defendant is without knowledge as to the allegations of paragraph 72 of the SAC
22 and on that basis denies the same.

23 73. Defendant is without knowledge as to the allegations of paragraph 73 of the SAC
24 and on that basis denies the same.

25 74. Defendant is without knowledge as to the allegations of paragraph 74 of the SAC
26 and on that basis denies the same.

27 75. Defendant is without knowledge as to the allegations of paragraph 75 of the SAC

1 and on that basis denies the same.

2 76. Defendant is without knowledge as to the allegations of paragraph 76 of the SAC
3 and on that basis denies the same.

4 77. Defendant is without knowledge as to the allegations of paragraph 77 of the SAC
5 and on that basis denies the same.

6 78. Defendant is without knowledge as to the allegations of paragraph 78 of the SAC
7 and on that basis denies the same.

8 79. Defendant is without knowledge as to the allegations of paragraph 79 of the SAC
9 and on that basis denies the same.

10 80. Defendant is without knowledge as to the allegations of paragraph 80 of the SAC
11 and on that basis denies the same.

12 81. Defendant is without knowledge as to the allegations of paragraph 81 of the SAC
13 and on that basis denies the same.

14 82. Defendant admits that Atonomi published the material on
15 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant is without
16 knowledge as to the remaining allegations of paragraph 82 of the SAC and on that basis denies
17 the same.

18 83. Defendant is without knowledge as to the allegations of paragraph 83 of the SAC
19 and on that basis denies the same.

20 84. Defendant admits that the Atonomi Network was first launched in May 2018.
21 Defendant is without knowledge as to the remaining allegations of paragraph 84 of the SAC and
22 on that basis denies the same.

23 85. Defendant admits that the Atonomi Network was first launched in May 2018.
24 Because tokens were essential to the functionality, it was impossible for outside users to use the
25 Atonomi Network without the requisite tokens. Defendant denies the remaining allegations of
26 paragraph 85 of the SAC.

27 86. Defendant denies the allegations of paragraph 86 of the SAC.

1 87. Defendant admits that approximately one month after the June 2018 sale of utility
2 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
3 remaining allegations of paragraph 87 of the SAC.

4 88. Defendant admits that on July 12, 2018, if it received activation emails from
5 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
6 paragraph 88 of the SAC.

7 89. Defendant admits that the Atonomi tokens were, as always planned and
8 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
9 source, public, blockchain-based distributed computing platform and operating system.
10 Defendant denies the remaining allegations of paragraph 89 of the SAC.

11 90. Defendant denies the allegations of paragraph 90 of the SAC.

12 91. Defendant denies the allegations of paragraph 91 of the SAC.

13 92. Defendant is without knowledge as to the allegations of paragraph 92 of the SAC
14 and on that basis denies the same.

15 93. Defendant is without knowledge as to the allegations of paragraph 93 of the SAC
16 and on that basis denies the same.

17 94. Defendant is without knowledge as to the allegations of paragraph 94 of the SAC
18 and on that basis denies the same.

19 95. Defendant is without knowledge as to the allegations of paragraph 95 of the SAC
20 and on that basis denies the same.

21 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
22 FAQ” on its website and that the quoted language constitutes one portion of that webpage.
23 Defendant is without knowledge as to the remaining allegations of paragraph 96 of the SAC and
24 on that basis denies the same.

25 97. Defendant is without knowledge as to the allegations of paragraph 97 of the SAC
26 and on that basis denies the same.

27 98. Defendant is without knowledge as to the allegations of paragraph 98 of the SAC

1 and on that basis denies the same.

2 99. Defendant is without knowledge as to the allegations of paragraph 99 of the SAC
3 and on that basis denies the same.

4 100. Defendant is without knowledge as to the allegations of paragraph 100 of the
5 SAC and on that basis denies the same.

6 101. Defendant is without knowledge as to the allegations of paragraph 101 of the
7 SAC and on that basis denies the same.

8 102. Defendant is without knowledge as to the allegations of paragraph 102 of the
9 SAC and on that basis denies the same.

10 103. Defendant is without knowledge as to the allegations of paragraph 103 of the
11 SAC and on that basis denies the same.

12 104. Defendant is without knowledge as to the allegations of paragraph 104 of the
13 SAC and on that basis denies the same.

14 105. Defendant is without knowledge as to the allegations of paragraph 105 of the
15 SAC and on that basis denies the same.

16 106. Defendant is without knowledge as to the allegations of paragraph 106 of the
17 SAC and on that basis denies the same.

18 107. Defendant is without knowledge as to the allegations of paragraph 107 of the
19 SAC and on that basis denies the same.

20 108. Defendant is without knowledge as to the allegations of paragraph 108 of the
21 SAC and on that basis denies the same.

22 109. Defendant is without knowledge as to the allegations of paragraph 109 of the
23 SAC and on that basis denies the same.

24 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
25 SAC and on that basis denies the same.

26 111. Defendant is without knowledge as to the allegations of paragraph 111 of the
27 SAC and on that basis denies the same.

28 DEFENDANT MICHAEL MACKKEY'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 112. Defendant is without knowledge as to the allegations of paragraph 112 of the
2 SAC and on that basis denies the same.

3 113. Defendant is without knowledge as to the allegations of paragraph 113 of the
4 SAC and on that basis denies the same.

5 114. Defendant is without knowledge as to the allegations of paragraph 114 of the
6 SAC and on that basis denies the same.

7 115. Defendant is without knowledge as to the allegations of paragraph 115 of the
8 SAC and on that basis denies the same.

9 116. Defendant is without knowledge as to the allegations of paragraph 116 of the
10 SAC and on that basis denies the same.

11 117. Defendant is without knowledge as to the allegations of paragraph 117 of the
12 SAC and on that basis denies the same.

13 118. Defendant is without knowledge as to the allegations of paragraph 118 of the
14 SAC and on that basis denies the same.

15 119. Defendant is without knowledge as to the allegations of paragraph 119 of the
16 SAC and on that basis denies the same.

17 120. Defendant is without knowledge as to the allegations of paragraph 120 of the
18 SAC and on that basis denies the same.

19 121. Defendant is without knowledge as to the allegations of paragraph 121 of the
20 SAC and on that basis denies the same.

21 122. Defendant is without knowledge as to the allegations of paragraph 122 of the
22 SAC and on that basis denies the same.

23 123. Defendant is without knowledge as to the allegations of paragraph 123 of the
24 SAC and on that basis denies the same.

25 124. Defendant is without knowledge as to the allegations of paragraph 124 of the
26 SAC and on that basis denies the same.

27 125. Defendant is without knowledge as to the allegations of paragraph 125 of the

28

1 SAC and on that basis denies the same.

2 126. Defendant is without knowledge as to the allegations of paragraph 126 of the
3 SAC and on that basis denies the same.

4 127. Defendant is without knowledge as to the allegations of paragraph 127 of the
5 SAC and on that basis denies the same.

6 128. Defendant is without knowledge as to the allegations of paragraph 128 of the
7 SAC and on that basis denies the same.

8 129. Defendant is without knowledge as to the allegations of paragraph 129 of the
9 SAC and on that basis denies the same.

10 130. Defendant is without knowledge as to the allegations of paragraph 130 of the
11 SAC and on that basis denies the same.

12 131. Defendant is without knowledge as to the allegations of paragraph 131 of the
13 SAC and on that basis denies the same.

14 132. Defendant is without knowledge as to the allegations of paragraph 132 of the
15 SAC and on that basis denies the same.

16 133. Defendant is without knowledge as to the allegations of paragraph 133 of the
17 SAC and on that basis denies the same.

18 134. Defendant admits that Atonomi had a public website. Defendant is without
19 knowledge as to the remaining allegations of paragraph 134 of the SAC and on that basis denies
20 the same.

21 135. Defendant is without knowledge as to the allegations of paragraph 135 of the
22 SAC and on that basis denies the same.

23 136. Defendant is without knowledge as to the allegations of paragraph 136 of the
24 SAC and on that basis denies the same.

25 137. Defendant is without knowledge as to the allegations of paragraph 137 of the
26 SAC and on that basis denies the same.

27 138. Defendant is without knowledge as to the allegations of paragraph 138 of the

28

1 SAC and on that basis denies the same.

2 139. Defendant is without knowledge as to the allegations of paragraph 139 of the
3 SAC and on that basis denies the same.

4 140. Defendant is without knowledge as to the allegations of paragraph 140 of the
5 SAC and on that basis denies the same.

6 141. Defendant is without knowledge as to the allegations of paragraph 141 of the
7 SAC and on that basis denies the same.

8 142. Defendant is without knowledge as to the allegations of paragraph 142 of the
9 SAC and on that basis denies the same.

10 143. Defendant is without knowledge as to the allegations of paragraph 143 of the
11 SAC and on that basis denies the same.

12 144. Defendant is without knowledge as to the allegations of paragraph 144 of the
13 SAC and on that basis denies the same.

14 145. Defendant is without knowledge as to the allegations of paragraph 145 of the
15 SAC and on that basis denies the same.

16 146. Defendant is without knowledge as to the allegations of paragraph 146 of the
17 SAC and on that basis denies the same.

18 147. Defendant is without knowledge as to the allegations of paragraph 147 of the
19 SAC and on that basis denies the same.

20 148. Defendant is without knowledge as to the allegations of paragraph 148 of the
21 SAC and on that basis denies the same.

22 149. Defendant is without knowledge as to the allegations of paragraph 149 of the
23 SAC and on that basis denies the same.

24 150. Defendant is without knowledge as to the allegations of paragraph 150 of the
25 SAC and on that basis denies the same.

26 151. Defendant is without knowledge as to the allegations of paragraph 151 of the
27 SAC and on that basis denies the same.

28 DEFENDANT MICHAEL MACKKEY'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 152. Defendant is without knowledge as to the allegations of paragraph 152 of the
2 SAC and on that basis denies the same.

3 153. Defendant is without knowledge as to the allegations of paragraph 153 of the
4 SAC and on that basis denies the same.

5 154. Defendant is without knowledge as to the allegations of paragraph 154 of the
6 SAC and on that basis denies the same.

7 155. Defendant is without knowledge as to the allegations of paragraph 155 of the
8 SAC and on that basis denies the same.

9 156. Defendant is without knowledge as to the allegations of paragraph 156 of the
10 SAC and on that basis denies the same.

11 157. Defendant is without knowledge as to the allegations of paragraph 157 of the
12 SAC and on that basis denies the same.

13 158. Defendant is without knowledge as to the allegations of paragraph 158 of the
14 SAC and on that basis denies the same.

15 159. Defendant is without knowledge as to the allegations of paragraph 159 of the
16 SAC and on that basis denies the same.

17 160. Defendant is without knowledge as to the allegations of paragraph 160 of the
18 SAC and on that basis denies the same.

19 161. Defendant is without knowledge as to the allegations of paragraph 161 of the
20 SAC and on that basis denies the same.

21 162. Defendant is without knowledge as to the allegations of paragraph 162 of the
22 SAC and on that basis denies the same.

23 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
24 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
25 SAC.

26 164. Defendant is without knowledge as to the allegations of paragraph 164 of the
27 SAC and on that basis denies the same.

28 DEFENDANT MICHAEL MACKKEY'S ANSWER TO
 SECOND AMENDED CLASS ACTION COMPLAINT

 GORDON REES SCULLY MANSUKHANI
 101 W. Broadway, Ste 2000, San Diego, CA 92101
 (619) 696-6700

1 165. Defendant is without knowledge as to the allegations of paragraph 165 of the
2 SAC and on that basis denies the same.

3 166. Defendant is without knowledge as to the allegations of paragraph 166 of the
4 SAC and on that basis denies the same.

5 167. Defendant is without knowledge as to the allegations of paragraph 167 of the
6 SAC and on that basis denies the same.

7 168. Defendant is without knowledge as to the allegations of paragraph 168 of the
8 SAC and on that basis denies the same.

9 169. Defendant admits that CENTRI and Atonomi attended the Mobile World
10 Congress 2019 in Barcelona, Spain. Defendant is without knowledge as to the remaining
11 allegations of paragraph 169 of the SAC and on that basis denies the same.

12 170. Defendant admits the allegations of paragraph 170 of the SAC.

13 171. Defendant denies the allegations of paragraph 171 of the SAC.

14 172. Defendant admits the allegations of paragraph 172 of the SAC.

15 173. Defendant denies the allegations of paragraph 173 of the SAC.

16 174. Defendant Strickland has been appointed the CEO of CENTRI. Defendant denies
17 the remaining allegations of paragraph 174 of the SAC.

18 175. Defendant is without knowledge as to the allegations of paragraph 175 of the
19 SAC and on that basis denies the same.

20 176. Defendant admits that Exhibit H appears to be a printout of a webpage on
21 CENTRI's website. Defendant denies the remaining allegations of paragraph 176 of the SAC.

22 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
23 Defendant denies all remaining allegations of paragraph 177 of the SAC.

24 178. Defendant denies the allegations of paragraph 178 of the SAC.

25 179. Defendant admits that he was the Chief Technology Officer of CENTRI.
26 Defendant denies the remaining allegations of paragraph 179 of the SAC.

27 180. Defendant denies the allegations of paragraph 180 of the SAC.

1 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI, not an
2 Officer position. Defendant denies the remaining allegations of paragraph 181 of the SAC.

3 182. Defendant admits the allegations of paragraph 182 of the SAC.

4 183. Defendant is without knowledge as to the allegations of paragraph 183 of the
5 SAC and on that basis denies the same.

6 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
7 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
8 allegations of paragraph 184 of the SAC.

9 185. Defendant is without knowledge as to the allegations of paragraph 185 of the
10 SAC and on that basis denies the same.

11 186. Defendant denies the allegations of paragraph 186 of the SAC.

12 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
13 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
14 denies the remaining allegations of paragraph 187 of the SAC.

15 188. Defendant denies the allegations of paragraph 188 of the SAC.

16 189. Defendant is without knowledge as to the allegations of paragraph 189 of the
17 SAC and on that basis denies the same.

18 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
19 SAC and on that basis denies the same.

20 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
21 SAC and on that basis denies the same.

22 192. Defendant is without knowledge as to the allegations of paragraph 192 of the
23 SAC and on that basis denies the same.

24 193. Defendant is without knowledge as to the allegations of paragraph 193 of the
25 SAC and on that basis denies the same.

26 194. Defendant is without knowledge as to the allegations of paragraph 194 of the
27 SAC and on that basis denies the same.

1 195. Defendant is without knowledge as to the allegations of paragraph 195 of the
2 SAC and on that basis denies the same.

3 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
4 SAC and on that basis denies the same.

5 197. Defendant is without knowledge as to the allegations of paragraph 197 of the
6 SAC and on that basis denies the same.

7 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
8 SAC and on that basis denies the same.

9 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
10 SAC and on that basis denies the same.

11 **V. CLASS ALLEGATIONS**

12 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
13 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
14 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

15 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
16 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
17 paragraph 201 of the SAC.

18 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
19 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
20 paragraph 202 of the SAC.

21 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
22 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
23 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

24 204. Defendant denies the allegations of paragraph 204 of the SAC.

25 205. Defendant denies the allegations of paragraph 205 of the SAC.

26 206. Defendant denies the allegations of paragraph 206 of the SAC.

27 207. Defendant denies the allegations of paragraph 207 of the SAC.

1 208. Defendant denies the allegations of paragraph 208 of the SAC.

2 209. Defendant denies the allegations of paragraph 209 of the SAC.

3 **VI. CAUSE OF ACTION**

4 210. Defendants hereby incorporates by reference the responses contained in the
5 preceding paragraphs of this Answer.

6 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
7 Defendant denies the remaining allegations of paragraph 211 of the SAC.

8 212. Defendant denies the allegations of paragraph 212 of the SAC.

9 **VII. AFFIRMATIVE DEFENSES**

10 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
11 conduct, and omissions from obtaining any recovery in this action.

12 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
13 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

14 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
15 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
16 were unlocked.

17 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
18 permitted to obtain recovery in this action.

19 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
20 claims he might have against the Defendant.

21 6. Assumption of the Risk: The named Plaintiff's claims are barred in whole or in
22 part because he and any purported class members were expressly advised in public statements
23 about the material facts and risks. Plaintiff and any purported class members therefore assumed
24 the risk of any loss and are precluded from any recovery.

25 7. Failure to Mitigate Damages: The named Plaintiff's claims are barred in whole or
26 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
27 damage, which efforts would have prevented all or part of any such alleged injury or damage.

28 DEFENDANT MICHAEL MACKKEY'S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1 8. Defendants are not liable under RCW 21.20.430 in “that he or she did not know,
2 and in the exercise of reasonable care could not have known, of the existence of the facts by
3 reason of which the liability is alleged to exist.”

4 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
5 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
6 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

7 **VIII. PRAYER FOR RELIEF**

8 WHEREFORE, Defendants pray for relief and judgment as follows:

9 A. Denying that this action is properly maintainable as a class action under Fed. R.
10 Civ. P. Rule 23;

11 B. Judgment against Plaintiffs and in Defendant’s favor;

12 C. Awarding costs of litigation, including expert witness costs, and reasonable
13 attorneys’ fees, against Plaintiffs; and

14 D. Such other and further relief as this Court may deem just and proper.

15 **XI. JURY DEMAND**

16 Defendants hereby demand a trial by jury for all issues so triable.

17 Dated: November 23, 2020

Respectfully submitted,

18 GORDON REES SCULLY MANSUKHANI LLP

19 By: /s/ David W. Silke

20 David W. Silke, WSBA No. 23761
21 GORDON REES SCULLY MANSUKHANI LLP
22 701 Fifth Avenue, Suite 2100
23 Seattle, WA 98104
24 Telephone: (206) 695-5100
25 Facsimile: (206) 689-2822
26 E-Mails: dsilke@grsm.com

27 Miles Scully (CA SBN: 135853)
28 William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101

DEFENDANT MICHAEL MACKKEY’S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Michael Mackey

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT MICHAEL MACKEY’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November,2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 7

TO PRAECIPE, REPLACING ECF NO. 164

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don Deloach,
Wayne Wisheart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT
)
) **DEFENDANT ROBERT**
) **STRICKLAND'S ANSWER TO**
) **SECOND AMENDED CLASS**
) **ACTION COMPLAINT**
)
) **JURY DEMAND**

1 Defendant Robert Strickland (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits the allegations of paragraph 9 of the SAC.

20 10. Defendant admits that this Court has personal jurisdiction over him. Defendant is
21 without knowledge as to other individual defendants and on that basis denies the same.
22 Defendant denies the remaining allegations of paragraph 10 of the SAC.

23 11. Defendant admits that this Court has personal jurisdiction over him. Defendant is
24 without knowledge as to other individual defendants and on that basis denies the same.
25 Defendant denies the remaining allegations of paragraph 11 of the SAC.

26 12. Defendant is without knowledge as to the residency of other individual defendants
27 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 12

1 of the SAC.

2 13. Defendant is without knowledge as to the actions of other individual defendants
3 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 13
4 of the SAC.

5 14. Defendant is without knowledge as to the actions of other individual defendants
6 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 14
7 of the SAC.

8 15. Defendant admits the allegations of paragraph 15 of the SAC.

9 **III. PARTIES**

10 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
11 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
12 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

13 17. Defendant admits the allegations of paragraph 17 of the SAC.

14 18. Defendant admits the allegations of paragraph 18 of the SAC.

15 19. Defendant admits the allegations of paragraph 19 of the SAC.

16 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
17 and on that basis denies the same.

18 21. Defendant denies the allegations of paragraph 21 of the SAC.

19 22. Defendant admits that M37 Ventures, Inc. is a Nevada corporation with at least
20 one place of business in Tacoma during the relevant events in this action. Defendant also admits
21 that he is the CEO of M37 Ventures, Inc.. Defendant denies the remaining allegations in
22 paragraph 22 of the SAC.

23 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
24 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
25 without knowledge as to the residency of Emery and on that basis denies the same. Defendant
26 denies the remaining allegations of paragraph 23 of the SAC.

27 24. Defendant denies the allegations of paragraph 24 of the SAC.

1 36. Defendant is without knowledge as to what other persons “often” do and on that
2 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
3 divorced from its context. Defendant admits that while some of the allegations may be generally
4 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
5 allegations of paragraph 36 of the SAC.

6 37. Defendant admits the allegations of paragraph 37 of the SAC.

7 38. Defendant admits the allegations of paragraph 38 of the SAC.

8 39. Defendant admits the allegations of paragraph 39 of the SAC.

9 40. Defendant admits the allegations of paragraph 40 of the SAC.

10 41. Defendant admits the allegations of paragraph 41 of the SAC.

11 42. Defendant denies the allegations of paragraph 42 of the SAC.

12 43. Defendant denies the allegations of paragraph 43 of the SAC.

13 44. Defendant admits that it entered into SAFTs with accredited investors, including
14 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
15 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
16 remaining allegations of paragraph 44 of the SAC.

17 45. Defendant admits that the SAFT is an agreement between Atonomi and an
18 accredited investor that speaks for itself. Defendant denies the remaining allegations of
19 paragraph 45 of the SAC.

20 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
21 Defendant denies the remaining allegations of paragraph 46 of the SAC.

22 47. Defendant admits the allegations of paragraph 47 of the SAC.

23 48. Defendant admits the allegations of paragraph 48 of the SAC.

24 49. Defendant admits the allegations of paragraph 49 of the SAC.

25 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
26 Defendant denies the remaining allegations of paragraph 50 of the SAC.

27 51. Defendant admits the allegations of paragraph 51 of the SAC.

1 52. Defendant admits that the SAFT discusses the use of investment capital, and the
2 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

3 53. Defendant admits the allegations of paragraph 53 of the SAC.

4 54. Defendant admits the allegations of paragraph 54 of the SAC.

5 55. Defendant admits that Atonomi entered into SAFTs with only accredited
6 investors, and thus these agreements were exempt from certain U.S. securities regulations.
7 Defendant denies the remaining allegations of paragraph 55 of the SAC.

8 56. Defendant admits that between February and early May 2018, Atonomi entered
9 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
10 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
11 allegations of paragraph 56 of the SAC.

12 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
13 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
14 allegations of paragraph 57 of the SAC.

15 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
16 conducted a token/coin sale directly to members of the public (excluding certain restricted
17 countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining allegations
18 of paragraph 58 of the SAC.

19 59. Defendant admits the allegations of paragraph 59 of the SAC.

20 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
21 Defendant denies the remaining allegations of paragraph 60 of the SAC.

22 61. Defendant admits the allegations of paragraph 61 of the SAC.

23 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
24 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
25 allegations of paragraph 62 of the SAC.

26 63. Defendant admits the allegations of paragraph 63 of the SAC.

27 64. Defendant admits that as part of the SAFT sales, combined with the June 2018

1 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received
2 more ETH as part of the SAFT sales than as part of the June 2018 sale. Defendant denies the
3 remaining allegations of paragraph 64 of the SAC.

4 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
5 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

6 66. Defendant admits the allegations of paragraph 66 of the SAC.

7 67. Defendant admits that the Form D acknowledged that the SAFT was a security
8 subject to exemption. Defendant denies the remaining allegations of paragraph 67 of the SAC.

9 68. Defendant admits that Atonomi informed SAFT investors that the SAFT was not
10 a registered security. Defendant denies the remaining allegations of paragraph 68 of the SAC.

11 69. Defendant admits the allegations of paragraph 69 of the SAC.

12 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
13 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
14 70 of the SAC.

15 71. Defendant is without knowledge as to what “numerous online chat messages”
16 refer to and on that basis denies the same. Defendant denies the remaining allegations of
17 paragraph 71 of the SAC.

18 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
19 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
20 SAC.

21 73. Defendant admits the allegations of paragraph 73 of the SAC.

22 74. Defendant admits the allegations of paragraph 74 of the SAC.

23 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
24 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
25 the remaining allegations of paragraph 75 of the SAC.

26 76. Defendant denies the allegations of paragraph 76 of the SAC.

27 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT

1 would be used in part to support the Atonomi Network. Defendant denies the remaining
2 allegations of paragraph 77 of the SAC.

3 78. Defendant admits the allegations of paragraph 78 of the SAC.

4 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens
5 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
6 of the SAC.

7 80. Defendant denies the allegations of paragraph 80 of the SAC.

8 81. Defendant denies the allegations of paragraph 81 of the SAC.

9 82. Defendant admits that Atonomi published the material on
10 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
11 remaining allegations of paragraph 82 of the SAC.

12 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
13 remaining allegations of paragraph 83 of the SAC.

14 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
15 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

16 85. Defendant admits that the Atonomi Network was launched before any tokens
17 were issued to outside users. Because tokens were essential to the functionality, it was
18 impossible for outside users to use the Atonomi Network without the requisite tokens.
19 Defendant denies the remaining allegations of paragraph 85 of the SAC.

20 86. Defendant denies the allegations of paragraph 86 of the SAC.

21 87. Defendant admits that approximately one month after the June 2018 sale of utility
22 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
23 remaining allegations of paragraph 87 of the SAC.

24 88. Defendant admits that on July 12, 2018, if it received activation emails from
25 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
26 paragraph 88 of the SAC.

27 89. Defendant admits that the Atonomi tokens were, as always planned and

1 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
2 source, public, blockchain-based distributed computing platform and operating system.

3 Defendant denies the remaining allegations of paragraph 89 of the SAC.

4 90. Defendant denies the allegations of paragraph 90 of the SAC.

5 91. Defendant denies the allegations of paragraph 91 of the SAC.

6 92. Defendant denies the allegations of paragraph 92 of the SAC.

7 93. Defendant admits that IDEX has listed Atonomi Tokens (“ATMI”) for trading
8 because users need to be able buy the tokens. Defendant admits that IDEX was one of the first
9 exchanges to list ATMI. Defendant is without knowledge as to these purported private messages
10 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 93
11 of the SAC.

12 94. Defendant is without knowledge as to these purported private messages and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 94 of the
14 SAC.

15 95. Defendant is without knowledge as to these purported private messages and on
16 that basis denies the same. Defendant denies the remaining allegations of paragraph 95 of the
17 SAC.

18 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
19 FAQ” on its website and that the quoted language constitutes one portion of that webpage.
20 Defendant denies the remaining allegations of paragraph 96 of the SAC.

21 97. Defendant is without knowledge as to these purported private messages and on
22 that basis denies the same. Defendant denies the remaining allegations of paragraph 97 of the
23 SAC.

24 98. Defendant is without knowledge as to these purported private messages and on
25 that basis denies the same. Defendant denies the remaining allegations of paragraph 98 of the
26 SAC.

27 99. Defendant denies the allegations of paragraph 99 of the SAC.

- 1 100. Defendant denies the allegations of paragraph 100 of the SAC.
- 2 101. Defendant admits the allegations of paragraph 101 of the SAC.
- 3 102. Defendant denies the allegations of paragraph 102 of the SAC.
- 4 103. Defendant denies the allegations of paragraph 103 of the SAC.
- 5 104. Defendant admits the allegations of paragraph 104 of the SAC.
- 6 105. Defendant denies the allegations of paragraph 105 of the SAC.
- 7 106. Defendant denies the allegations of paragraph 106 of the SAC.
- 8 107. Defendant denies the allegations of paragraph 107 of the SAC.
- 9 108. Defendant denies the allegations of paragraph 108 of the SAC.
- 10 109. Defendant denies the allegations of paragraph 109 of the SAC.
- 11 110. Defendant is without knowledge as to any actions taken by third parties and on
12 that basis denies the same. Defendant denies the remaining allegations of paragraph 110 of the
13 SAC.
- 14 111. Defendant is without knowledge as to any actions taken by third parties and on
15 that basis denies the same. Defendant denies the remaining allegations of paragraph 111 of the
16 SAC.
- 17 112. Defendant denies the allegations of paragraph 112 of the SAC.
- 18 113. Defendant is without knowledge as to these purported private messages and on
19 that basis denies the same. Defendant denies the remaining allegations of paragraph 113 of the
20 SAC.
- 21 114. Defendant denies the allegations of paragraph 114 of the SAC.
- 22 115. Defendant denies the allegations of paragraph 115 of the SAC.
- 23 116. Defendant is without knowledge as to these purported private messages and on
24 that basis denies the same. Defendant denies the remaining allegations of paragraph 116 of the
25 SAC.
- 26 117. Defendant denies the allegations of paragraph 117 of the SAC.
- 27 118. Defendant denies the allegations of paragraph 118 of the SAC.

28

1 119. Defendant is without knowledge as to these purported communications and on
2 that basis denies the same. Defendant denies the remaining allegations of paragraph 119 of the
3 SAC.

4 120. Defendant admits that Atonomi required all SAFT purchasers to complete
5 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
6 client privilege information and cannot respond as to any attorney-client privileged information.
7 Defendant denies the remaining allegations of paragraph 120 of the SAC.

8 121. Defendant admits that Atonomi required all SAFT purchasers to complete
9 investor questionnaires. Defendant denies the remaining allegations of paragraph 121 of the
10 SAC.

11 122. Defendant denies the allegations of paragraph 122 of the SAC.

12 123. Defendant denies the allegations of paragraph 123 of the SAC.

13 124. Defendant denies the allegations of paragraph 124 of the SAC.

14 125. Defendant denies the allegations of paragraph 125 of the SAC.

15 126. Defendant denies the allegations of paragraph 126 of the SAC.

16 127. Defendant denies the allegations of paragraph 127 of the SAC.

17 128. Defendant admits that they used public channels to respond to questions.
18 Defendant denies the remaining allegations of paragraph 128 of the SAC.

19 129. Defendant is without knowledge as to the exact number of individuals as of the
20 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
21 paragraph 129 of the SAC.

22 130. Defendant denies the allegations of paragraph 130 of the SAC.

23 131. Defendant is without knowledge as to any actions taken by third parties and on
24 that basis denies the same. Defendant denies the remaining allegations of paragraph 131 of the
25 SAC.

26 132. Defendant denies the allegations of paragraph 132 of the SAC.

27 133. Defendant denies the allegations of paragraph 133 of the SAC.

1 134. Defendant admits that Atonomi had a public website. Defendant denies the
2 remaining allegations of paragraph 134 of the SAC.

3 135. Defendant admits that Atonomi made some public presentations about itself and
4 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

5 136. Defendant is without knowledge as to any actions taken by third parties and on
6 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
7 SAC.

8 137. Defendant is without knowledge as to any actions taken by third parties and on
9 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
10 SAC.

11 138. Defendant admits that on April 17, 2018, Defendant Emery and Grant Fjermedal
12 appeared in a Twitter “Ask Me Anything” session and responded to certain questions.
13 Defendant is without knowledge as to the actions of third parties and on that basis denies the
14 same. Defendant denies the remaining allegations of paragraph 138 of the SAC.

15 139. Defendant admits that Atonomi had and used a Twitter account and made posts.
16 Defendant denies the remaining allegations of paragraph 139 of the SAC.

17 140. Defendant admits that Atonomi would respond to questions in certain forums
18 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

19 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
20 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
21 denies the remaining allegations of paragraph 141 of the SAC.

22 142. Defendant admits the allegations of paragraph 142 of the SAC.

23 143. Defendant admits the allegations of paragraph 143 of the SAC.

24 144. Defendant denies the allegations of paragraph 144 of the SAC.

25 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
26 denies the remaining allegations of paragraph 145 of the SAC.

27 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale

1 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
2 of the SAC.

3 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
4 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
5 of the SAC.

6 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
7 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
8 denies the allegations of remaining paragraph 148 of the SAC.

9 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
10 Defendant denies the remaining allegations of paragraph 149 of the SAC.

11 150. Defendant denies the allegations of paragraph 150 of the SAC.

12 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
13 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
14 the SAC.

15 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
16 denies the remaining allegations of paragraph 152 of the SAC.

17 153. Defendant denies the allegations of paragraph 153 of the SAC.

18 154. Defendant denies the allegations of paragraph 154 of the SAC.

19 155. Defendant denies the allegations of paragraph 155 of the SAC.

20 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
21 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
22 allegations of paragraph 156 of the SAC.

23 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
24 the remaining allegations of paragraph 157 of the SAC.

25 158. Defendant denies the allegations of paragraph 158 of the SAC.

26 159. Defendant admits that the utility tokens could be transferred upon release.
27 Defendant denies the remaining allegations of paragraph 159 of the SAC.

1 160. Defendant admits that they were seeking exchanges to list Atonomi's utility
2 tokens so that the public can buy the tokens for their intended use. Defendant denies the
3 remaining allegations of paragraph 160 of the SAC.

4 161. Defendant is without knowledge as to third party actions and on that basis denies
5 the same. Defendant admits that the Atonomi utility tokens are available on some public
6 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

7 162. Defendant denies the allegations of paragraph 162 of the SAC.

8 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
9 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
10 SAC.

11 164. Defendant denies the allegations of paragraph 164 of the SAC.

12 165. Defendant denies the allegations of paragraph 165 of the SAC.

13 166. Defendant is without knowledge as to third party actions and on that basis denies
14 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

15 167. Defendant is without knowledge as to third party actions and on that basis denies
16 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

17 168. Defendant denies the allegations of paragraph 168 of the SAC.

18 169. Defendant admits that CENTRI and Atonomi hosted sales meetings, product
19 demonstrations and sponsored events at Mobile World Congress 2019 in Barcelona, Spain.
20 Defendant denies the remaining allegations of paragraph 169 of the SAC.

21 170. Defendant admits the allegations of paragraph 170 of the SAC.

22 171. Defendant denies all the allegations of paragraph 171 of the SAC.

23 172. Defendant admits the allegations of paragraph 167 of the SAC.

24 173. Defendant denies the allegations of paragraph 173 of the SAC.

25 174. Defendant admits that he was under contract through his firm, M37 Ventures, Inc.
26 and provided services to the company, such as acting as CEO of Atonomi and CEO of CENTRI.
27 Defendant denies the remaining allegations of paragraph 174 of the SAC.

1 175. Defendant admits the cited quote appears in a printout, originally Exhibit G to the
2 First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
3 website, and that the press release speaks for itself. Defendant denies the remaining allegations
4 of paragraph 175 of the SAC.

5 176. Defendant denies the allegations of paragraph 176 of the SAC.

6 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
7 Defendant denies all remaining allegations of paragraph 177 of the SAC.

8 178. Defendant denies the allegations of paragraph 178 of the SAC.

9 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
10 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

11 180. Defendant denies the allegations of paragraph 180 of the SAC.

12 181. Defendant admits that Defendant Paris was the Chief Scientist of CENTRI, which
13 is not an Officer position. Defendant denies the remaining allegations of paragraph 181 of the
14 SAC.

15 182. Defendant admits the allegations of paragraph 182 of the SAC.

16 183. Defendant denies the allegations of paragraph 183 of the SAC.

17 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
18 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
19 allegations of paragraph 184 of the SAC.

20 185. Defendant denies the allegations of paragraph 185 of the SAC.

21 186. Defendant denies the allegations of paragraph 186 of the SAC.

22 187. Defendant admits that Defendant Salter was the Director of Marketing of
23 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
24 denies the remaining allegations of paragraph 187 of the SAC.

25 188. Defendant denies the allegations of paragraph 188 of the SAC.

26 189. Defendant denies all the allegations of paragraph 189 of the SAC.

1 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
 2 SAC and on that basis denies the same.

3 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
 4 SAC and on that basis denies the same.

5 192. Defendant is without knowledge as to the allegations of paragraph 192 of the
 6 SAC and on that basis denies the same.

7 193. Defendant is without knowledge as to the allegations of paragraph 193 of the
 8 SAC and on that basis denies the same.

9 194. Defendant admits the allegations of paragraph 194 of the SAC.

10 195. Defendant denies the allegations of paragraph 195 of the SAC.

11 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
 12 SAC and on that basis denies the same.

13 197. Defendant denies all the allegations of paragraph 197 of the SAC.

14 198. Defendant denies the allegations of paragraph 198 of the SAC.

15 199. Defendant denies the allegations of paragraph 199 of the SAC.

16 **V. CLASS ALLEGATIONS**

17 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
 18 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
 19 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

20 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
 21 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
 22 paragraph 201 of the SAC.

23 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
 24 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
 25 paragraph 202 of the SAC.

26
 27
 28

1 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
2 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
3 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

4 204. Defendant denies the allegations of paragraph 204 of the SAC.

5 205. Defendant denies the allegations of paragraph 205 of the SAC.

6 206. Defendant denies the allegations of paragraph 206 of the SAC.

7 207. Defendant denies the allegations of paragraph 207 of the SAC.

8 208. Defendant denies the allegations of paragraph 208 of the SAC.

9 209. Defendant denies the allegations of paragraph 209 of the SAC.

10 **VI. CAUSE OF ACTION**

11 210. Defendants hereby incorporate by reference the responses contained in the
12 preceding paragraphs of this Answer.

13 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
14 Defendant denies the remaining allegations of paragraph 211 of the SAC.

15 212. Defendant denies the allegations of paragraph 212 of the SAC.

16 **VII. AFFIRMATIVE DEFENSES**

17 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
18 conduct, and omissions from obtaining any recovery in this action.

19 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
20 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

21 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
22 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
23 were unlocked.

24 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
25 permitted to obtain recovery in this action.

26 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
27 claims he might have against the Defendant.

1 6. Assumption of the Risk: The named Plaintiff's claims are barred in whole or in
2 part because he and any purported class members were expressly advised in public statements
3 about the material facts and risks. Plaintiff and any purported class members therefore assumed
4 the risk of any loss and are precluded from any recovery.

5 7. Failure to Mitigate Damages: The named Plaintiff's claims are barred in whole or
6 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
7 damage, which efforts would have prevented all or part of any such alleged injury or damage.

8 8. Defendants are not liable under RCW 21.20.430 in "that he or she did not know,
9 and in the exercise of reasonable care could not have known, of the existence of the facts by
10 reason of which the liability is alleged to exist."

11 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
12 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
13 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

14 **VIII. PRAYER FOR RELIEF**

15 WHEREFORE, Defendants pray for relief and judgment as follows:

- 16 A. Denying that this action is properly maintainable as a class action under Fed. R.
- 17 Civ. P. Rule 23;
- 18 B. Judgment against Plaintiffs and in Defendant's favor;
- 19 C. Awarding costs of litigation, including expert witness costs, and reasonable
- 20 attorneys' fees, against Plaintiffs; and
- 21 D. Such other and further relief as this Court may deem just and proper.

22 **XI. JURY DEMAND**

23 Defendants hereby demand a trial by jury for all issues so triable.

24 Dated: November 23, 2020

Respectfully submitted,

25 GORDON REES SCULLY MANSUKHANI LLP

26 By: /s/ David W. Silke

27 David W. Silke, WSBA No. 23761
 GORDON REES SCULLY MANSUKHANI LLP
 701 Fifth Avenue, Suite 2100

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Seattle, WA 98104
Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Robert Strickland

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT ROBERT STRICKLAND’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November, 2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 8
TO PRAECIPE, REPLACING ECF NO. 165

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don Deloach,
Wayne Wisehart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT
)
) **DEFENDANT VAUGHAN EMERY'S**
) **ANSWER TO SECOND AMENDED**
) **CLASS ACTION COMPLAINT**
)
) **JURY DEMAND**

1 Defendant Vaughan Emery (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits the allegations of paragraph 9 of the SAC.

20 10. Defendant admits that this Court has personal jurisdiction over him. Defendant is
21 without knowledge as to other individual defendants and on that basis denies the same.
22 Defendant denies the remaining allegations of paragraph 10 of the SAC.

23 11. Defendant admits that this Court has personal jurisdiction over him. Defendant is
24 without knowledge as to other individual defendants and on that basis denies the same.
25 Defendant denies the remaining allegations of paragraph 11 of the SAC.

26 12. Defendant admits that this Court has personal jurisdiction over him. Defendant is
27 without knowledge as to the other individual defendants and on that basis denies the same.

1 Defendant denies the remaining allegations of paragraph 12 of the SAC.

2 13. Defendant admits that this Court has personal jurisdiction over him. Defendant is
3 without knowledge as to the other individual defendants and on that basis denies the same.

4 Defendant denies the remaining allegations of paragraph 13 of the SAC.

5 14. Defendant admits that this Court has personal jurisdiction over him but not for the
6 reasons stated. Defendant is without knowledge as to the other individual defendants and on that
7 basis denies the same. Defendant denies the remaining allegations of paragraph 14 of the SAC.

8 15. Defendant admits the allegations of paragraph 15 of the SAC.

9 **III. PARTIES**

10 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
11 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
12 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

13 17. Defendant admits the allegations of paragraph 17 of the SAC.

14 18. Defendant admits the allegations of paragraph 18 of the SAC.

15 19. Defendant admits the allegations of paragraph 19 of the SAC.

16 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
17 and on that basis denies the same.

18 21. Defendant denies the allegations of paragraph 21 of the SAC.

19 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
20 and on that basis denies the same.

21 23. Defendant admits that he was a founder of Atonomi. Defendant admits that he
22 was a founder and CEO of CENTRI. Defendant admits that he is a Washington resident.
23 Defendant denies the remaining allegations of paragraph 23 of the SAC.

24 24. Defendant denies the allegations of paragraph 24 of the SAC.

25 25. Defendant admits that Robert Strickland was under contract through his firm,
26 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
27 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 25 of the SAC.

1 26. Defendant denies the allegations of paragraph 26 of the SAC.

2 27. Defendant admits that Don DeLoach was President and COO of CENTRI.

3 Defendant denies the remaining allegations of paragraph 27 of the SAC.

4 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant
5 admits that Wischart is a Washington resident. Defendant denies the remaining allegations of
6 paragraph 28 of the SAC.

7 29. Defendant denies the allegations of paragraph 29 of the SAC.

8 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
9 CENTRI. Defendant admits that Mackey is a Washington resident. Defendant denies the
10 remaining allegations of paragraph 30 of the SAC.

11 31. Defendant admits that James Salter was the acting Director of Marketing for
12 Atonomi and Director of Marketing for CENTRI. Defendant admits that Salter is a Washington
13 resident. Defendant denies the remaining allegations of paragraph 31 of the SAC.

14 32. Defendant admits that Luis Paris was Chief Scientist of CENTRI and worked on
15 Atonomi R&D engineering duties. Defendant is without knowledge as to the allegations relating
16 to Paris's residence and on that basis denies the same. Defendant denies the remaining
17 allegations of paragraph 32 of the SAC.

18 **IV. FACTS**

19 33. Defendant admits the allegations of paragraph 33 of the SAC.

20 34. Defendant admits that Atonomi publicly stated that it was using blockchain
21 technology to develop its network and the utility tokens to be used on the network. Defendant
22 denies the remaining allegations of paragraph 34 of the SAC.

23 35. Defendant admits the allegations of paragraph 35 of the SAC.

24 36. Defendant is without knowledge as to what other persons "often" do and on that
25 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
26 divorced from its context. Defendant admits that while some of the allegations may be generally
27 true, Defendant denies the relevance of said allegations. Defendant denies the remaining

1 allegations of paragraph 36 of the SAC.

2 37. Defendant admits the allegations of paragraph 37 of the SAC.

3 38. Defendant admits the allegations of paragraph 38 of the SAC.

4 39. Defendant admits the allegations of paragraph 39 of the SAC.

5 40. Defendant admits the allegations of paragraph 40 of the SAC.

6 41. Defendant admits the allegations of paragraph 41 of the SAC.

7 42. Defendant denies the allegations of paragraph 42 of the SAC.

8 43. Defendant denies the allegations of paragraph 43 of the SAC.

9 44. Defendant admits that it entered into SAFTs with accredited investors, including
10 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
11 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
12 remaining allegations of paragraph 44 of the SAC.

13 45. Defendant admits that the SAFT is an agreement between Atonomi and an
14 accredited investor that speaks for itself. Defendant denies the remaining allegations of
15 paragraph 45 of the SAC.

16 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
17 Defendant denies the remaining allegations of paragraph 46 of the SAC.

18 47. Defendant admits the allegations of paragraph 47 of the SAC.

19 48. Defendant admits the allegations of paragraph 48 of the SAC.

20 49. Defendant admits the allegations of paragraph 49 of the SAC.

21 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
22 Defendant denies the remaining allegations of paragraph 50 of the SAC.

23 51. Defendant admits the allegations of paragraph 51 of the SAC.

24 52. Defendant admits that the SAFT discusses the use of investment capital, and the
25 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

26 53. Defendant admits the allegations of paragraph 53 of the SAC.

27 54. Defendant admits the allegations of paragraph 54 of the SAC.

1 55. Defendant admits that Atonomi entered into SAFTs with only accredited
2 investors, and thus these agreements were exempt from certain U.S. securities regulations.
3 Defendant denies the remaining allegations of paragraph 55 of the SAC.

4 56. Defendant admits that between February and early May 2018, Atonomi entered
5 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
6 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
7 allegations of paragraph 56 of the SAC.

8 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
9 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
10 allegations of paragraph 57 of the SAC.

11 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
12 conducted a token/coin sale directly to members of the public (excluding members of the public
13 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
14 allegations of paragraph 58 of the SAC.

15 59. Defendant admits the allegations of paragraph 59 of the SAC.

16 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
17 Defendant denies the remaining allegations of paragraph 60 of the SAC.

18 61. Defendant admits the allegations of paragraph 61 of the SAC.

19 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
20 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
21 allegations of paragraph 62 of the SAC.

22 63. Defendant admits the allegations of paragraph 63 of the SAC.

23 64. Defendant admits that as part of the SAFT sales, combined with the June 2018
24 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received
25 more ETH as part of the SAFT sales than as part of its June 2018 sale. Defendant denies the
26 remaining allegations of paragraph 64 of the SAC.

27 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
28

1 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

2 66. Defendant admits the allegations of paragraph 66 of the SAC.

3 67. Defendant admits that the Form D acknowledged that the SAFT was a security
4 subject to exemption. Defendant denies the remaining allegations of paragraph 67 of the SAC.

5 68. Defendant admits that Atonomi informed SAFT investors that the SAFT was not
6 a registered security. Defendant denies the remaining allegations of paragraph 68 of the SAC.

7 69. Defendant admits the allegations of paragraph 69 of the SAC.

8 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
9 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
10 70 of the SAC.

11 71. Defendant is without knowledge as to what “numerous online chat messages”
12 refer to and on that basis denies the same. Defendant denies the remaining allegations of
13 paragraph 71 of the SAC.

14 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
15 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
16 SAC.

17 73. Defendant admits the allegations of paragraph 73 of the SAC.

18 74. Defendant admits the allegations of paragraph 74 of the SAC.

19 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
20 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
21 the remaining allegations of paragraph 75 of the SAC.

22 76. Defendant denies the allegations of paragraph 76 of the SAC.

23 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT
24 would be used in part to support the Atonomi Network. Defendant denies the remaining
25 allegations of paragraph 77 of the SAC.

26 78. Defendant admits the allegations of paragraph 78 of the SAC.

27 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens

28

1 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
2 of the SAC.

3 80. Defendant denies the allegations of paragraph 80 of the SAC.

4 81. Defendant denies the allegations of paragraph 81 of the SAC.

5 82. Defendant admits that Atonomi published the material on
6 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
7 remaining allegations of paragraph 82 of the SAC.

8 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
9 remaining allegations of paragraph 83 of the SAC.

10 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
11 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

12 85. Defendant admits that the Atonomi Network was launched before any tokens
13 were issued to outside users. Because tokens were essential to the functionality, it was
14 impossible for outside users to use the Atonomi Network without the requisite tokens.
15 Defendant denies the remaining allegations of paragraph 85 of the SAC.

16 86. Defendant denies the allegations of paragraph 86 of the SAC.

17 87. Defendant admits that approximately one month after the June 2018 sale of utility
18 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
19 remaining allegations of paragraph 87 of the SAC.

20 88. Defendant admits that on July 12, 2018, if it received activation emails from
21 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
22 paragraph 88 of the SAC.

23 89. Defendant admits that the Atonomi tokens were, as always planned and
24 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
25 source, public, blockchain-based distributed computing platform and operating system.
26 Defendant denies the remaining allegations of paragraph 89 of the SAC.

27 90. Defendant denies the allegations of paragraph 90 of the SAC.

1 91. Defendant denies the allegations of paragraph 91 of the SAC.

2 92. Defendant denies the allegations of paragraph 92 of the SAC.

3 93. Defendant admits that in private messages with Plaintiff Hunichen, he
4 acknowledged that “IDEX” was the first cryptocurrency exchange to list ATMI tokens.
5 Defendant denies the remaining allegations of paragraph 93 of the SAC.

6 94. Defendant admits that in private messages with Plaintiff Hunichen, he stated that
7 “We are watching the trading activity as well.” Defendant denies the remaining allegations of
8 paragraph 94 of the SAC.

9 95. Defendant admits that in private messages with Plaintiff Hunichen, he stated that
10 “Hard to believe sellers would take a loss on the first day. Atonomi is addressing a cybersecurity
11 need with a live network. I am long term on the value of he[sic] solution.” Defendant denies the
12 remaining allegations of paragraph 95 of the SAC.

13 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
14 FAQ” on its website and that the quoted language constitutes one portion of that webpage.
15 Defendant denies the remaining allegations of paragraph 96 of the SAC.

16 97. Defendant is without knowledge as to the allegations of paragraph 97 of the SAC
17 and on that basis denies the same.

18 98. Defendant is without knowledge as to the allegations of paragraph 98 of the SAC
19 and on that basis denies the same.

20 99. Defendant denies the allegations of paragraph 99 of the SAC.

21 100. Defendant denies the allegations of paragraph 100 of the SAC.

22 101. Defendant admits the allegations of paragraph 101 of the SAC.

23 102. Defendant denies the allegations of paragraph 102 of the SAC.

24 103. Defendant denies the allegations of paragraph 103 of the SAC.

25 104. Defendant admits the allegations of paragraph 104 of the SAC.

26 105. Defendant denies the allegations of paragraph 105 of the SAC.

27 106. Defendant denies the allegations of paragraph 106 of the SAC.

28

1 107. Defendant denies the allegations of paragraph 107 of the SAC.

2 108. Defendant denies the allegations of paragraph 108 of the SAC.

3 109. Defendant denies the allegations of paragraph 109 of the SAC.

4 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
5 SAC and on that basis denies the same.

6 111. Defendant is without knowledge as to the allegations of paragraph 111 of the
7 SAC and on that basis denies the same.

8 112. Defendant denies the allegations of paragraph 112 of the SAC.

9 113. Defendant is without knowledge as to the allegations of paragraph 113 of the
10 SAC and on that basis denies the same.

11 114. Defendant denies the allegations of paragraph 114 of the SAC.

12 115. Defendant denies the allegations of paragraph 115 of the SAC.

13 116. Defendant admits that in private messages with Plaintiff Hunichen, Defendant
14 stated in part, "I am in touch with each of the larger syndicate groups to better understand their
15 unique needs and a solution they[sic] works for all. Ideally the leaders of each syndicate agree
16 on how they will hold and sell once listed. I would prefer to not have a firm lockup policy."
17 Defendant denies the remaining allegations of paragraph 116 of the SAC.

18 117. Defendant denies the allegations of paragraph 117 of the SAC.

19 118. Defendant denies the allegations of paragraph 118 of the SAC.

20 119. Defendant is without knowledge as to the allegations of paragraph 119 of the
21 SAC and on that basis denies the same.

22 120. Defendant admits that Atonomi required all SAFT purchasers to complete
23 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
24 client privilege information and cannot respond as to any attorney-client privileged information.
25 Defendant denies the remaining allegations of paragraph 120 of the SAC.

26 121. Defendant admits that Atonomi required all SAFT purchasers to complete
27 investor questionnaires. Defendant denies the remaining allegations of paragraph 121 of the

1 SAC.

2 122. Defendant denies the allegations of paragraph 122 of the SAC.

3 123. Defendant denies the allegations of paragraph 123 of the SAC.

4 124. Defendant denies the allegations of paragraph 124 of the SAC.

5 125. Defendant denies the allegations of paragraph 125 of the SAC.

6 126. Defendant denies the allegations of paragraph 126 of the SAC.

7 127. Defendant denies the allegations of paragraph 127 of the SAC.

8 128. Defendant admits that they used public channels to respond to questions.

9 Defendant denies the remaining allegations of paragraph 128 of the SAC.

10 129. Defendant is without knowledge as to the exact number of individuals as of the
11 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
12 paragraph 129 of the SAC.

13 130. Defendant denies the allegations of paragraph 130 of the SAC.

14 131. Defendant admits that he posted in Atonomi's Telegram channel. Defendant is
15 without knowledge as to allegations regarding other individuals and on that basis denies the
16 same. Defendant denies the remaining allegations of paragraph 131 of the SAC.

17 132. Defendant denies the allegations of paragraph 132 of the SAC.

18 133. Defendant denies the allegations of paragraph 133 of the SAC.

19 134. Defendant admits that Atonomi had a public website. Defendant denies the
20 remaining allegations of paragraph 134 of the SAC.

21 135. Defendant admits that Atonomi made some public presentations about itself and
22 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

23 136. Defendant is without knowledge as to any actions taken by third parties and on
24 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
25 SAC.

26 137. Defendant is without knowledge as to any actions taken by third parties and on
27 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the

1 SAC.

2 138. Defendant admits that on April 17, 2018, Defendant Emery and Grant Fjermedal
3 appeared in a Twitter “Ask Me Anything” session and responded to certain questions.

4 Defendant is without knowledge as to the actions of third parties and on that basis denies the
5 same. Defendant denies the remaining allegations of paragraph 138 of the SAC.

6 139. Defendant admits that Atonomi had and used a Twitter account and made posts.
7 Defendant denies the remaining allegations of paragraph 139 of the SAC.

8 140. Defendant admits that Atonomi would respond to questions in certain forums
9 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

10 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
11 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
12 denies the remaining allegations of paragraph 141 of the SAC.

13 142. Defendant admits the allegations of paragraph 142 of the SAC.

14 143. Defendant admits the allegations of paragraph 143 of the SAC.

15 144. Defendant denies the allegations of paragraph 144 of the SAC.

16 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
17 denies the remaining allegations of paragraph 145 of the SAC.

18 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
19 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
20 of the SAC.

21 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
22 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
23 of the SAC.

24 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
25 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
26 denies the allegations of remaining paragraph 148 of the SAC.

27 149. Defendant admits that all SAFT purchasers ultimately received their tokens.

28

1 Defendant denies the remaining allegations of paragraph 149 of the SAC.

2 150. Defendant denies the allegations of paragraph 150 of the SAC.

3 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
4 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
5 the SAC.

6 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
7 denies the remaining allegations of paragraph 152 of the SAC.

8 153. Defendant denies the allegations of paragraph 153 of the SAC.

9 154. Defendant denies the allegations of paragraph 154 of the SAC.

10 155. Defendant denies the allegations of paragraph 155 of the SAC.

11 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
12 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
13 allegations of paragraph 156 of the SAC.

14 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
15 the remaining allegations of paragraph 157 of the SAC.

16 158. Defendant denies the allegations of paragraph 158 of the SAC.

17 159. Defendant admits that the utility tokens could be transferred upon release.
18 Defendant denies the remaining allegations of paragraph 159 of the SAC.

19 160. Defendant admits that they were seeking exchanges to list Atonomi's utility
20 tokens so that the public can buy the tokens for their intended use. Defendant denies the
21 remaining allegations of paragraph 160 of the SAC.

22 161. Defendant is without knowledge as to third party actions and on that basis denies
23 the same. Defendant admits that the Atonomi utility tokens are available on some public
24 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

25 162. Defendant denies the allegations of paragraph 162 of the SAC.

26 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
27 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the

28

1 SAC.

2 164. Defendant denies the allegations of paragraph 164 of the SAC.

3 165. Defendant denies the allegations of paragraph 165 of the SAC.

4 166. Defendant is without knowledge as to third party actions and on that basis denies
5 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

6 167. Defendant is without knowledge as to third party actions and on that basis denies
7 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

8 168. Defendant denies the allegations of paragraph 168 of the SAC.

9 169. Defendant is without knowledge as to the allegations of paragraph 169 of the
10 SAC and on that basis denies the same.

11 170. Defendant admits the allegations of paragraph 170 of the SAC.

12 171. Defendant denies the allegations of paragraph 171 of the SAC.

13 172. Defendant admits the allegations of paragraph 172 of the SAC.

14 173. Defendant denies the allegations of paragraph 173 of the SAC.

15 174. Defendant admits that Robert Strickland was under contract through his firm,
16 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
17 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

18 175. Defendant admits that the cited quote appears in a printout, originally Exhibit G to
19 the First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
20 website, and that the press release speaks for itself.. Defendant denies the remaining allegations
21 of paragraph 175 of the SAC.

22 176. Defendant denies the allegations of paragraph 176 of the SAC.

23 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
24 Defendant denies all remaining allegations of paragraph 177 of the SAC.

25 178. Defendant denies the allegations of paragraph 178 of the SAC.

26 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
27 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

1 180. Defendant denies the allegations of paragraph 180 of the SAC.

2 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI, which
3 was not an Officer position. Defendant denies the remaining allegations of paragraph 181 of the
4 SAC.

5 182. Defendant admits the allegations of paragraph 182 of the SAC.

6 183. Defendant denies the allegations of paragraph 183 of the SAC.

7 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
8 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
9 allegations of paragraph 184 of the SAC.

10 185. Defendant denies the allegations of paragraph 185 of the SAC.

11 186. Defendant denies the allegations of paragraph 186 of the SAC.

12 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
13 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
14 denies the remaining allegations of paragraph 187 of the SAC.

15 188. Defendant denies the allegations of paragraph 188 of the SAC.

16 189. Defendant denies all the allegations of paragraph 189 of the SAC.

17 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
18 SAC and on that basis denies the same.

19 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
20 SAC and on that basis denies the same.

21 192. Defendant denies the allegations of paragraph 192.

22 193. Defendant admits Gray was listed as one of the authors of the Atonomi White
23 paper. Defendant denies the remaining allegations of paragraph 193 of the SAC.

24 194. Defendant admits the allegations of paragraph 194 of the SAC.

25 195. Defendant denies the allegations of paragraph 195 of the SAC.

26 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
27 SAC and on that basis denies the same.

1 197. Defendant denies all the allegations of paragraph 197 of the SAC.

2 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
3 SAC and on that basis denies the same.

4 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
5 SAC and on that basis denies the same.

6 **V. CLASS ALLEGATIONS**

7 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
8 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
9 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

10 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
11 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
12 paragraph 201 of the SAC.

13 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
14 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
15 paragraph 202 of the SAC.

16 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
17 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
18 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

19 204. Defendant denies the allegations of paragraph 204 of the SAC.

20 205. Defendant denies the allegations of paragraph 205 of the SAC.

21 206. Defendant denies the allegations of paragraph 206 of the SAC.

22 207. Defendant denies the allegations of paragraph 207 of the SAC.

23 208. Defendant denies the allegations of paragraph 208 of the SAC.

24 209. Defendant denies the allegations of paragraph 209 of the SAC.

25 **VI. CAUSE OF ACTION**

26 210. Defendant hereby incorporates by reference the responses contained in the
27 preceding paragraphs of this Answer.

1 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
2 Defendant denies the remaining allegations of paragraph 211 of the SAC.

3 212. Defendant denies the allegations of paragraph 212 of the SAC.

4 **VII. AFFIRMATIVE DEFENSES**

5 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
6 conduct, and omissions from obtaining any recovery in this action.

7 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
8 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

9 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's
10 promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens
11 were unlocked.

12 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
13 permitted to obtain recovery in this action.

14 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
15 claims he might have against the Defendant.

16 6. Assumption of the Risk: The named Plaintiff's claims are barred in whole or in
17 part because he and any purported class members were expressly advised in public statements
18 about the material facts and risks. Plaintiff and any purported class members therefore assumed
19 the risk of any loss and are precluded from any recovery.

20 7. Failure to Mitigate Damages: The named Plaintiff's claims are barred in whole or
21 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
22 damage, which efforts would have prevented all or part of any such alleged injury or damage.

23 8. Defendants are not liable under RCW 21.20.430 in "that he or she did not know,
24 and in the exercise of reasonable care could not have known, of the existence of the facts by
25 reason of which the liability is alleged to exist."

26 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
27 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the

1 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

2 **VIII. PRAYER FOR RELIEF**

3 WHEREFORE, Defendants pray for relief and judgment as follows:

- 4 A. Denying that this action is properly maintainable as a class action under Fed. R.
- 5 Civ. P. Rule 23;
- 6 B. Judgment against Plaintiffs and in Defendant’s favor;
- 7 C. Awarding costs of litigation, including expert witness costs, and reasonable
- 8 attorneys’ fees, against Plaintiffs; and
- 9 D. Such other and further relief as this Court may deem just and proper.

10 **XI. JURY DEMAND**

11 Defendant hereby demands a trial by jury for all issues so triable.

12 Dated: November 23, 2020

Respectfully submitted,

13 GORDON REES SCULLY MANSUKHANI LLP

14 By: */s/ David W. Silke*

15 David W. Silke, WSBA No. 23761
 16 GORDON REES SCULLY MANSUKHANI LLP
 17 701 Fifth Avenue, Suite 2100
 18 Seattle, WA 98104
 Telephone: (206) 695-5100
 Facsimile: (206) 689-2822
 E-Mail: dsilke@grsm.com

19 Miles Scully (CA SBN: 135853)
 20 William Rathbone (CA SBN: 95864)
 21 Joseph Goodman (CA SBN: 230161)
 22 Yuo-Fong Chang Amato (CA SBN: 264135)
 23 Oana Constantin (CA SBN: 325226)
 GORDON REES SCULLY MANSUKHANI
 101 West Broadway, Suite 2000
 San Diego, CA 92101
 Telephone: (619) 696-6700
 Facsimile: (619) 696-7124
 mscully@grsm.com
 wrathbone@grsm.com
 jgoodman@grsm.com
 bamato@grsm.com
 oconstantin@grsm.com

27 Attorneys for Defendant Vaughan Emery

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT VAUGHAN EMERY’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hkclaw.com
- **Kristin Mariko Asai** kristin.asai@hkclaw.com
- **J Matthew Donohue** Matt.Donohue@hkclaw.com
- **Derek Francis Foran** dforan@mofoc.com
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November, 2020.

s/ Sylvia Durazo

Sylvia Durazo

ATTACHMENT 9

TO PRAECIPE, REPLACING ECF NO. 166

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don Deloach,
Wayne Wisehart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT
)
) **DEFENDANT WAYNE**
) **WISEHART'S ANSWER TO**
) **SECOND AMENDED CLASS**
) **ACTION COMPLAINT**

) **JURY DEMAND**
)
)
)
)
)
)
)
)
)
)

1 Defendant Wayne Wischart (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits the allegations of paragraph 9 of the SAC.

20 10. Defendant admits that this Court has personal jurisdiction over him. Defendant is
21 without knowledge as to other individual defendants and on that basis denies the same.
22 Defendant denies the remaining allegations of paragraph 10 of the SAC.

23 11. Defendant admits that this Court has personal jurisdiction over him. Defendant is
24 without knowledge as to other individual defendants and on that basis denies the same.
25 Defendant denies the remaining allegations of paragraph 11 of the SAC.

26 12. Defendant admits that this Court has personal jurisdiction over him. Defendant is
27 without knowledge as to the residency of other individual defendants and on that basis denies the

1 same. Defendant denies the remaining allegations of paragraph 12 of the SAC.

2 13. Defendant admits that this Court has personal jurisdiction over him. Defendant is
3 without knowledge as to the actions of other individual defendants and on that basis denies the
4 same. Defendant denies the remaining allegations of paragraph 13 of the SAC.

5 14. Defendant admits that this Court has personal jurisdiction over him. Defendant is
6 without knowledge as to the actions of other individual defendants and on that basis denies the
7 same. Defendant denies the remaining allegations of paragraph 14 of the SAC.

8 15. Defendant admits the allegations of paragraph 15 of the SAC.

9 **III. PARTIES**

10 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
11 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
12 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

13 17. Defendant admits the allegations of paragraph 17 of the SAC.

14 18. Defendant admits the allegations of paragraph 18 of the SAC.

15 19. Defendant admits the allegations of paragraph 19 of the SAC.

16 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
17 and on that basis denies the same.

18 21. Defendant is without knowledge as to the allegations of paragraph 21 of the SAC
19 and on that basis denies the same.

20 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
21 and on that basis denies the same.

22 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
23 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
24 without knowledge as to the residency of Emery and on that basis denies the same. Defendant
25 denies the remaining allegations of paragraph 23 of the SAC.

26 24. Defendant denies the allegations of paragraph 24 of the SAC.

27 25. Defendant admits that Robert Strickland was under contract through his firm,

1 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
2 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 25 of the SAC.

3 26. Defendant denies the allegations of paragraph 26 of the SAC.

4 27. Defendant admits that Don DeLoach was President and COO of CENTRI.
5 Defendant denies the remaining allegations of paragraph 27 of the SAC.

6 28. Defendant admits that he was a Director of CENTRI. Defendant admits he
7 resides in Washington state. Defendant denies the remaining allegations of paragraph 28 of the
8 SAC.

9 29. Defendant denies the allegations of paragraph 29 of the SAC.

10 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
11 CENTRI. Defendant is without knowledge as to the residency of Mackey and on that basis
12 denies the same. Defendant denies the remaining allegations of paragraph 30 of the SAC.

13 31. Defendant admits that James Salter was the acting Director of Marketing for
14 Atonomi and Director of Marketing for CENTRI. Defendant is without knowledge as to the
15 residency of Salter and on that basis denies the same. Defendant denies the remaining
16 allegations of paragraph 31 of the SAC.

17 32. Defendant admits that Luis Paris was Chief Scientist of CENTRI and worked on
18 Atonomi R&D engineering duties. Defendant is without knowledge as to the residency of Paris
19 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 32
20 of the SAC.

21 **IV. FACTS**

22 33. Defendant admits the allegations of paragraph 33 of the SAC.

23 34. Defendant admits that Atonomi publicly stated that it was using blockchain
24 technology to develop its network and the utility tokens to be used on the network. Defendant
25 denies the remaining allegations of paragraph 34 of the SAC.

26 35. Defendant admits the allegations of paragraph 35 of the SAC.

27 36. Defendant is without knowledge as to what other persons “often” do and on that
28

1 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
2 divorced from its context. Defendant admits that while some of the allegations may be generally
3 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
4 allegations of paragraph 36 of the SAC.

5 37. Defendant admits the allegations of paragraph 37 of the SAC.

6 38. Defendant admits the allegations of paragraph 38 of the SAC.

7 39. Defendant admits the allegations of paragraph 39 of the SAC.

8 40. Defendant admits the allegations of paragraph 40 of the SAC.

9 41. Defendant admits the allegations of paragraph 41 of the SAC.

10 42. Defendant denies the allegations of paragraph 42 of the SAC.

11 43. Defendant denies the allegations of paragraph 43 of the SAC.

12 44. Defendant admits that it entered into SAFTs with accredited investors, including
13 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
14 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
15 remaining allegations of paragraph 44 of the SAC.

16 45. Defendant admits that the SAFT is an agreement between Atonomi and an
17 accredited investor that speaks for itself. Defendant denies the remaining allegations of
18 paragraph 45 of the SAC.

19 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
20 Defendant denies the remaining allegations of paragraph 46 of the SAC.

21 47. Defendant admits the allegations of paragraph 47 of the SAC.

22 48. Defendant admits the allegations of paragraph 48 of the SAC.

23 49. Defendant admits the allegations of paragraph 49 of the SAC.

24 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
25 Defendant denies the remaining allegations of paragraph 50 of the SAC.

26 51. Defendant admits the allegations of paragraph 51 of the SAC.

27 52. Defendant admits that the SAFT discusses the use of investment capital, and the

1 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

2 53. Defendant admits the allegations of paragraph 53 of the SAC.

3 54. Defendant admits the allegations of paragraph 54 of the SAC.

4 55. Defendant admits that Atonomi entered into SAFTs with only accredited
5 investors, and thus these agreements were exempt from certain U.S. securities regulations.

6 Defendant denies the remaining allegations of paragraph 55 of the SAC.

7 56. Defendant admits that between February and early May 2018, Atonomi entered
8 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
9 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
10 allegations of paragraph 56 of the SAC.

11 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
12 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
13 allegations of paragraph 57 of the SAC.

14 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
15 conducted a token/coin sale directly to members of the public (excluding members of the public
16 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
17 allegations of paragraph 58 of the SAC.

18 59. Defendant admits the allegations of paragraph 59 of the SAC.

19 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
20 Defendant denies the remaining allegations of paragraph 60 of the SAC.

21 61. Defendant admits the allegations of paragraph 61 of the SAC.

22 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
23 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
24 allegations of paragraph 62 of the SAC.

25 63. Defendant admits the allegations of paragraph 63 of the SAC.

26 64. Defendant admits that as part of the SAFT sales, combined with the June 2018
27 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received

1 more ETH as part of the SAFT sales than as part of its June 2018 sale. Defendant denies the
2 remaining allegations of paragraph 64 of the SAC.

3 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
4 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

5 66. Defendant admits the allegations of paragraph 66 of the SAC.

6 67. Defendant admits that the Form D acknowledged that the SAFT was a security
7 subject to exemption. Defendant denies the remaining allegations of paragraph 67 of the SAC.

8 68. Defendant admits that Atonomi informed SAFT investors that the SAFT was not
9 a registered security. Defendant denies the remaining allegations of paragraph 68 of the SAC.

10 69. Defendant admits the allegations of paragraph 69 of the SAC.

11 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
12 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
13 70 of the SAC.

14 71. Defendant is without knowledge as to the allegations of paragraph 71 of the SAC
15 and on that basis denies the same.

16 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
17 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
18 SAC.

19 73. Defendant admits the allegations of paragraph 73 of the SAC.

20 74. Defendant admits the allegations of paragraph 74 of the SAC.

21 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
22 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
23 the remaining allegations of paragraph 75 of the SAC.

24 76. Defendant denies the allegations of paragraph 76 of the SAC.

25 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT
26 would be used in part to support the Atonomi Network. Defendant denies the remaining
27 allegations of paragraph 77 of the SAC.

1 Defendant denies the remaining allegations of paragraph 89 of the SAC.

2 90. Defendant denies the allegations of paragraph 90 of the SAC.

3 91. Defendant denies the allegations of paragraph 91 of the SAC.

4 92. Defendant denies the allegations of paragraph 92 of the SAC.

5 93. Defendant admits that Atonomi Tokens (“ATMI”) were available on at least one
6 trading exchange. Defendant is without knowledge as to the remaining allegations of paragraph
7 93 of the SAC and on that basis denies the same.

8 94. Defendant is without knowledge as to the allegations of paragraph 94 of the SAC
9 and on that basis denies the same.

10 95. Defendant is without knowledge as to the allegations of paragraph 95 of the SAC
11 and on that basis denies the same.

12 96. Defendant is without knowledge as to the allegations of paragraph 96 of the SAC
13 and on that basis denies the same.

14 97. Defendant is without knowledge as to the allegations of paragraph 97 of the SAC
15 and on that basis denies the same.

16 98. Defendant is without knowledge as to these purported private messages and on
17 that basis denies the same. Defendant denies the remaining allegations of paragraph 98 of the
18 SAC.

19 99. Defendant denies the allegations of paragraph 99 of the SAC.

20 100. Defendant denies the allegations of paragraph 100 of the SAC.

21 101. Defendant admits the allegations of paragraph 101 of the SAC.

22 102. Defendant denies the allegations of paragraph 102 of the SAC.

23 103. Defendant denies the allegations of paragraph 103 of the SAC.

24 104. Defendant admits the allegations of paragraph 104 of the SAC.

25 105. Defendant denies the allegations of paragraph 105 of the SAC.

26 106. Defendant denies the allegations of paragraph 106 of the SAC.

27 107. Defendant denies the allegations of paragraph 107 of the SAC.

1 108. Defendant denies the allegations of paragraph 108 of the SAC.

2 109. Defendant denies the allegations of paragraph 109 of the SAC.

3 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
4 SAC and on that basis denies the same.

5 111. Defendant is without knowledge as to the allegations of paragraph 111 of the
6 SAC and on that basis denies the same.

7 112. Defendant denies the allegations of paragraph 112 of the SAC.

8 113. Defendant is without knowledge as to the allegations of paragraph 113 of the
9 SAC and on that basis denies the same.

10 114. Defendant denies the allegations of paragraph 114 of the SAC.

11 115. Defendant denies the allegations of paragraph 115 of the SAC.

12 116. Defendant is without knowledge as to the allegations of paragraph 116 of the
13 SAC and on that basis denies the same.

14 117. Defendant denies the allegations of paragraph 117 of the SAC.

15 118. Defendant denies the allegations of paragraph 118 of the SAC.

16 119. Defendant is without knowledge as to the allegations of paragraph 119 of the
17 SAC and on that basis denies the same.

18 120. Defendant admits that Atonomi required all SAFT purchasers to complete
19 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
20 client privilege information and cannot respond as to any attorney-client privileged information.
21 Defendant denies the remaining allegations of paragraph 120 of the SAC.

22 121. Defendant admits that Atonomi required all SAFT purchasers to complete
23 investor questionnaires. Defendant denies the remaining allegations of paragraph 121 of the
24 SAC.

25 122. Defendant denies the allegations of paragraph 122 of the SAC.

26 123. Defendant denies the allegations of paragraph 123 of the SAC.

27 124. Defendant denies the allegations of paragraph 124 of the SAC.

1 125. Defendant denies the allegations of paragraph 125 of the SAC.

2 126. Defendant denies the allegations of paragraph 126 of the SAC.

3 127. Defendant denies the allegations of paragraph 127 of the SAC.

4 128. Defendant admits that they used public channels to respond to questions.

5 Defendant denies the remaining allegations of paragraph 128 of the SAC.

6 129. Defendant is without knowledge as to the exact number of individuals as of the
7 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
8 paragraph 129 of the SAC.

9 130. Defendant denies the allegations of paragraph 130 of the SAC.

10 131. Defendant is without knowledge as to any actions taken by third parties and on
11 that basis denies the same. Defendant denies the remaining allegations of paragraph 131 of the
12 SAC.

13 132. Defendant denies the allegations of paragraph 132 of the SAC.

14 133. Defendant denies the allegations of paragraph 133 of the SAC.

15 134. Defendant admits that Atonomi had a public website. Defendant denies the
16 remaining allegations of paragraph 134 of the SAC.

17 135. Defendant admits that Atonomi made some public presentations about itself and
18 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

19 136. Defendant is without knowledge as to any actions taken by third parties and on
20 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
21 SAC.

22 137. Defendant is without knowledge as to any actions taken by third parties and on
23 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
24 SAC.

25 138. Defendant is without knowledge as to the allegations of paragraph 138 of the
26 SAC and on that basis denies the same.

27 139. Defendant is without knowledge as to the allegations of paragraph 139 of the

28

1 SAC and on that basis denies the same.

2 140. Defendant admits that Atonomi would respond to questions in certain forums
3 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

4 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
5 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
6 denies the remaining allegations of paragraph 141 of the SAC.

7 142. Defendant admits the allegations of paragraph 142 of the SAC.

8 143. Defendant admits the allegations of paragraph 143 of the SAC.

9 144. Defendant denies the allegations of paragraph 144 of the SAC.

10 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
11 denies the remaining allegations of paragraph 145 of the SAC.

12 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
13 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
14 of the SAC.

15 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
16 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
17 of the SAC.

18 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
19 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
20 denies the allegations of remaining paragraph 148 of the SAC.

21 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
22 Defendant denies the remaining allegations of paragraph 149 of the SAC.

23 150. Defendant denies the allegations of paragraph 150 of the SAC.

24 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
25 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
26 the SAC.

27 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant

28

1 denies the remaining allegations of paragraph 152 of the SAC.

2 153. Defendant denies the allegations of paragraph 153 of the SAC.

3 154. Defendant denies the allegations of paragraph 154 of the SAC.

4 155. Defendant denies the allegations of paragraph 155 of the SAC.

5 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
6 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
7 allegations of paragraph 156 of the SAC.

8 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
9 the remaining allegations of paragraph 157 of the SAC.

10 158. Defendant denies the allegations of paragraph 158 of the SAC.

11 159. Defendant admits that the utility tokens could be transferred upon release.

12 Defendant denies the remaining allegations of paragraph 159 of the SAC.

13 160. Defendant admits that they were seeking exchanges to list Atonomi's utility
14 tokens so that the public can buy the tokens for their intended use. Defendant denies the
15 remaining allegations of paragraph 160 of the SAC.

16 161. Defendant is without knowledge as to third party actions and on that basis denies
17 the same. Defendant admits that the Atonomi utility tokens are available on some public
18 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

19 162. Defendant denies the allegations of paragraph 162 of the SAC.

20 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
21 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
22 SAC.

23 164. Defendant denies the allegations of paragraph 164 of the SAC.

24 165. Defendant denies the allegations of paragraph 165 of the SAC.

25 166. Defendant is without knowledge as to third party actions and on that basis denies
26 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

27 167. Defendant is without knowledge as to third party actions and on that basis denies

28

1 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

2 168. Defendant denies the allegations of paragraph 168 of the SAC.

3 169. Defendant admits that CENTRI and Atonomi hosted sales meetings, product
4 demonstrations and sponsored events at Mobile World Congress 2019 in Barcelona, Spain.

5 Defendant denies the remaining allegations of paragraph 169 of the SAC.

6 170. Defendant admits the allegations of paragraph 170 of the SAC.

7 171. Defendant denies the allegations of paragraph 171 of the SAC.

8 172. Defendant admits the allegations of paragraph 172 of the SAC.

9 173. Defendant denies the allegations of paragraph 173 of the SAC.

10 174. Defendant admits that Robert Strickland was under contract through his firm,
11 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
12 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

13 175. Defendant admits that the cited quote appears in a printout, originally Exhibit G to
14 the First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
15 website, and that the press release speaks for itself. Defendant denies the remaining allegations
16 of paragraph 175 of the SAC.

17 176. Defendant denies the allegations of paragraph 176 of the SAC.

18 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
19 Defendant denies all remaining allegations of paragraph 177 of the SAC.

20 178. Defendant denies the allegations of paragraph 178 of the SAC.

21 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
22 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

23 180. Defendant denies the allegations of paragraph 180 of the SAC.

24 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI, which is
25 not an Officer position. Defendant denies the remaining allegations of paragraph 181 of the
26 SAC.

27 182. Defendant admits the allegations of paragraph 182 of the SAC.

1 183. Defendant denies the allegations of paragraph 183 of the SAC.

2 184. Defendant admits that he was a director of CENTRI during Atonomi's SAFT
3 sales and Atonomi's token sale in June 2018. Defendant denies the remaining allegations of
4 paragraph 184 of the SAC.

5 185. Defendant denies the allegations of paragraph 185 of the SAC.

6 186. Defendant denies the allegations of paragraph 186 of the SAC.

7 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
8 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
9 denies the remaining allegations of paragraph 187 of the SAC.

10 188. Defendant denies the allegations of paragraph 188 of the SAC.

11 189. Defendant is without knowledge as to the allegations of paragraph 189 of the
12 SAC and on that basis denies the same.

13 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
14 SAC and on that basis denies the same.

15 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
16 SAC and on that basis denies the same.

17 192. Defendant is without knowledge as to the allegations of paragraph 192 of the
18 SAC and on that basis denies the same.

19 193. Defendant is without knowledge as to the allegations of paragraph 193 of the
20 SAC and on that basis denies the same.

21 194. Defendant is without knowledge as to the allegations of paragraph 194 of the
22 SAC and on that basis denies the same.

23 195. Defendant is without knowledge as to the allegations of paragraph 195 of the
24 SAC and on that basis denies the same.

25 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
26 SAC and on that basis denies the same.

27

28

1 197. Defendant is without knowledge as to the allegations of paragraph 197 of the
2 SAC and on that basis denies the same.

3 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
4 SAC and on that basis denies the same.

5 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
6 SAC and on that basis denies the same.

7 **V. CLASS ALLEGATIONS**

8 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
9 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
10 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

11 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
12 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
13 paragraph 201 of the SAC.

14 202. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
15 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
16 paragraph 202 of the SAC.

17 203. Defendant admits that Plaintiffs purport to reserve the right to amend the Class
18 definition. Defendant denies that there exists a proper, certifiable class of Plaintiffs, however
19 defined. Defendant denies the remaining allegations of paragraph 203 of the SAC.

20 204. Defendant denies the allegations of paragraph 204 of the SAC.

21 205. Defendant denies the allegations of paragraph 205 of the SAC.

22 206. Defendant denies the allegations of paragraph 206 of the SAC.

23 207. Defendant denies the allegations of paragraph 207 of the SAC.

24 208. Defendant denies the allegations of paragraph 208 of the SAC.

25 209. Defendant denies the allegations of paragraph 209 of the SAC.

VI. CAUSE OF ACTION

210. Defendants hereby incorporates by reference the responses contained in the preceding paragraphs of this Answer.

211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants. Defendant denies the remaining allegations of paragraph 211 of the SAC.

212. Defendant denies the allegations of paragraph 212 of the SAC.

VII. AFFIRMATIVE DEFENSES

1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts, conduct, and omissions from obtaining any recovery in this action.

2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff's promise to abide by the terms of the SAFT and not "dump" the Tokens on the day that Tokens were unlocked.

4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were permitted to obtain recovery in this action.

5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged claims he might have against the Defendant.

6. Assumption of the Risk: The named Plaintiff's claims are barred in whole or in part because he and any purported class members were expressly advised in public statements about the material facts and risks. Plaintiff and any purported class members therefore assumed the risk of any loss and are precluded from any recovery.

7. Failure to Mitigate Damages: The named Plaintiff's claims are barred in whole or in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or damage, which efforts would have prevented all or part of any such alleged injury or damage.

8. Defendants are not liable under RCW 21.20.430 in "that he or she did not know, and in the exercise of reasonable care could not have known, of the existence of the facts by

1 reason of which the liability is alleged to exist.”

2 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
3 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
4 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

5 **VIII. PRAYER FOR RELIEF**

6 WHEREFORE, Defendants pray for relief and judgment as follows:

- 7 A. Denying that this action is properly maintainable as a class action under Fed. R.
- 8 Civ. P. Rule 23;
- 9 B. Judgment against Plaintiffs and in Defendant’s favor;
- 10 C. Awarding costs of litigation, including expert witness costs, and reasonable
- 11 attorneys’ fees, against Plaintiffs; and
- 12 D. Such other and further relief as this Court may deem just and proper.

13 **XI. JURY DEMAND**

14 Defendants hereby demand a trial by jury for all issues so triable.

15
16 Dated: November 23, 2020

Respectfully submitted,

17 GORDON REES SCULLY MANSUKHANI LLP

18
19 By: /s/ David W. Silke

20 David W. Silke, WSBA No. 23761
 21 GORDON REES SCULLY MANSUKHANI LLP
 22 701 Fifth Avenue, Suite 2100
 23 Seattle, WA 98104
 Telephone: (206) 695-5100
 Facsimile: (206) 689-2822
 E-Mails: dsilke@grsm.com

24 Miles Scully (CA SBN: 135853)
 25 William Rathbone (CA SBN: 95864)
 26 Joseph Goodman (CA SBN: 230161)
 27 Yuo-Fong Chang Amato (CA SBN: 264135)
 Oana Constantin (CA SBN: 325226)
 GORDON REES SCULLY MANSUKHANI
 101 West Broadway, Suite 2000
 San Diego, CA 92101

28 DEFENDANT WAYNE WISEHART’S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Wayne Wischart

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT WAYNE WISEHART’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this 23RD day of November, 2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 10

TO PRAECIPE, REPLACING ECF NO. 167

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on)
behalf of all others similarly situated,)
)
) Plaintiff,)
)
 vs.)
)
) Atonomi LLC, a Delaware LLC, CENTRI)
) Technology, Inc., a Delaware Corporation,)
) Vaughan Emery, David Fragale, Rob)
) Strickland, Kyle Strickland, Don DeLoach,)
) Wayne Wisehart, Woody Benson, Michael)
) Mackey, James Salter, and Luis Paris)
)
) Defendants.)

No. 19-2-cv-00615-RAJ-MAT
**DEFENDANT WOODY BENSON'S
ANSWER TO SECOND AMENDED
CLASS ACTION COMPLAINT**
JURY DEMAND

1 Defendant Woody Benson (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant admits the allegations of paragraph 9 of the SAC.

20 10. Defendant admits that this Court has personal jurisdiction over him. Defendant is
21 without knowledge as to other individual defendants and on that basis denies the same.
22 Defendant denies the remaining allegations of paragraph 10 of the SAC.

23 11. Defendant admits that this Court has personal jurisdiction over him. Defendant is
24 without knowledge as to other individual defendants and on that basis denies the same.
25 Defendant denies the remaining allegations of paragraph 11 of the SAC.

26 12. Defendant is without knowledge as to the residency of other individual defendants
27 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 12

1 of the SAC.

2 13. Defendant is without knowledge as to the actions of other individual defendants
3 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 13
4 of the SAC.

5 14. Defendant is without knowledge as to the actions of other individual defendants
6 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 14
7 of the SAC.

8 15. Defendant admits the allegations of paragraph 15 of the SAC.

9 **III. PARTIES**

10 16. Defendant admits that Plaintiff Chris Hunichen paid 225 ETH as part of his
11 Simple Agreement for Future Tokens (“SAFT”). At the time, 225 ETH had the value of
12 \$191,250. Defendant denies the remaining allegations of paragraph 16 of the SAC.

13 17. Defendant admits the allegations of paragraph 17 of the SAC.

14 18. Defendant admits the allegations of paragraph 18 of the SAC.

15 19. Defendant admits the allegations of paragraph 19 of the SAC.

16 20. Defendant admits the allegations of paragraph 20 of the SAC.

17 21. Defendant denies the allegations of paragraph 21 of the SAC.

18 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
19 and on that basis denies the same.

20 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
21 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
22 without knowledge as to the residency of Emery and on that basis denies the same. Defendant
23 denies the remaining allegations of paragraph 23 of the SAC.

24 24. Defendant denies the allegations of paragraph 24 of the SAC.

25 25. Defendant admits that Robert Strickland was under contract through his firm,
26 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
27 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 25 of the SAC.

1 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
2 allegations of paragraph 36 of the SAC.

3 37. Defendant admits the allegations of paragraph 37 of the SAC.

4 38. Defendant admits the allegations of paragraph 38 of the SAC.

5 39. Defendant admits the allegations of paragraph 39 of the SAC.

6 40. Defendant admits the allegations of paragraph 40 of the SAC.

7 41. Defendant admits the allegations of paragraph 41 of the SAC.

8 42. Defendant denies the allegations of paragraph 42 of the SAC.

9 43. Defendant denies the allegations of paragraph 43 of the SAC.

10 44. Defendant admits that it entered into SAFTs with accredited investors, including
11 Plaintiff Chris Hunichen. Defendant admits that Exhibit A is a copy of the SAFT Atonomi
12 entered into with Chris Hunichen and is similar to certain other SAFTs. Defendant denies the
13 remaining allegations of paragraph 44 of the SAC.

14 45. Defendant admits that the SAFT is an agreement between Atonomi and an
15 accredited investor that speaks for itself. Defendant denies the remaining allegations of
16 paragraph 45 of the SAC.

17 46. Defendant admits that the Exhibit A is a SAFT and that SAFT speaks for itself.
18 Defendant denies the remaining allegations of paragraph 46 of the SAC.

19 47. Defendant admits the allegations of paragraph 47 of the SAC.

20 48. Defendant admits the allegations of paragraph 48 of the SAC.

21 49. Defendant admits the allegations of paragraph 49 of the SAC.

22 50. Defendant admits that Atonomi entered into SAFTs in part to raise capital.
23 Defendant denies the remaining allegations of paragraph 50 of the SAC.

24 51. Defendant admits the allegations of paragraph 51 of the SAC.

25 52. Defendant admits that the SAFT discusses the use of investment capital, and the
26 SAFT speaks for itself. Defendant denies the remaining allegations of paragraph 52 of the SAC.

27 53. Defendant admits the allegations of paragraph 53 of the SAC.

1 54. Defendant admits the allegations of paragraph 54 of the SAC.

2 55. Defendant admits that Atonomi entered into SAFTs with only accredited
3 investors, and thus these agreements were exempt from certain U.S. securities regulations.
4 Defendant denies the remaining allegations of paragraph 55 of the SAC.

5 56. Defendant admits that between February and early May 2018, Atonomi entered
6 into SAFTs with accredited investors. As a result of these SAFTs, Atonomi obtained direct
7 transfer of funds in Ethereum from these accredited investors. Defendant denies the remaining
8 allegations of paragraph 56 of the SAC.

9 57. Defendant admits that it may have sometimes referred to the SAFT sales as “pre-
10 sales,” as in occurring before the June 2018 token sale. Defendant denies the remaining
11 allegations of paragraph 57 of the SAC.

12 58. Defendant admits that after the SAFT sales, in early June 2018, Atonomi
13 conducted a token/coin sale directly to members of the public (excluding members of the public
14 in certain countries, such as the U.S.) that did not sign SAFTs. Defendant denies the remaining
15 allegations of paragraph 58 of the SAC.

16 59. Defendant admits the allegations of paragraph 59 of the SAC.

17 60. Defendant admits that Atonomi conducted the sale of tokens on June 6, 2018.
18 Defendant denies the remaining allegations of paragraph 60 of the SAC.

19 61. Defendant admits the allegations of paragraph 61 of the SAC.

20 62. Defendant admits that as part of the SAFT sales, combined with the June 2018
21 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant denies the remaining
22 allegations of paragraph 62 of the SAC.

23 63. Defendant admits the allegations of paragraph 63 of the SAC.

24 64. Defendant admits that as part of the SAFT sales, combined with the June 2018
25 sale, Atonomi received more than 42,000 Ethereum tokens. Defendant admits that it received
26 more ETH as part of the SAFT sales than as part of its June 2018 sale. Defendant denies the
27 remaining allegations of paragraph 64 of the SAC.

1 65. Defendant admits that Atonomi delivered tokens to all purchasers on or around
2 July 2018. Defendant denies the remaining allegations of paragraph 65 of the SAC.

3 66. Defendant admits the allegations of paragraph 66 of the SAC.

4 67. Defendant admits that the Form D acknowledged that the SAFT was a security
5 subject to exemption. Defendant denies the remaining allegations of paragraph 67 of the SAC.

6 68. Defendant admits that Atonomi informed SAFT investors that the SAFT was not
7 a registered security. Defendant denies the remaining allegations of paragraph 68 of the SAC.

8 69. Defendant admits the allegations of paragraph 69 of the SAC.

9 70. Defendant admits that the SAFT was a security subject to exemption. Defendant
10 admits that the cited quote is accurate. Defendant denies the remaining allegations of paragraph
11 70 of the SAC.

12 71. Defendant is without knowledge as to what “numerous online chat messages”
13 refer to and on that basis denies the same. Defendant denies the remaining allegations of
14 paragraph 71 of the SAC.

15 72. Defendant admits that entering into the SAFT and transferring Ethereum tokens
16 constituted an investment. Defendant denies the remaining allegations of paragraph 72 of the
17 SAC.

18 73. Defendant admits the allegations of paragraph 73 of the SAC.

19 74. Defendant admits the allegations of paragraph 74 of the SAC.

20 75. Defendant admits that each SAFT stated that “[t]he Company and Purchaser agree
21 the Purchase Amount has a value of US\$ _____ for purposes of Section 3.” Defendant denies
22 the remaining allegations of paragraph 75 of the SAC.

23 76. Defendant denies the allegations of paragraph 76 of the SAC.

24 77. Defendant admits that Atonomi stated to investors that proceeds from the SAFT
25 would be used in part to support the Atonomi Network. Defendant denies the remaining
26 allegations of paragraph 77 of the SAC.

27 78. Defendant admits the allegations of paragraph 78 of the SAC.

1 79. Defendant admits that SAFT purchasers ultimately received Atonomi tokens
2 pursuant to their respective SAFTs. Defendant denies the remaining allegations of paragraph 79
3 of the SAC.

4 80. Defendant denies the allegations of paragraph 80 of the SAC.

5 81. Defendant denies the allegations of paragraph 81 of the SAC.

6 82. Defendant admits that Atonomi published the material on
7 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant denies the
8 remaining allegations of paragraph 82 of the SAC.

9 83. Defendant denies that Plaintiff’s emphasis is relevant. Defendant admits the
10 remaining allegations of paragraph 83 of the SAC.

11 84. Defendant admits that before the June 6, 2018 token sale, it launched the Atonomi
12 Network. Defendant denies the remaining allegations of paragraph 84 of the SAC.

13 85. Defendant admits that the Atonomi Network was launched before any tokens
14 were issued to outside users. Because tokens were essential to the functionality, it was
15 impossible for outside users to use the Atonomi Network without the requisite tokens.
16 Defendant denies the remaining allegations of paragraph 85 of the SAC.

17 86. Defendant denies the allegations of paragraph 86 of the SAC.

18 87. Defendant admits that approximately one month after the June 2018 sale of utility
19 tokens, Defendants delivered the promised utility tokens to purchasers. Defendant denies the
20 remaining allegations of paragraph 87 of the SAC.

21 88. Defendant admits that on July 12, 2018, if it received activation emails from
22 users, Atonomi would respond in part as quoted. Defendant denies the remaining allegations of
23 paragraph 88 of the SAC.

24 89. Defendant admits that the Atonomi tokens were, as always planned and
25 communicated, issued solely on the Atonomi Network, which relies on Ethereum, an open
26 source, public, blockchain-based distributed computing platform and operating system.
27 Defendant denies the remaining allegations of paragraph 89 of the SAC.

1 90. Defendant denies the allegations of paragraph 90 of the SAC.

2 91. Defendant denies the allegations of paragraph 91 of the SAC.

3 92. Defendant denies the allegations of paragraph 92 of the SAC.

4 93. Defendant admits that IDEX has listed Atonomi Tokens (“ATMI”) for trading
5 because users need to be able buy the tokens. Defendant admits that IDEX was one of the first
6 exchanges to list ATMI. Defendant is without knowledge as to these purported private messages
7 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 93
8 of the SAC.

9 94. Defendant is without knowledge as to these purported private messages and on
10 that basis denies the same. Defendant denies the remaining allegations of paragraph 94 of the
11 SAC.

12 95. Defendant is without knowledge as to these purported private messages and on
13 that basis denies the same. Defendant denies the remaining allegations of paragraph 95 of the
14 SAC.

15 96. Defendant admits that on August 6, 2018, Atonomi published a “Community
16 FAQ” on its website and that the quoted language constitutes one portion of that webpage.
17 Defendant denies the remaining allegations of paragraph 96 of the SAC.

18 97. Defendant is without knowledge as to these purported private messages and on
19 that basis denies the same. Defendant denies the remaining allegations of paragraph 97 of the
20 SAC.

21 98. Defendant is without knowledge as to these purported private messages and on
22 that basis denies the same. Defendant denies the remaining allegations of paragraph 98 of the
23 SAC.

24 99. Defendant denies the allegations of paragraph 99 of the SAC.

25 100. Defendant denies the allegations of paragraph 100 of the SAC.

26 101. Defendant admits the allegations of paragraph 101 of the SAC.

27 102. Defendant denies the allegations of paragraph 102 of the SAC.

- 1 103. Defendant denies the allegations of paragraph 103 of the SAC.
- 2 104. Defendant admits the allegations of paragraph 104 of the SAC.
- 3 105. Defendant denies the allegations of paragraph 105 of the SAC.
- 4 106. Defendant denies the allegations of paragraph 106 of the SAC.
- 5 107. Defendant denies the allegations of paragraph 107 of the SAC.
- 6 108. Defendant denies the allegations of paragraph 108 of the SAC.
- 7 109. Defendant denies the allegations of paragraph 109 of the SAC.
- 8 110. Defendant is without knowledge as to any actions taken by third parties and on
- 9 that basis denies the same. Defendant denies the remaining allegations of paragraph 110 of the
- 10 SAC.
- 11 111. Defendant is without knowledge as to any actions taken by third parties and on
- 12 that basis denies the same. Defendant denies the remaining allegations of paragraph 111 of the
- 13 SAC.
- 14 112. Defendant denies the allegations of paragraph 112 of the SAC.
- 15 113. Defendant is without knowledge as to these purported private messages and on
- 16 that basis denies the same. Defendant denies the remaining allegations of paragraph 113 of the
- 17 SAC.
- 18 114. Defendant denies the allegations of paragraph 114 of the SAC.
- 19 115. Defendant denies the allegations of paragraph 115 of the SAC.
- 20 116. Defendant is without knowledge as to these purported private messages and on
- 21 that basis denies the same. Defendant denies the remaining allegations of paragraph 116 of the
- 22 SAC.
- 23 117. Defendant denies the allegations of paragraph 117 of the SAC.
- 24 118. Defendant denies the allegations of paragraph 118 of the SAC.
- 25 119. Defendant is without knowledge as to these purported communications and on
- 26 that basis denies the same. Defendant denies the remaining allegations of paragraph 119 of the
- 27 SAC.

1 120. Defendant admits that Atonomi required all SAFT purchasers to complete
2 investor questionnaires. Defendants object to the extent that this allegation calls for attorney-
3 client privilege information and cannot respond as to any attorney-client privileged information.
4 Defendant denies the remaining allegations of paragraph 120 of the SAC.

5 121. Defendant admits that Atonomi required all SAFT purchasers to complete
6 investor questionnaires. Defendant denies the remaining allegations of paragraph 121 of the
7 SAC.

8 122. Defendant denies the allegations of paragraph 122 of the SAC.

9 123. Defendant denies the allegations of paragraph 123 of the SAC.

10 124. Defendant denies the allegations of paragraph 124 of the SAC.

11 125. Defendant denies the allegations of paragraph 125 of the SAC.

12 126. Defendant denies the allegations of paragraph 126 of the SAC.

13 127. Defendant denies the allegations of paragraph 127 of the SAC.

14 128. Defendant admits that they used public channels to respond to questions.
15 Defendant denies the remaining allegations of paragraph 128 of the SAC.

16 129. Defendant is without knowledge as to the exact number of individuals as of the
17 date of filing and on that basis denies the same. Defendant denies the remaining allegations of
18 paragraph 129 of the SAC.

19 130. Defendant denies the allegations of paragraph 130 of the SAC.

20 131. Defendant is without knowledge as to any actions taken by third parties and on
21 that basis denies the same. Defendant denies the remaining allegations of paragraph 131 of the
22 SAC.

23 132. Defendant denies the allegations of paragraph 132 of the SAC.

24 133. Defendant denies the allegations of paragraph 133 of the SAC.

25 134. Defendant admits that Atonomi had a public website. Defendant denies the
26 remaining allegations of paragraph 134 of the SAC.

27 135. Defendant admits that Atonomi made some public presentations about itself and
28

1 the Atonomi Network. Defendant denies the remaining allegations of paragraph 135 of the SAC.

2 136. Defendant is without knowledge as to any actions taken by third parties and on
3 that basis denies the same. Defendant denies the remaining allegations of paragraph 136 of the
4 SAC.

5 137. Defendant is without knowledge as to any actions taken by third parties and on
6 that basis denies the same. Defendant denies the remaining allegations of paragraph 137 of the
7 SAC.

8 138. Defendant admits that on April 17, 2018, Defendant Emery and Grant Fjermedal
9 appeared in a Twitter “Ask Me Anything” session and responded to certain questions.
10 Defendant is without knowledge as to the actions of third parties and on that basis denies the
11 same. Defendant denies the remaining allegations of paragraph 138 of the SAC.

12 139. Defendant admits that Atonomi had and used a Twitter account and made posts.
13 Defendant denies the remaining allegations of paragraph 139 of the SAC.

14 140. Defendant admits that Atonomi would respond to questions in certain forums
15 about Atonomi. Defendant denies the remaining allegations of paragraph 140 of the SAC.

16 141. Defendant admits that Exhibit A is a copy of the SAFT Atonomi entered into with
17 Chris Hunichen and is similar to certain other SAFTs, which speak for themselves. Defendant
18 denies the remaining allegations of paragraph 141 of the SAC.

19 142. Defendant admits the allegations of paragraph 142 of the SAC.

20 143. Defendant admits the allegations of paragraph 143 of the SAC.

21 144. Defendant denies the allegations of paragraph 144 of the SAC.

22 145. Defendant admits that the e-mail contained the quoted sentence. Defendant
23 denies the remaining allegations of paragraph 145 of the SAC.

24 146. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
25 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 146
26 of the SAC.

27 147. Defendant admits that they sent an email on June 5, 2018 regarding the token sale

1 and that the email speaks for itself. Defendant denies the remaining allegations of paragraph 147
2 of the SAC.

3 148. Defendant admits that they sent an email on June 5, 2018 regarding the token sale
4 and that the email speaks for itself. Defendant admits that the SAFT speaks for itself. Defendant
5 denies the allegations of remaining paragraph 148 of the SAC.

6 149. Defendant admits that all SAFT purchasers ultimately received their tokens.
7 Defendant denies the remaining allegations of paragraph 149 of the SAC.

8 150. Defendant denies the allegations of paragraph 150 of the SAC.

9 151. Defendant admits that the SAFT agreements pre-dated the final terms of sale, as
10 the SAFTs took into account. Defendant denies the remaining allegations of paragraph 151 of
11 the SAC.

12 152. Defendant admits that SAFT purchasers received Atonomi tokens. Defendant
13 denies the remaining allegations of paragraph 152 of the SAC.

14 153. Defendant denies the allegations of paragraph 153 of the SAC.

15 154. Defendant denies the allegations of paragraph 154 of the SAC.

16 155. Defendant denies the allegations of paragraph 155 of the SAC.

17 156. Defendant admits that on or about July 18, 2018, Atonomi knowingly delivered
18 Atonomi's Ethereum-based utility tokens to SAFT purchasers. Defendant denies the remaining
19 allegations of paragraph 156 of the SAC.

20 157. Defendant admits that Atonomi distributed Atonomi tokens. Defendant denies
21 the remaining allegations of paragraph 157 of the SAC.

22 158. Defendant denies the allegations of paragraph 158 of the SAC.

23 159. Defendant admits that the utility tokens could be transferred upon release.
24 Defendant denies the remaining allegations of paragraph 159 of the SAC.

25 160. Defendant admits that they were seeking exchanges to list Atonomi's utility
26 tokens so that the public can buy the tokens for their intended use. Defendant denies the
27 remaining allegations of paragraph 160 of the SAC.

1 161. Defendant is without knowledge as to third party actions and on that basis denies
2 the same. Defendant admits that the Atonomi utility tokens are available on some public
3 exchanges. Defendant denies the remaining allegations of paragraph 161 of the SAC.

4 162. Defendant denies the allegations of paragraph 162 of the SAC.

5 163. Defendant admits that the purchase price of Atonomi tokens as listed in public
6 exchanges has dropped. Defendant denies the remaining allegations of paragraph 163 of the
7 SAC.

8 164. Defendant denies the allegations of paragraph 164 of the SAC.

9 165. Defendant denies the allegations of paragraph 165 of the SAC.

10 166. Defendant is without knowledge as to third party actions and on that basis denies
11 the same. Defendant denies the remaining allegations of paragraph 166 of the SAC.

12 167. Defendant is without knowledge as to third party actions and on that basis denies
13 the same. Defendant denies the remaining allegations of paragraph 167 of the SAC.

14 168. Defendant denies the allegations of paragraph 168 of the SAC.

15 169. Defendant admits that CENTRI and Atonomi hosted sales meetings, product
16 demonstrations and sponsored events at Mobile World Congress 2019 in Barcelona, Spain.
17 Defendant denies the remaining allegations of paragraph 169 of the SAC.

18 170. Defendant admits the allegations of paragraph 170 of the SAC.

19 171. Defendant denies the allegations of paragraph 171 of the SAC.

20 172. Defendant admits the allegations of paragraph 172 of the SAC.

21 173. Defendant denies the allegations of paragraph 173 of the SAC.

22 174. Defendant admits that Robert Strickland was under contract through his firm,
23 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
24 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

25 175. Defendant admits the cited quote appears in a printout, originally Exhibit G to the
26 First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
27

1 website, and that the press release speaks for itself. Defendant denies the remaining allegations
2 of paragraph 175 of the SAC.

3 176. Defendant denies the allegations of paragraph 176 of the SAC.

4 177. Defendant admits that Defendant DeLoach was President and COO of CENTRI.
5 Defendant denies all remaining allegations of paragraph 177 of the SAC.

6 178. Defendant denies the allegations of paragraph 178 of the SAC.

7 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
8 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

9 180. Defendant denies the allegations of paragraph 180 of the SAC.

10 181. Defendant admits that Defendant Paris was Chief Scientist of CENTRI, which
11 was not an Officer position. Defendant denies the remaining allegations of paragraph 181 of the
12 SAC.

13 182. Defendant admits the allegations of paragraph 182 of the SAC.

14 183. Defendant denies the allegations of paragraph 183 of the SAC.

15 184. Defendant admits that Defendant Wischart was a director of CENTRI during
16 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
17 allegations of paragraph 184 of the SAC.

18 185. Defendant denies the allegations of paragraph 185 of the SAC.

19 186. Defendant denies the allegations of paragraph 186 of the SAC.

20 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
21 Atonomi from mid-March 2018 to October 2018 and fulfilled his job functions. Defendant
22 denies the remaining allegations of paragraph 187 of the SAC.

23 188. Defendant denies the allegations of paragraph 188 of the SAC.

24 189. Defendant denies the allegations of paragraph 189 of the SAC.

25 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
26 SAC and on that basis denies the same.

27

28

- 1 204. Defendant denies the allegations of paragraph 204 of the SAC.
- 2 205. Defendant denies the allegations of paragraph 205 of the SAC.
- 3 206. Defendant denies the allegations of paragraph 206 of the SAC.
- 4 207. Defendant denies the allegations of paragraph 207 of the SAC.
- 5 208. Defendant denies the allegations of paragraph 208 of the SAC.
- 6 209. Defendant denies the allegations of paragraph 209 of the SAC.

VI. CAUSE OF ACTION

8 210. Defendants hereby incorporates by reference the responses contained in the
9 preceding paragraphs of this Answer.

10 211. Defendant admits that Plaintiffs purport to bring a claim against all Defendants.
11 Defendant denies the remaining allegations of paragraph 211 of the SAC.

12 212. Defendant denies the allegations of paragraph 212 of the SAC.

VII. AFFIRMATIVE DEFENSES

14 1. Equitable Estoppel: The named Plaintiff is estopped by reason of his acts,
15 conduct, and omissions from obtaining any recovery in this action.

16 2. Unclean Hands: To the extent that the named Plaintiff violated the terms of the
17 SAFT and acted in bad faith, the names Plaintiff should not be able to recover.

18 3. Promissory Estoppel: Defendant acted in response and in reliance to Plaintiff’s
19 promise to abide by the terms of the SAFT and not “dump” the Tokens on the day that Tokens
20 were unlocked.

21 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
22 permitted to obtain recovery in this action.

23 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
24 claims he might have against the Defendant.

25 6. Assumption of the Risk: The named Plaintiff’s claims are barred in whole or in
26 part because he and any purported class members were expressly advised in public statements
27

1 about the material facts and risks. Plaintiff and any purported class members therefore assumed
2 the risk of any loss and are precluded from any recovery.

3 7. Failure to Mitigate Damages: The named Plaintiff’s claims are barred in whole or
4 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
5 damage, which efforts would have prevented all or part of any such alleged injury or damage.

6 8. Defendants are not liable under RCW 21.20.430 in “that he or she did not know,
7 and in the exercise of reasonable care could not have known, of the existence of the facts by
8 reason of which the liability is alleged to exist.”

9 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
10 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
11 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

12 **VIII. PRAYER FOR RELIEF**

13 WHEREFORE, Defendants pray for relief and judgment as follows:

- 14 A. Denying that this action is properly maintainable as a class action under Fed. R.
15 Civ. P. Rule 23;
- 16 B. Judgment against Plaintiffs and in Defendant’s favor;
- 17 C. Awarding costs of litigation, including expert witness costs, and reasonable
18 attorneys’ fees, against Plaintiffs; and
- 19 D. Such other and further relief as this Court may deem just and proper.

20 **XI. JURY DEMAND**

21 Defendants hereby demand a trial by jury for all issues so triable.

22 Dated: November 23, 2020

Respectfully submitted,

23 GORDON REES SCULLY MANSUKHANI LLP

24 By: /s/ David W. Silke

25 David W. Silke, WSBA No. 23761
26 GORDON REES SCULLY MANSUKHANI LLP
27 701 Fifth Avenue, Suite 2100
Seattle, WA 98104
Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

28 DEFENDANT WOODY BENSON’S ANSWER TO
SECOND AMENDED CLASS ACTION COMPLAINT

GORDON REES SCULLY MANSUKHANI, LLP
101 W. Broadway, Ste 2000, San Diego, CA 92101
(619) 696-6700

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Woody Benson

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT WOODY BENSON’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hklaw.com
- **Kristin Mariko Asai** kristin.asai@hklaw.com
- **J Matthew Donohue** Matt.Donohue@hklaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED this November 23, 2020.

/s/ Sylvia Durazo
Sylvia Durazo

ATTACHMENT 11

TO PRAECIPE, REPLACING ECF NO. 168

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

THE HONORABLE RICHARD A. JONES
(On Reference to the Honorable Mary Alice Theiler)

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

CHRIS HUNICHEN, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

Atonomi LLC, a Delaware LLC, CENTRI
Technology, Inc., a Delaware Corporation,
Vaughan Emery, David Fragale, Rob
Strickland, Kyle Strickland, Don DeLoach,
Wayne Wisheart, Woody Benson, Michael
Mackey, James Salter, and Luis Paris

Defendants.

) No. 19-2-cv-00615-RAJ-MAT

)
) **DEFENDANT DON DELOACH'S**
) **ANSWER TO SECOND AMENDED**
) **CLASS ACTION COMPLAINT**

) **JURY DEMAND**

1 Defendant Don DeLoach (“Defendant”) hereby answers the Second Amended Class
2 Action Complaint (“SAC”) as follows.

3 **I. INTRODUCTION**

4 1. Defendant admits that Plaintiff appears to seek the relief stated in this paragraph.
5 Defendant denies that Plaintiff is entitled to such relief. Defendant denies the remaining
6 allegations of paragraph 1 of the SAC.

7 2. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
8 denies the remaining allegations of paragraph 2 of the SAC.

9 3. The Act speaks for itself. Defendant denies that they violated the Act. Defendant
10 denies the remaining allegations of paragraph 3 of the SAC.

11 4. Defendant admits that Atonomi LLC (“Atonomi”) is a limited liability company
12 whose sole member is CENTRI Technologies, Inc. (“CENTRI”). Defendant denies the
13 remaining allegations of paragraph 4 of the SAC.

14 5. Defendant denies the allegations of paragraph 5 of the SAC.

15 6. Defendant denies the allegations of paragraph 6 of the SAC.

16 7. Defendant denies the allegations of paragraph 7 of the SAC.

17 **II. JURISDICTION AND VENUE**

18 8. Defendant admits the allegations of paragraph 8 of the SAC.

19 9. Defendant is without knowledge as to allegations relating to the other individual
20 defendants and on that basis denies the same. Defendant denies the remaining allegations of
21 paragraph 9 of the SAC.

22 10. Defendant is without knowledge as to allegations relating to LaunchCapital LLC
23 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 10
24 of the SAC.

25 11. Defendant is without knowledge as to allegations relating to M37 Ventures Inc.
26 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 11
27 of the SAC.

1 12. Defendant admits that this Court has personal jurisdiction over him. Defendant is
2 without knowledge as to the residency of other individual defendants and on that basis denies the
3 same. Defendant denies the remaining allegations of paragraph 12 of the SAC.

4 13. Defendant admits that this Court has personal jurisdiction over him. Defendant is
5 without knowledge as to the residency of other individual defendants and on that basis denies the
6 same. Defendant denies the remaining allegations of paragraph 13 of the SAC.

7 14. Defendant admits that this Court has personal jurisdiction over him. Defendant is
8 without knowledge as to the actions of other individual defendants and on that basis denies the
9 same. Defendant denies the remaining allegations of paragraph 14 of the SAC.

10 15. Defendant admits the allegations of paragraph 15 of the SAC.

11 **III. PARTIES**

12 16. Defendants is without knowledge as to the allegations of paragraph 16 of the SAC
13 and on that basis denies the same.

14 17. Defendant admits the allegations of paragraph 17 of the SAC.

15 18. Defendant admits the allegations of paragraph 18 of the SAC.

16 19. Defendant admits the allegations of paragraph 19 of the SAC.

17 20. Defendant is without knowledge as to the allegations of paragraph 20 of the SAC
18 and on that basis denies the same.

19 21. Defendant is without knowledge as to the allegations of paragraph 21 of the SAC
20 and on that basis denies the same.

21 22. Defendant is without knowledge as to the allegations of paragraph 22 of the SAC
22 and on that basis denies the same.

23 23. Defendant admits that Defendant Vaughan Emery (“Emery”) was a founder of
24 Atonomi. Defendant admits that Emery was a founder and CEO of CENTRI. Defendant is
25 without knowledge as to the residency of Emery and on that basis denies the same. Defendant
26 denies the remaining allegations of paragraph 23 of the SAC.

27 24. Defendant denies the allegations of paragraph 24 of the SAC.

1 25. Defendant admits that Robert Strickland was under contract through his firm,
2 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
3 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 25 of the SAC.

4 26. Defendant denies the allegations of paragraph 26 of the SAC.

5 27. Defendant admits that he was President and COO of CENTRI. Defendant denies
6 the remaining allegations of paragraph 27 of the SAC.

7 28. Defendant admits that Wayne Wischart was a Director of CENTRI. Defendant is
8 without knowledge as to the residency of Wischart and on that basis denies the same. Defendant
9 denies the remaining allegations of paragraph 28 of the SAC.

10 29. Defendant denies the allegations of paragraph 29 of the SAC.

11 30. Defendant admits that Michael Mackey was the Chief Technology Officer of
12 CENTRI. Defendant is without knowledge as to the residency of Mackey and on that basis
13 denies the same. Defendant denies the remaining allegations of paragraph 30 of the SAC.

14 31. Defendant admits that James Salter was the acting Director of Marketing for
15 Atonomi and Director of Marketing for CENTRI. Defendant is without knowledge as to the
16 residency of Salter and on that basis denies the same. Defendant denies the remaining
17 allegations of paragraph 31 of the SAC.

18 32. Defendant admits that Luis Paris was Chief Scientist of CENTRI and worked on
19 Atonomi R&D engineering duties. Defendant is without knowledge as to the residency of Paris
20 and on that basis denies the same. Defendant denies the remaining allegations of paragraph 32
21 of the SAC.

22 **IV. FACTS**

23 33. Defendant admits the allegations of paragraph 33 of the SAC.

24 34. Defendant admits that Atonomi publicly stated that it was using blockchain
25 technology to develop its network and the utility tokens to be used on the network. Defendant
26 denies the remaining allegations of paragraph 34 of the SAC.

27 35. Defendant admits the allegations of paragraph 35 of the SAC.

1 36. Defendant is without knowledge as to what other persons “often” do and on that
2 basis denies the same. Defendant admits that the SEC quote speaks for itself, and that it is
3 divorced from its context. Defendant admits that while some of the allegations may be generally
4 true, Defendant denies the relevance of said allegations. Defendant denies the remaining
5 allegations of paragraph 36 of the SAC.

6 37. Defendant admits the allegations of paragraph 37 of the SAC.

7 38. Defendant admits the allegations of paragraph 38 of the SAC.

8 39. Defendant admits the allegations of paragraph 39 of the SAC.

9 40. Defendant admits the allegations of paragraph 40 of the SAC.

10 41. Defendant admits the allegations of paragraph 41 of the SAC.

11 42. Defendant denies the allegations of paragraph 42 of the SAC.

12 43. Defendant denies the allegations of paragraph 43 of the SAC.

13 44. Defendant is without knowledge as to the allegations of paragraph 44 of the SAC
14 and on that basis denies the same.

15 45. Defendant is without knowledge as to the allegations of paragraph 45 of the SAC
16 and on that basis denies the same.

17 46. Defendant is without knowledge as to the allegations of paragraph 46 of the SAC
18 and on that basis denies the same.

19 47. Defendant is without knowledge as to the allegations of paragraph 47 of the SAC
20 and on that basis denies the same.

21 48. Defendant is without knowledge as to the allegations of paragraph 48 of the SAC
22 and on that basis denies the same.

23 49. Defendant is without knowledge as to the allegations of paragraph 49 of the SAC
24 and on that basis denies the same.

25 50. Defendant is without knowledge as to the allegations of paragraph 50 of the SAC
26 and on that basis denies the same.

27 51. Defendant is without knowledge as to the allegations of paragraph 51 of the SAC

1 and on that basis denies the same.

2 52. Defendant is without knowledge as to the allegations of paragraph 52 of the SAC
3 and on that basis denies the same.

4 53. Defendant is without knowledge as to the allegations of paragraph 53 of the SAC
5 and on that basis denies the same.

6 54. Defendant is without knowledge as to the allegations of paragraph 54 of the SAC
7 and on that basis denies the same.

8 55. Defendant is without knowledge as to the allegations of paragraph 55 of the SAC
9 and on that basis denies the same.

10 56. Defendant is without knowledge as to the allegations of paragraph 56 of the SAC
11 and on that basis denies the same.

12 57. Defendant is without knowledge as to the allegations of paragraph 57 of the SAC
13 and on that basis denies the same.

14 58. Defendant is without knowledge as to the allegations of paragraph 58 of the SAC
15 and on that basis denies the same.

16 59. Defendant is without knowledge as to the allegations of paragraph 59 of the SAC
17 and on that basis denies the same.

18 60. Defendant is without knowledge as to the allegations of paragraph 60 of the SAC
19 and on that basis denies the same.

20 61. Defendant is without knowledge as to the allegations of paragraph 61 of the SAC
21 and on that basis denies the same.

22 62. Defendant is without knowledge as to the allegations of paragraph 62 of the SAC
23 and on that basis denies the same.

24 63. Defendant is without knowledge as to the allegations of paragraph 63 of the SAC
25 and on that basis denies the same.

26 64. Defendant is without knowledge as to the allegations of paragraph 64 of the SAC
27 and on that basis denies the same.

1 65. Defendant is without knowledge as to the allegations of paragraph 65 of the SAC
2 and on that basis denies the same.

3 66. Defendant is without knowledge as to the allegations of paragraph 66 of the SAC
4 and on that basis denies the same.

5 67. Defendant is without knowledge as to the allegations of paragraph 67 of the SAC
6 and on that basis denies the same.

7 68. Defendant is without knowledge as to the allegations of paragraph 68 of the SAC
8 and on that basis denies the same.

9 69. Defendant is without knowledge as to the allegations of paragraph 69 of the SAC
10 and on that basis denies the same.

11 70. Defendant is without knowledge as to the allegations of paragraph 70 of the SAC
12 and on that basis denies the same.

13 71. Defendant is without knowledge as to the allegations of paragraph 71 of the SAC
14 and on that basis denies the same.

15 72. Defendant is without knowledge as to the allegations of paragraph 72 of the SAC
16 and on that basis denies the same.

17 73. Defendant is without knowledge as to the allegations of paragraph 73 of the SAC
18 and on that basis denies the same.

19 74. Defendant is without knowledge as to the allegations of paragraph 74 of the SAC
20 and on that basis denies the same.

21 75. Defendant is without knowledge as to the allegations of paragraph 75 of the SAC
22 and on that basis denies the same.

23 76. Defendant is without knowledge as to the allegations of paragraph 76 of the SAC
24 and on that basis denies the same.

25 77. Defendant is without knowledge as to the allegations of paragraph 77 of the SAC
26 and on that basis denies the same.

27 78. Defendant is without knowledge as to the allegations of paragraph 78 of the SAC

28

1 and on that basis denies the same.

2 79. Defendant is without knowledge as to the allegations of paragraph 79 of the SAC
3 and on that basis denies the same.

4 80. Defendant is without knowledge as to the allegations of paragraph 80 of the SAC
5 and on that basis denies the same.

6 81. Defendant is without knowledge as to the allegations of paragraph 81 of the SAC
7 and on that basis denies the same.

8 82. Defendant admits that Atonomi published the material on
9 www.atonomi.io/solution, including a section titled “product roadmap.” Defendant is without
10 knowledge as to the remaining allegations of paragraph 82 of the SAC and on that basis denies
11 the same.

12 83. Defendant is without knowledge as to the allegations of paragraph 83 of the SAC
13 and on that basis denies the same.

14 84. Defendant is without knowledge as to the allegations of paragraph 84 of the SAC
15 and on that basis denies the same.

16 85. Defendant is without knowledge as to the allegations of paragraph 85 of the SAC
17 and on that basis denies the same.

18 86. Defendant is without knowledge as to the allegations of paragraph 86 of the SAC
19 and on that basis denies the same.

20 87. Defendant is without knowledge as to the allegations of paragraph 87 of the SAC
21 and on that basis denies the same.

22 88. Defendant is without knowledge as to the allegations of paragraph 88 of the SAC
23 and on that basis denies the same.

24 89. Defendant is without knowledge as to the allegations of paragraph 89 of the SAC
25 and on that basis denies the same.

26 90. Defendant is without knowledge as to the allegations of paragraph 90 of the SAC
27 and on that basis denies the same.

1 91. Defendant is without knowledge as to the allegations of paragraph 91 of the SAC
2 and on that basis denies the same.

3 92. Defendant is without knowledge as to the allegations of paragraph 92 of the SAC
4 and on that basis denies the same.

5 93. Defendant is without knowledge as to the allegations of paragraph 93 of the SAC
6 and on that basis denies the same.

7 94. Defendant is without knowledge as to the allegations of paragraph 94 of the SAC
8 and on that basis denies the same.

9 95. Defendant is without knowledge as to the allegations of paragraph 95 of the SAC
10 and on that basis denies the same.

11 96. Defendant is without knowledge as to the allegations of paragraph 96 of the SAC
12 and on that basis denies the same.

13 97. Defendant is without knowledge as to the allegations of paragraph 97 of the SAC
14 and on that basis denies the same.

15 98. Defendant is without knowledge as to the allegations of paragraph 98 of the SAC
16 and on that basis denies the same.

17 99. Defendant is without knowledge as to the allegations of paragraph 99 of the SAC
18 and on that basis denies the same.

19 100. Defendant is without knowledge as to the allegations of paragraph 100 of the
20 SAC and on that basis denies the same.

21 101. Defendant is without knowledge as to the allegations of paragraph 101 of the
22 SAC and on that basis denies the same.

23 102. Defendant is without knowledge as to the allegations of paragraph 102 of the
24 SAC and on that basis denies the same.

25 103. Defendant is without knowledge as to the allegations of paragraph 103 of the
26 SAC and on that basis denies the same.

27 104. Defendant is without knowledge as to the allegations of paragraph 104 of the

28

1 SAC and on that basis denies the same.

2 105. Defendant denies the allegations of paragraph 105 of the SAC.

3 106. Defendant denies the allegations of paragraph 106 of the SAC.

4 107. Defendant denies the allegations of paragraph 107 of the SAC.

5 108. Defendant denies the allegations of paragraph 108 of the SAC.

6 109. Defendant denies the allegations of paragraph 109 of the SAC.

7 110. Defendant is without knowledge as to the allegations of paragraph 110 of the
8 SAC and on that basis denies the same.

9 111. Defendant is without knowledge as to the allegations of paragraph 111 of the
10 SAC and on that basis denies the same.

11 112. Defendant is without knowledge as to the allegations of paragraph 112 of the
12 SAC and on that basis denies the same.

13 113. Defendant is without knowledge as to the allegations of paragraph 113 of the
14 SAC and on that basis denies the same.

15 114. Defendant is without knowledge as to the allegations of paragraph 114 of the
16 SAC and on that basis denies the same.

17 115. Defendant is without knowledge as to the allegations of paragraph 115 of the
18 SAC and on that basis denies the same.

19 116. Defendant is without knowledge as to the allegations of paragraph 116 of the
20 SAC and on that basis denies the same.

21 117. Defendant denies the allegations of paragraph 117 of the SAC.

22 118. Defendant denies the allegations of paragraph 118 of the SAC.

23 119. Defendant is without knowledge as to the allegations of paragraph 119 of the
24 SAC and on that basis denies the same.

25 120. Defendant is without knowledge as to the allegations of paragraph 120 of the
26 SAC and on that basis denies the same.

27 121. Defendant is without knowledge as to the allegations of paragraph 121 of the

28

1 SAC and on that basis denies the same.

2 122. Defendant is without knowledge as to the allegations of paragraph 122 of the
3 SAC and on that basis denies the same.

4 123. Defendant is without knowledge as to the allegations of paragraph 123 of the
5 SAC and on that basis denies the same.

6 124. Defendant is without knowledge as to the allegations of paragraph 124 of the
7 SAC and on that basis denies the same.

8 125. Defendant is without knowledge as to the allegations of paragraph 125 of the
9 SAC and on that basis denies the same.

10 126. Defendant is without knowledge as to the allegations of paragraph 126 of the
11 SAC and on that basis denies the same.

12 127. Defendant is without knowledge as to the allegations of paragraph 127 of the
13 SAC and on that basis denies the same.

14 128. Defendant is without knowledge as to the allegations of paragraph 128 of the
15 SAC and on that basis denies the same.

16 129. Defendant is without knowledge as to the allegations of paragraph 129 of the
17 SAC and on that basis denies the same.

18 130. Defendant is without knowledge as to the allegations of paragraph 130 of the
19 SAC and on that basis denies the same.

20 131. Defendant is without knowledge as to the allegations of paragraph 131 of the
21 SAC and on that basis denies the same.

22 132. Defendant is without knowledge as to the allegations of paragraph 132 of the
23 SAC and on that basis denies the same.

24 133. Defendant is without knowledge as to the allegations of paragraph 133 of the
25 SAC and on that basis denies the same.

26 134. Defendant admits that Atonomi had a public website. Defendant is without
27 knowledge as to the remaining allegations of paragraph 134 of the SAC and on that basis denies

1 the same.

2 135. Defendant is without knowledge as to the allegations of paragraph 135 of the
3 SAC and on that basis denies the same.

4 136. Defendant is without knowledge as to the allegations of paragraph 136 of the
5 SAC and on that basis denies the same.

6 137. Defendant is without knowledge as to the allegations of paragraph 137 of the
7 SAC and on that basis denies the same.

8 138. Defendant is without knowledge as to the allegations of paragraph 138 of the
9 SAC and on that basis denies the same.

10 139. Defendant is without knowledge as to the allegations of paragraph 139 of the
11 SAC and on that basis denies the same.

12 140. Defendant is without knowledge as to the allegations of paragraph 140 of the
13 SAC and on that basis denies the same.

14 141. Defendant is without knowledge as to the allegations of paragraph 141 of the
15 SAC and on that basis denies the same.

16 142. Defendant is without knowledge as to the allegations of paragraph 142 of the
17 SAC and on that basis denies the same.

18 143. Defendant is without knowledge as to the allegations of paragraph 143 of the
19 SAC and on that basis denies the same.

20 144. Defendant is without knowledge as to the allegations of paragraph 144 of the
21 SAC and on that basis denies the same.

22 145. Defendant is without knowledge as to the allegations of paragraph 145 of the
23 SAC and on that basis denies the same.

24 146. Defendant is without knowledge as to the allegations of paragraph 146 of the
25 SAC and on that basis denies the same.

26 147. Defendant is without knowledge as to the allegations of paragraph 147 of the
27 SAC and on that basis denies the same.

1 148. Defendant is without knowledge as to the allegations of paragraph 148 of the
2 SAC and on that basis denies the same.

3 149. Defendant is without knowledge as to the allegations of paragraph 149 of the
4 SAC and on that basis denies the same.

5 150. Defendant is without knowledge as to the allegations of paragraph 150 of the
6 SAC and on that basis denies the same.

7 151. Defendant is without knowledge as to the allegations of paragraph 151 of the
8 SAC and on that basis denies the same.

9 152. Defendant is without knowledge as to the allegations of paragraph 152 of the
10 SAC and on that basis denies the same.

11 153. Defendant is without knowledge as to the allegations of paragraph 153 of the
12 SAC and on that basis denies the same.

13 154. Defendant is without knowledge as to the allegations of paragraph 154 of the
14 SAC and on that basis denies the same.

15 155. Defendant is without knowledge as to the allegations of paragraph 155 of the
16 SAC and on that basis denies the same.

17 156. Defendant is without knowledge as to the allegations of paragraph 156 of the
18 SAC and on that basis denies the same.

19 157. Defendant is without knowledge as to the allegations of paragraph 157 of the
20 SAC and on that basis denies the same.

21 158. Defendant is without knowledge as to the allegations of paragraph 158 of the
22 SAC and on that basis denies the same.

23 159. Defendant is without knowledge as to the allegations of paragraph 159 of the
24 SAC and on that basis denies the same.

25 160. Defendant is without knowledge as to the allegations of paragraph 160 of the
26 SAC and on that basis denies the same.

27 161. Defendant is without knowledge as to the allegations of paragraph 161 of the

28

1 SAC and on that basis denies the same.

2 162. Defendant is without knowledge as to the allegations of paragraph 162 of the
3 SAC and on that basis denies the same.

4 163. Defendant is without knowledge as to the allegations of paragraph 163 of the
5 SAC and on that basis denies the same.

6 164. Defendant is without knowledge as to the allegations of paragraph 164 of the
7 SAC and on that basis denies the same.

8 165. Defendant denies the allegations of paragraph 165 of the SAC.

9 166. Defendant is without knowledge as to the allegations of paragraph 166 of the
10 SAC and on that basis denies the same.

11 167. Defendant is without knowledge as to the allegations of paragraph 167 of the
12 SAC and on that basis denies the same.

13 168. Defendant denies the allegations of paragraph 168 of the SAC.

14 169. Defendant admits that CENTRI and Atonomi attended the Mobile World
15 Congress 2019 in Barcelona, Spain. Defendant denies the remaining allegations of paragraph
16 169 of the SAC.

17 170. Defendant admits the allegations of paragraph 170 of the SAC.

18 171. Defendant denies the allegations of paragraph 171 of the SAC.

19 172. Defendant admits the allegations of paragraph 172 of the SAC.

20 173. Defendant denies the allegations of paragraph 173 of the SAC.

21 174. Defendant admits that Robert Strickland was under contract through his firm,
22 M37 Ventures, Inc. and provided services to the company, such as acting as CEO of Atonomi
23 and CEO of CENTRI. Defendant denies the remaining allegations of paragraph 174 of the SAC.

24 175. Defendant admits that the cited quote appears in a printout, originally Exhibit G to
25 the First Amended Complaint, which appeared to be a printout of a press release on Atonomi's
26 website, and that the press release speaks for itself. Defendant denies the remaining allegations
27 of paragraph 175 of the SAC.

1 176. Defendant denies the allegations of paragraph 176 of the SAC.

2 177. Defendant admits that he was President and COO of CENTRI. Defendant denies
3 all remaining allegations of paragraph 177 of the SAC.

4 178. Defendant denies the allegations of paragraph 178 of the SAC.

5 179. Defendant admits that Defendant Mackey was the Chief Technology Officer of
6 CENTRI. Defendant denies the remaining allegations of paragraph 179 of the SAC.

7 180. Defendant is without knowledge as to the allegations of paragraph 180 of the
8 SAC and on that basis denies the same.

9 181. Defendant is without knowledge as to the allegations of paragraph 181 of the
10 SAC and on that basis denies the same.

11 182. Defendant admits the allegations of paragraph 182 of the SAC.

12 183. Defendant denies the allegations of paragraph 183 of the SAC.

13 184. Defendant admits that Defendant Wisheart was a director of CENTRI during
14 Atonomi's SAFT sales and Atonomi's token sale in June 2018. Defendant denies the remaining
15 allegations of paragraph 184 of the SAC.

16 185. Defendant denies the allegations of paragraph 185 of the SAC.

17 186. Defendant is without knowledge as to the allegations of paragraph 186 of the
18 SAC and on that basis denies the same.

19 187. Defendant admits that Defendant Salter was the acting Director of Marketing of
20 Atonomi between mid-March 2018 and October 2018 and fulfilled his job functions. Defendant
21 denies the remaining allegations of paragraph 187 of the SAC.

22 188. Defendant denies the allegations of paragraph 188 of the SAC.

23 189. Defendant is without knowledge as to the allegations of paragraph 189 of the
24 SAC and on that basis denies the same.

25 190. Defendant is without knowledge as to the allegations of paragraph 190 of the
26 SAC and on that basis denies the same.

27

28

1 191. Defendant is without knowledge as to the allegations of paragraph 191 of the
2 SAC and on that basis denies the same.

3 192. Defendant is without knowledge as to the allegations of paragraph 192 of the
4 SAC and on that basis denies the same.

5 193. Defendant is without knowledge as to the allegations of paragraph 193 of the
6 SAC and on that basis denies the same.

7 194. Defendant is without knowledge as to the allegations of paragraph 194 of the
8 SAC and on that basis denies the same.

9 195. Defendant is without knowledge as to the allegations of paragraph 195 of the
10 SAC and on that basis denies the same.

11 196. Defendant is without knowledge as to the allegations of paragraph 196 of the
12 SAC and on that basis denies the same.

13 197. Defendant is without knowledge as to the allegations of paragraph 197 of the
14 SAC and on that basis denies the same.

15 198. Defendant is without knowledge as to the allegations of paragraph 198 of the
16 SAC and on that basis denies the same.

17 199. Defendant is without knowledge as to the allegations of paragraph 199 of the
18 SAC and on that basis denies the same.

19 **V. CLASS ALLEGATIONS**

20 200. Defendant admits that Plaintiffs purport to bring this lawsuit as a class action and
21 has provided a class definition. Defendant denies that there exists a proper, certifiable class of
22 Plaintiffs. Defendant denies the remaining allegations of paragraph 200 of the SAC.

23 201. Defendant admits that Plaintiffs purport to define a class. Defendant denies that
24 there exists a proper, certifiable class of Plaintiffs. Defendant denies the remaining allegations of
25 paragraph 201 of the SAC.

1 4. Unjust Enrichment: the named Plaintiff would be unjustly enriched if he were
2 permitted to obtain recovery in this action.

3 5. Waiver: the named Plaintiff has knowingly and voluntarily waived any alleged
4 claims he might have against the Defendant.

5 6. Assumption of the Risk: The named Plaintiff’s claims are barred in whole or in
6 part because he and any purported class members were expressly advised in public statements
7 about the material facts and risks. Plaintiff and any purported class members therefore assumed
8 the risk of any loss and are precluded from any recovery.

9 7. Failure to Mitigate Damages: The named Plaintiff’s claims are barred in whole or
10 in part because named Plaintiff failed to make reasonable efforts to mitigate his alleged injury or
11 damage, which efforts would have prevented all or part of any such alleged injury or damage.

12 8. Defendants are not liable under RCW 21.20.430 in “that he or she did not know,
13 and in the exercise of reasonable care could not have known, of the existence of the facts by
14 reason of which the liability is alleged to exist.”

15 9. The named Plaintiff is not entitled to any recovery from Defendants under WSSA
16 Section 12.20.430 because Plaintiff has failed to properly allege the requisite control or the
17 occurrence of a primary violation under WSSA Sections 21.20.010 and 21.20.430(1).

18 **VIII. PRAYER FOR RELIEF**

19 WHEREFORE, Defendants pray for relief and judgment as follows:

20 A. Denying that this action is properly maintainable as a class action under Fed. R.
21 Civ. P. Rule 23;

22 B. Judgment against Plaintiffs and in Defendant’s favor;

23 C. Awarding costs of litigation, including expert witness costs, and reasonable
24 attorneys’ fees, against Plaintiffs; and

25 D. Such other and further relief as this Court may deem just and proper.
26
27

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

XI. JURY DEMAND

Defendants hereby demand a trial by jury for all issues so triable.

Dated: November 23, 2020

Respectfully submitted,

GORDON REES SCULLY MANSUKHANI LLP

By: */s/ David W. Silke*

David W. Silke, WSBA No. 23761
GORDON REES SCULLY MANSUKHANI LLP

701 Fifth Avenue, Suite 2100
Seattle, WA 98104
Telephone: (206) 695-5100
Facsimile: (206) 689-2822
E-Mails: dsilke@grsm.com

Miles Scully (CA SBN: 135853)
William Rathbone (CA SBN: 95864)
Joseph Goodman (CA SBN: 230161)
Yuo-Fong Chang Amato (CA SBN: 264135)
Oana Constantin (CA SBN: 325226)
GORDON REES SCULLY MANSUKHANI
101 West Broadway, Suite 2000
San Diego, CA 92101
Telephone: (619) 696-6700
Facsimile: (619) 696-7124
mscully@grsm.com
wrathbone@grsm.com
jgoodman@grsm.com
bamato@grsm.com
oconstantin@grsm.com

Attorneys for Defendant Don DeLoach

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

I hereby certify that on November 23, 2020, I electronically filed the foregoing document entitled **DEFENDANT DON DELOACH’S ANSWER TO SECOND AMENDED CLASS ACTION COMPLAINT** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following registered participants:

Case 2:19-cv-00615-RAJ-MAT Electronic Mail Notice List:

- **Joel B Ard** joel@ard.law
- **Ryan S. Moore** rmoore@houser-law.com; swilliams@houser-law.com
- **Angus Ni** angus@afnlegal.com
- **William R Restis** william@restislaw.com; support@restislaw.com
- **Steven M. Veenema** sveenema@murphyking.com; dmeyer@murphyking.com
- **Shannon Lea Armstrong** shannon.armstrong@hkllaw.com
- **Kristin Asai** kristin.asai@hkllaw.com
- **J Matthew Donohue** Matt.Donohue@hkllaw.com
- **Derek Francis Foran** dforan@mofocom
- **Brendan Thomas Mangan** brendanmangan@dwt.com

DATED November 23, 2020.

/s/ Sylvia Durazo
Sylvia Durazo