

**FEDERAL RACKETEERING CHARGES AND FISA WARRANT DEMAND  
AGAINST SUSPECT DEFENDANTS**

**FILED WITH THE U.S. DEPARTMENT OF JUSTICE  
WILLIAM BARR – U.S. ATTORNEY GENERAL  
U.S. Department of Justice  
950 Pennsylvania Avenue, NW  
Washington, DC 20530-0001**

**Filed: April 23, 2019**

**The People Of The United States** as, A  
Class of Individuals

Plaintiffs,

vs.

**Univision, Inc., Gawker Media,  
Gabrielle Darbyshire, Adrian Covert,  
Nick Cook, John Herрман, Alphabet, Inc.,  
Google, Inc., Youtube Inc., Eric Schmidt,  
Gizmodo Media, Nicholas Guido Denton,  
Unimoda, llc, Great Hill Partners,  
et al, , and DOES 1 through 150, Inclusive**

Defendants

)  
) COMPLAINT FOR INTENTIONAL  
) INTERFERENCE WITH  
) CONTRACTUAL RELATIONS;  
) INTENTIONAL INTERFERENCE  
) WITH PROSPECTIVE ECONOMIC  
) ADVANTAGE; CYBER-STALKING;  
) FRAUD; INVASION OF PRIVACY;  
) UNFAIR COMPETITION; THEFT OF  
) INTELLECTUAL PROPERTY; RICO  
) RACKETEERING VIOLATIONS, ELECTION  
) INTERFERENCE, OPERATION AS AN  
) UNREGISTERED FOREIGN AGENT,  
) FRAUD  
) **GRAND JURY TRIAL DEMANDED**  
) **CONGRESSIONAL HEARING DEMANDED**  
) Date:  
) Time:  
) Dept.:  
) Trial Date:

**FACTS OF THE CASE:**

1. Plaintiffs are U.S. domestic natural born citizens.
2. Defendants have offices and residency in the United States of America.
4. The true names and capacities of the Defendants, DOES 1 through 150, inclusive, are presently unknown to the Plaintiffs at this time, but include the staff and financiers of

Defendants, including Adrian Covert, and John Herman, A.J. Delaurio, as well as through its pseudonymous authors, including: Adam Dachis, Adam Weinstein, Adrian Covert, Adrien Chen, Alan Henry, Albert Burneko, Alex Balk, Alexander Pareene, Alexandra Philippides, Allison Wentz, Andrew Collins, Andrew Magary, Andrew Orin, Angelica Alzona, Anna Merlan, Ariana Cohen, Ashley Feinberg, Ava Gyurina, Barry Petchesky, Brendan I. Koerner, Brendan O'Connor, Brent Rose, Brian Hickey, Camila Cabrer, Choire Sicha, Chris Mohnery, Clover Hope, Daniel Morgan, David Matthews, Diana Moskovitz, Eleanor Shechet, Elizabeth Spiers, Elizabeth Starkey, Emily Gould, Emily Herzig, Emma Carmichael, Erin Ryan, Ethan Sommer, Eyal Ebel, Gabrielle Bluestone, Gabrielle Darbyshire, Georgina K. Faircloth, Gregory Howard, Hamilton Nolan, Hannah Keyser, Hudson Hongo. Heather Deitrich, Hugo Schwyzer, Hunter Slaton, Ian Fette, Irin Carmon, James J. Cooke, James King, Jennifer Ouellette, Jesse Oxfeld, Jessica Cohen, Jesus Diaz, Jillian Schulz, Joanna Rothkopf, John Cook, John Herrman, Jordan Sargent, Joseph Keenan Trotter, Josh Stein, Julia Allison, Julianne E. Shepherd, Justin Hyde, Kate Dries, Katharine Trendacosta, Katherine Drummond, Kelly Stout, Kerrie Uthoff, Kevin Draper, Lacey Donohue, Lucy Haller, Luke Malone, Madeleine Davies, Madeline Davis, Mario Aguilar, Matt Hardigree, Matt Novak, Michael Ballaban, Michael Dobbs, Michael Spinelli, Neal Ungerleider, Nicholas Aster, Nicholas Denton, Omar Kardoudi, Pierre Omidyar, Owen Thomas, Patrick George, Patrick Laffoon, Patrick Redford, Rich Juzwiak, Richard Blakely, Richard Rushfield, Robert Finger, Robert Sorokanich, Rory Waltzer, Rosa Golijan, Ryan Brown, Ryan Goldberg, Sam Faulkner Bidle, Sam Woolley, Samar Kalaf, Sarah Ramey, Shannon Marie Donnelly, Shep McAllister, Sophie Kleeman, Stephen Totilo, Tamar Winberg, Taryn Schweitzer, Taylor McKnight, Thorin Klosowski, Tim Marchman, Timothy Burke, Tobey Grumet Segal, Tom Ley, Tom Scocca, Veronica de Souza, Wes Siler, William Haisley, William Turton and others writing under pseudonyms, and the Plaintiffs sue those Defendants and each of them, by such fictitious names pursuant to the pertinent provisions of the Code of Civil Procedure and hereby demands an FBI interview of each person listed to ascertain who provided them with their orders, compensation and supervision. The facts and veracity of the charges and claims herein are evidenced in multi-terabyte hard drives and existing online cloud-based evidence repositories containing millions of pages of validating evidence compiled by Plaintiffs, FBI, GAO, SEC, EU, private, Congressional, news industry, forensic specialist and leaked archive investigators.

5. Gawker Media, Alphabet, Google, Gizmodo Media, et al; have engaged in the origination of, production of and global broadcast of work-for-hire character assassination videos and articles as a reprisal-service-for-hire (like Fusion GPS, Black Cube, Black Water and other related services) as payback, revenge, reprisal and vendetta against those who helped law enforcement investigate the financiers of Defendants. Defendants believed that Defendants had acquired business and stock market monopoly promises through the White House Administration of Barack Obama. Defendants believed that full disclosure of their political campaign money laundering and stock market manipulation efforts would have caused Barack Obama to have been forced to resign his Presidency, mid-term, thus eliminating their organized crime crony kickback scheme. Defendants exchanged compensation, jobs and assets as payment for defamation, character assassination and "Steele Dossier"-type hit jobs which they produced. As 1.) the

only publishing group on Earth to have engaged in such attacks against Plaintiffs, while: 2.) the attacks were financed by complainants business competitors, while 3.) Defendants own staff have admitted to the scheme and, while: 4.) communications, FBI records, NSA data, hacker leaks and previous litigation records prove complainants assertions; and, while: 5.) XKEYSCORE, AXCIOM, FBI, INTERPOL, PALANTIR, and other investigation database tools, prove the payments from Defendant to Defendant and criminal suspects as both “unjust rewards” and “organized criminal cross-border transactions”, complainants are justified in their demands. The attacks and broadcast of multiple defamation attack articles and videos by Google, Youtube, Gawker Media and Gizmodo Media has been operating as recently as this date, and thus the statutes of limitations are not exceeded.

6. Well known political figures from The White House, U.S. Senate and California and New York Governor’s offices hired Gawker Media, Gizmodo Media and “Nick” Denton to undertake these ongoing attacks and to manipulate web servers to operate those attacks globally and permanently. The attackers hired Gawker Media, Gizmodo Media, “Nick” Denton, Univision/Unimoda LLC and DOES 1 to 150, et al, to engage in reprisals because of Plaintiff’s testimonies against Defendants and their financiers parties in federal investigations, and because the plaintiffs had superior technologies that the attackers financiers could not compete with. Transaction documents showing payments between the Defendants and their financiers in this case, were recently uncovered in other court cases. (Ie: Google’s and Gawker Media’s payola and staffing exchanges, in millions of dollars, between each other). Defendants produced a series of videos and defamation articles and used internet server technology tricks to place those attack materials in front of 7.5 billion people **day after day, year after year, refreshing the attack daily**. This is, essentially, a “hit-job” service that Defendants provide through their networks and their offensive tabloid brands of: Gizmodo, Jalopnik, Jezebel, Gawker and other Univision/Unimoda assets along with their partnership with Google for the operation of such attacks. *“Defendant use these services as a political-payback tool for politicians and Silicon Valley oligarchs as well as an anti-trust violating, anti-competition, tool for its clients and an off-shore money-laundering and campaign finance obfuscation resource. It is the ultimate financial and political crime network...”*, claim Plaintiffs. Private, federal, Congressional and news investigators and evidence from whistle-blowers and other lawsuits have now confirmed the veracity of the charges and the potential for substantial damages claims against Defendants and their distribution partners. Recent legal precedents have all been ruled in the victims favor. Damages awards in related cases have exceeded \$140 million. DOJ should join their case because it is in the best interests of the nation.

7. The Plaintiffs are informed and believe and, based on that information and belief, allege that the named Defendants herein and each of the parties designated as a “DOE” and every one of them, are legally responsible jointly and severally for the Federal RICO Statute violating events and happenings referred to in the within Complaint for Intentional Interference with Contractual Relations, Intentional Interference with Prospective Economic Advantage, Cyberstalking, Fraud, Invasion of Privacy, Unfair Competition and Theft of Intellectual Property and RICO statute violations and other causes of action. **In particular, Defendants took compensation for, and engaged in, malicious and coordinated tactics to seek to destroy, damage, harm and ruin Plaintiffs via an illicit media “hit-job” service which Defendants regularly offered in covert commerce and engaged in regularly against targets that Defendants were hired to seek to ruin as part of reprisal, vendetta, retribution programs operated for business and political competitors of the targets. Historical facts and other history-making lawsuits by third parties, has proven Defendants to be the single largest core violator of human rights, in this manner, in the world. Defendants offer the service of creating and publishing contrived “hatchet job” movies, fake news articles, faked comments and repercussion back-links describing the Plaintiffs in horrific descriptors. The attack materials are re-posted, “impression accelerated”, “click-farm fertilized” and Streisand array re-posted by Defendants massive character assassination technology via servers algorithms and technical internet manipulation daily as recently as yesterday. Defendants also embed their attack articles in job hiring databases on Axciom, Palantir, Taleo and other databases used by all hiring and recruiting services in order to prevent Plaintiffs from ever receiving income for W2 or 1099 work ever again. Defendants own staff then post thousands of fake comments, below each attack item, under fake names, designed to make it appear as if a broad consensus of the public agreed with the defamation messages by Defendants. Almost all of the fake comments were created by a handful of Defendants own staff pretending to be a variety of outside voices. Defendants provide the service of delivering “weaponized text and media to corporate clients”. Defendants replicated various versions of these attack items across all of their different brands and facade front publications and added additional fake comments to each on a regular basis. This is the same exact technology, using the same exact servers and staff, that attempted to manipulate the last 4 major national elections in the United States. This case exposes all of the technologies currently under investigation by the United States Congress and the European Union regarding the mass electronic manipulation of national elections, “fake news” and other Mass Public Behavior manipulation as discussed prominently in the broadcast news by Dr. Robert Epstein, and his peers.**

Key points of this case include:

A. Defendants have formed a business and political manipulation “Cartel” intended to inflict corruption upon the United States Federal Government, The New York State Government and the California State Government, as defined by law under RICO Racketeering Statutes for the purpose of manipulating the value of stock market holdings and controlling political policy decisions.

B. In exchange for financing, Defendants Clients gave Defendants Associates business monopolies and government contract monopolies and media distribution exclusives worth trillions of dollars in stock market profits and monies from the U.S Treasury, New York State Treasury, Nevada State Treasury and California State Treasury. This was an illegal quid-pro-quo arrangement between Defendants. Plaintiffs designed, produced, received patent awards on, received federal commendations for, received federal funding for and first marketed the very products which Defendants copied and made billions of dollars on and which Defendants felt might beat them in hundreds of billions of dollars of competitive market positions and stock market trades. Companies operated by Plaintiffs included automobile design and manufacturing companies, global television broadcasting companies and energy companies which are commonly known to have generated hundreds of billions of dollars in profits, revenue and stock market transactions for Defendants competing holdings at Plaintiffs expense. Defendants operated a criminal CARTEL as defined by RICO LAWS and that Cartel ran an an anti-trust market rigging and crony political payola operation. Defendants spent tens of millions of dollars attacking Plaintiffs because Defendants were not clever enough to build better products. Defendants chose to “CHEAT RATHER THAN COMPETE” and to try to kill Plaintiffs lives, careers, brands, revenues, assets, businesses and efforts via malicious and ongoing efforts.

C. U.S. Attorney General Jefferson B. Sessions III has been informed, in writing, of these charges and Plaintiffs understand that DOJ officials have an ongoing investigation into these matters. Under investigation for these crimes, New York State attorney general Eric Schneiderman was recently forced to quit over corruption and sexual cult charges involving the NXIUM group and related matters.

D. Due to Defendants fears of the loss of up a trillion dollars of crony payola from their illegal abuse of taxpayer funds, Defendants engaged in felonious actions in order seek to intimidate others.

E. Just as, over time, the Watergate crimes are now intimately documented and detailed; over time The “Cleantech Crash Scandal” as featured on **CBS News 60 MINUTES** TV Show, has been detailed and exposed in numerous federal, news media and public investigations. Significant barriers to justice were illicitly placed in front of Plaintiffs by Defendants.

F. Defendants organized and operated a series of malicious attacks and thefts against Plaintiffs as reprisals and competitive vendettas. Plaintiffs report to the FBI, GAO, FTC, SEC, Congressional Ethics Committees, The White House and other entities on a regular basis and through corrupt parties in those entities, Defendants learned of Plaintiffs helpfulness to law enforcement agencies.

G. Defendants and their associates Elon Musk, Jon Doerr, Eric Schmidt, Larry Page, Steve Jurvetson, Vinod Khosla and other members of the “Silicon Valley Cartel” are documented in tens of thousands of news reports, federal law enforcement reports and Congressional reports in their

attempts to infiltrate and corrupt the U.S. Government in an attempt to route trillions of tax dollars to Defendants private accounts. Defendants perceived Plaintiffs as a threat to their crimes. Federal investigators, news investigators and whistle-blowers have reported to Plaintiffs that Defendants were the financiers and/or beneficiaries and/or command and control operatives for the crimes and corruption disclosed in the CBS NEWS 60 Minutes investigative reports entitled: “The Cleantech Crash”, “The Lobbyists Playbook” and “Congress Trading on Insider Information”; The Feature Film: “The Car and the Senator” Federal lawsuits with case numbers of: USCA Case #16-5279; and over 50 other cases including the ongoing “Solyndra” investigation and federal and Congressional investigations detailed at <http://greencorruption.blogspot.com/> ; <http://xyzcase.xyz> ; <https://theintercept.com/2016/04/22/googles-remarkably-close-relationship-with-the-obama-white-house-in-two-charts/> and thousands of other documentation sites. Plaintiffs are charged with engaging in these crimes and corruptions against Plaintiffs and financing and ordering attacks on Plaintiffs. Plaintiffs engaged in U.S. commerce and did everything properly and legally. Unlike Defendants, Plaintiffs did not steal technology. Unlike Defendants, Plaintiffs did not bribe elected officials in order to get market exclusives. Unlike Defendants, Plaintiffs did not poach Defendants staff. Unlike Defendants, Plaintiffs were the original inventors of their products. Unlike Defendants, Plaintiffs did not operate “AngelGate Collusion” schemes and “High Tech No Poaching Secret Agreements” and a Mafia-like Silicon Valley exclusionary Cartel. Unlike Defendants, Plaintiffs did not place their employees in the U.S. Government, The California Government, The U.S. Patent Office and The U.S. Department of Energy in order to control government contracts to Defendants exclusive advantage. Unlike Defendants, Plaintiffs did not place moles inside of competitors companies. Unlike Defendants, Plaintiffs did not hire Gawker Media and Think Progress to seek to kill Plaintiffs careers, lives and brands. Unlike Defendants, Plaintiffs did not rig the stock market with “pump-and-dump”, “Flash Boy” and “Google-stock/PR-pump” schemes. Plaintiffs engaged in hard work every day of their lives for the time-frame in question under the belief that the good old American work ethic and just rewards for your creations was still in effect in the U.S.A., and that the thieves and criminals that attempted to interdict Plaintiffs would face Justice. In a number of circumstances Defendants took advantages of Plaintiffs hard work via come-ons; Defendants then made billions of dollars from Plaintiffs work at Plaintiffs expense and attacked Plaintiffs in order to reduce Plaintiffs competitive and legal recovery options.

H. Defendants exchanged payments for services via cash, stock warrants, illicit personal services, media control and a technology known as a “Streisand Effect Massive Server Array” which can control public impressions for, or against a person, party, ideology or issue. Defendants Streisand Effect internet system was used to destroy Plaintiffs in reprisal, retribution, and vendetta for Plaintiffs help with law enforcement efforts in the case and because Plaintiffs companies competed with Defendants companies with superior technologies.

I. Defendants have used their Streisand Effect technology to build a character assassination ring of bloggers and hired shill “reporters” who engage in a process called a “Shiva”. This process is named after a Plaintiff in a similar case named: Shiva Ayyadurai, the husband of Actress Fran

Drescher. Shiva Ayyadurai holds intellectual property rights to part of Defendants email technology. In fact, the people most threatened by the Shiva Ayyadurai patent right claims, ironically turn out to be Defendants and, in particular, Defendants associates Elon Musk, Jon Doerr, Eric Schmidt, Larry Page, Steve Jurvetson, Vinod Khosla and other members of the “Silicon Mafia” who own most of the main companies exploiting email technology. Were Shiva Ayyadurai to prevail in his claims, Defendants would owe him billions of dollars. “Running A Shiva” involves the production of a series of Defamation articles by bloggers who act as if they are independent from Defendants but are in fact, not. Defendants used “the Shiva” to attack and seek to destroy Donald Trump, Shiva Ayyadurai, Plaintiffs, and numerous political figures. Univision, Unimoda, Jalopnik, Gawker Media, Gizmodo and over a hundred stealth-ed, and overt, assets of Defendants have been using “The Shiva” network to attack Donald Trump, Shiva Ayyadurai, Plaintiffs, and numerous political figures as recently as this morning, thus, the time bar restarts every day. Plaintiffs have pleaded with Defendants to cease their attacks but Defendants have refused to comply. Even with Fran Drescher’s ongoing royalty payments from her popular television series, friends have reported that the attacks on the Ayyadurai family have been devastating and have caused massive damages and personal and emotional devastation.

**J. In one matter, Defendants produced animated movies, attack articles, fake blog comments, DNS routes, “Shiva” Campaigns, and other attack media against Plaintiffs and expended over \$30 million dollars in value, as quantified by Defendants partner: Google, in placing the attack material in front of 7.5 billion people on the planet for the rest of Plaintiffs lifetime. No person could survive such an attack and in the case of Plaintiffs, lives were destroyed and multiple companies invested into by Plaintiffs, which Defendants made over \$50B off of the copies of, were destroyed because they competed with Defendants.**

8. The Plaintiffs are informed and believe, and based on that information and belief allege that at all times mentioned in the within Complaint, all Defendants were the agents, owners and employees of their co-Defendants and, in doing the things alleged in this Complaint, were acting within the course and scope of such agency and employment.

9. As to any corporate employer specifically named, or named as a “DOE” herein, the Plaintiffs are informed and believe and therefore allege that any act, conduct, course of conduct or omission, alleged herein to have been undertaken with sufficient, malice, fraud and oppression to justify an award of punitive damages, was, in fact, completed with the advance knowledge and conscious disregard, authorization, or ratification of and by an officer, director, or managing agent of such corporation. The Statute of Limitations and time bar on this case has not expired. Plaintiffs only became aware of all of the facts recently due to the FBI, Congressional and hacker-exposed investigation data on Defendants operating and receiving cash, rewards and assets from an illegal and illicit set of political slush-funds established to compensate them for financing political campaigns. The Sony, Clinton, DNC, HSBC, Panama Papers and other hacks and publication of all of the relevant files and the Congressional investigation of illicit activities

and the continuing issuance of federal documents to Plaintiffs confirming Plaintiffs intellectual property are all vastly WITHIN the statutes of limitations to allow this case to proceed to Jury Trial. Plaintiffs has had a long, ongoing and high-level interaction with Defendant in both the work effort and the monetization and collection effort. Plaintiffs has been continually interactive with Defendant in order to try to collect his money. Attacks and interference with Plaintiffs has occurred as recently as this week by Defendants.

## CASE HISTORY OVERVIEW

10. Defendants are among the largest financiers and/or beneficiaries and/or command and control operatives for quid-pro-quo campaigns.

*“While most people may think that “hit-jobs” are the realm of Hollywood movie plots, these kinds of corporate assassination attempts do take place daily in big business and politics (ie: “The Lois Lerner Attacks”, “AngelGate”, “The Steele Dossier”, “The Silicon Valley No Poaching Class Action Lawsuit, etc.) . In one instance, at the request of the U.S. Government, Plaintiffs developed and patented an energy technology that affected trillions of dollars of oil company and technology billionaire insider profits. They didn’t realize this at the time. Let me make this point clearly: ‘The control of Trillions of dollars of energy industry profits were being fought over by two groups and the Government plunked Plaintiffs down in the middle of that war. Plaintiffs had no affiliation with either group. They thought they were just accepting a challenge to help their nation and were not aware that Defendants had infected the entire process with crony corruption insider schemes.’*

*In one instance; Plaintiffs won commendation from the U.S. Congress in the Iraq War Bill. They won federal patents. They won a Congressional grant. They won a huge number of letters of acclaim and they won the wrath of a handful of insane Silicon Valley billionaires who could not compete with Plaintiffs technology. Defendants chose to “...CHEAT RATHER THAN COMPETE!”*

*The attacks were carried out by California State employees and U.S. Government officials who had received stock, perks, and other quid-pro-quo payment from these billionaires. Federal and state employees ran retribution campaigns against applicants who competed with inside deals they had set up to line their own pockets at taxpayer expense. These corrupt politicians thought they could take over a promised “six trillion dollar “Cleantech” industry that was being created to exploit new insider exploitation opportunities around global warming and Middle East disruption. After an epic number of Solyndra-esque failures, all owned by the Department of Energy Executives and their campaign financiers, the scheme fell apart. The non crony applicants suffered the worst fates. As CBS News reporter Cheryl Atkisson has reported, the willingness to engage in media “hitjobs” was only exceeded by the audacity with which Department of Energy officials*



*employed such tactics.*

*Now, in a number of notorious trials and email leaks, including the Hulk Hogan lawsuit and the DNC and Panama Papers leaks, the public has gotten to see the depths to which public officials are willing to stoop to cheat rather than compete in the open market.*

*Department of Energy employees and State of California employees engaged in the following documented attacks against applicants who were competing with their billionaire backers personal stock holdings. Plaintiffs and the other applicants including Bright Automotive, Aptera, ZAP and many more, suffered these attacks:*

*- Social Security, SSI, SDI, Disability and other earned benefits were stone-walled. Applications were “lost”. Files in the application process “disappeared”. Lois Lerner hard drive “incidents” took place.*

*- Defendants had lawyers employed by Defendants contact Plaintiffs and offer to “help” Plaintiffs when, in fact, those lawyers worked for Defendants and were sent in as moles to try to delay the filing of a case in order to try to run out the time bar.*

*- State and federal employees played an endless game of Catch-22 by arbitrarily determining that deadlines had passed that they, the government officials, had stonewalled and obfuscated applications for, in order to force these deadlines that they set, to appear to be missed.*

*- Some applicants found themselves strangely poisoned, not unlike the Alexander Litvenko and Rodgers cases. Heavy metals and toxic materials were found right after their work with the Department of Energy weapons and energy facilities. Many wonder if these “targets” were intentionally exposed to toxins in retribution for their testimony. The federal MSDS documents clearly show that a number of these people were exposed to deadly compounds and radiations without being provided with proper HazMat suits which DOE officials knew were required.*

*- Applicants employers were called, and faxed, and ordered to fire applicants from their places of employment, in the middle of the day, with no notice, as a retribution tactic.*

*- Applicants HR and employment records, on recruiting and hiring databases, were embedded with negative keywords in order to prevent them from gaining future employment.*

*- One Gary D. Conley and one Rajeev Motwani, both whistle-blowers in this matter, turned up dead under strange circumstances. They are not alone in a series of bizarre deaths related to the DOE.*

- *Disability and VA complaint hearings and benefits were frozen, delayed, denied or subjected to lost records and "missing hard drives" as in the Lois Lerner case.*

- *Paypal and other on-line payments for on-line sales were delayed, hidden, or re-directed in order to terminate income potential for applicants who competed with DOE interests and holdings.*

- *DNS redirection, website spoofing which sent applicants websites to dead ends and other Internet activity manipulations were conducted.*

- *Campaign finance dirty tricks contractors IN-Q-Tel, Think Progress, Media Matters, Gawker Media, Syd Blumenthal, etc., were hired by DOE Executives and their campaign financiers to attack applicants who competed with DOE executives stocks and personal assets.*

- *Covert DOE partner: Google, transferred large sums of cash to dirty tricks contractors and then manually locked the media portion of the attacks into the top lines of the top pages of all Google searches globally, for years, with hidden embedded codes in the links and web-pages which multiplied the attacks on applicants by many magnitudes.*

- *Honeytraps and moles from persons employed by Defendants or living on, or with, Defendants were employed by the attackers. In this tactic, people who covertly worked for the attackers were employed to approach the "target" and offer business or sexual services in order to spy on and misdirect the subject.*

- *Mortgage and rental applications had red flags added to them in databases to prevent the targets from getting homes or apartments.*

- *McCarthy-Era "Black-lists" were created and employed against applicants who competed with DOE executives and their campaign financiers to prevent them from funding and future employment. The Silicon Valley Cartel (AKA the "PayPal Mafia" or the "Silicon Valley Mafia") placed Plaintiffs on their "Black-List".*

- *Targets were very carefully placed in a position of not being able to get jobs, unemployment benefits, disability benefits or acquire any possible sources of income. The retribution tactics were audacious, overt..and quite illegal.*

*While law enforcement, regulators and journalists are now clamping down on each and every one of the attackers, one-by-one, the process is slow. The victims have been forced to turn to the filing of lawsuits in order to seek justice. The Mississippi Attorney General's office, who is prosecuting Cartel Member Google, advised Plaintiffs to pursue their case in civil court while the Post Election FBI expands its resources."*

While Defendants have sought to mock Plaintiffs exposure of Defendants organized crime operation by denigrating Plaintiffs data as “Conspiracy Theory”, the articles located at:

1.) <http://www.zerohedge.com/news/2015-02-23/1967-he-cia-created-phrase-conspiracy-theorists-and-ways-attack-anyone-who-challenge>

2.) <http://www.infowars.com/33-conspiracy-theories-that-turned-out-to-be-true-what-every-person-should-know/>

3.) How, After This Crazy Year, Is ‘Conspiracy Theorist’ Still Being Used As An Insult?  
<http://www.newslogue.com/debate/152>

Defendants, since before 2001, have regularly approached Plaintiffs and each of their companies in the internet, green building, aerospace, telecomm, internet video, fuels, energy and other industries through various agents and intermediaries with offers of pretension to “invest in” or “partner with” Plaintiffs. In each and every case, Defendants were on a fishing expedition to acquire Plaintiffs technologies, copy those technologies and monetize those technologies under Defendants own brands. When Plaintiffs continued to compete with Defendants copy-cat technologies, Defendants operated hit-jobs against Plaintiffs using DNC-controlled publications like Gawker, Gizmodo, Defendants, Twitter, Facebook, TechDirt and other brand assassination web media manipulation services.

As an example: On or about May 3, 2005, one of the Plaintiffs received, in recognition by the Congress of the United States in its Iraq War Bill, a commendation and federal grant issued jointly by the Congress of the United States and the United States Department of Energy in the amount of approximately \$2M including additional resources and access to federal resources, as and for the development of domestic energy technology designed to offset the anticipated failure of Western access to the Middle East. That energy storage technology was to be used in connection with the research and development of an electric car to be used by the Department of Defense and the American retail automotive market to create domestic jobs, enhance national security and provide a domestic energy solution derived entirely from domestic fuel sources. Plaintiffs had been invited into the program by U.S. Senate and Agency officials with the request that Plaintiffs “help their country in a time of need..”.

11. Beginning in or about July of 2006, the Plaintiffs were contacted by, various individuals representing venture capital officers and investors employed by, and/or with, the Defendants. These individuals were agents of the Defendant, Defendants, “RechargeIT” Project and Defendants partner, Tesla Motors. They also represented the Kleiner Perkins Group,<sup>1</sup> McKinsey Consulting, Deloitte Consulting,

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Khosla Ventures, In-Q-Tel and associated parties funded by and reporting to the Defendants, Alphabet and Defendants, and included Karim Faris, a Defendants “partner.”<sup>2</sup>.

12. These investors feigned interest in emerging technology designed and developed by the Plaintiffs and requested further information from Plaintiffs. These investors informed the Plaintiffs that their interest was in purchasing the emerging technology from the Plaintiffs, investing in the venture, or structuring a form of joint venture with him.

13 This was not the truth.

14. The truth was that the Plaintiffs were contacted in efforts on behalf of the Defendants, so as to harvest confidential data and gather business intelligence and trade secrets for the purpose of copying the intellectual property and ideas of the Plaintiffs and interdicting Plaintiffs efforts, which Defendants found to be competitive, in a superior manner, to Defendants business. The Defendants agents and investors were simply on fishing expeditions while operating under the guise of proffered investment potential when, indeed, the Defendants had a covert plan to “*Cheat rather than compete*”. Historical facts and public testimony have proven that Defendants had poor skills at innovation and invention and that Defendants regularly chose to steal technologies, from multiple parties, on an ongoing basis, rather than invent their own technologies. A simple search, by any one, on the other top non-Defendants search engines for the phrase: “*Defendants steals ideas*” brings up a remarkable set of documentation of an ongoing pattern of theft by Defendants. Plaintiffs have cooperated with federal investigators and journalists who are also investigating Defendants and who have legally shared some of the research, contained herein, with Plaintiffs.

15. In or about August 21 of 2009, just as the Plaintiffs were informed they were about to be awarded federal funding in amount over \$50 million, the Plaintiffs fuel cell and electric vehicle project was suddenly defunded and the same funds re-allocated to the Defendants, and to their various related entities, shell companies and projects. In other words, federal investigators state that Defendants bribed public officials to take Plaintiffs money away from Plaintiffs and give it Defendants using illegal manipulations of State and Federal taxpayer funded Treasury accounts. Defendants then manipulated those funds in stock market pump-and-dump schemes, off-shore tax evasion and tax write-off schemes which U.S. Treasury investigators called “unjust rewards at the expense of the taxpayer and the law..”

16. In or about August of 2009, just as the Plaintiffs was informed they were about to be awarded the first \$60 million federal funding for their energy storage technology and vehicle factory, this project was similarly defunded and the same funds re-allocated to the Defendants, and to their various related entities, shell companies and projects. Defendants did accept and move money from Russian and Eastern

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Block bank accounts and through Russian “businessmen” who are on international police “watch-lists” and via a vast network of cross-border shell corporations now exposed in the Swiss Leaks, Panama Papers and other leaks.

17. These funds, were ear-marked to be used by Defendants in a scheme designed for mining and exploiting non-domestic energy resources, (which eventually created a threat to U.S. domestic security by destabilizing other nations) via investment bank stock market mining commodities manipulations Defendants had arranged with their investment bankers, including Goldman Sachs. Until 2016, Plaintiffs were not aware that Defendants had placed their friends, employees and business associates in charge of the public agencies responsible for distributing these taxpayer funds. Indeed, the facts on public record and in breaking investigations and investigative journalism reports now prove that Defendants bought public policy influence with cash and internet services, much of that influence buying now found to have not been legally reported. The Defendants had their agents in California State and U.S. Federal offices distribute those funds to themselves while cutting out and sabotaging most all competing applicants. The Defendants, own a managing interest and control the source of these foreign mining resources and the supply chain for them.<sup>3 4</sup>

18. In or about September 20, 2009, the Plaintiffs, were contacted by the Government Accountability Office of the United States with a request that they participate in an investigation being conducted by that entity into the business practices of the Defendants, and their associates, pursuant to anti-trust allegations and allegations of corruption.

19. In or about January 15, 2010, the Plaintiffs, did, in fact, provide live testimony to, and receive information from, the Government Accountability Office of the United States, the Department of Justice, Robert Gibbs ( who immediately thereafter quit his job at The White House) and their staff at the White House Press Office, the Washington Post White House Correspondent and other investigators.<sup>5</sup>

20.. The testimony provided by the Plaintiffs, was, in fact, truthful and did, in fact, tend to support the veracity of the anti-trust allegations under investigation by the Government Accountability Office and other federal and EU agencies.<sup>6</sup>

21. In or about June, 2010 and January, 2015 the Defendants, Alphabet and Defendants, exchanged funds with tabloid publications. As a result, those tabloid publications coincidentally published the only two articles and the only custom animated attack film including false, defamatory,

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misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, project developer and project director.<sup>7</sup>

22. In or about January 20, 2011, the Plaintiffs, contacted Defendants, with written requests that it delete the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, project developer and project director from its search engine servers.

23. The Plaintiffs had numerous lawyers, specialists and others contacted Defendants requesting a cessation of Defendants harassment and internet manipulation and removal of the rigged attack links and hidden internet codes within the links on Defendants server architecture.

24. At all times pertinent, the Plaintiffs, including Defendants staff members, Matt Cutts, Forest Timothy Hayes, Defendants legal staff and others refused to assist and commonly replied: “...*just sue us.*”, “...*get a subpoena.*”, etc., even though the Plaintiffs, and the Plaintiffs representatives, provided the Defendants with extensive volumes of third-party proof clearly demonstrating that not a single statement in the attack links promoted by Google was accurate or even remotely true. Eric Schmidt and David Drummond at Google, Inc were fully aware of, and involved in, these activities and political machinations.

25. In, or about, February 20, 2011, YouTube, published a custom produced and targeted attack video that also included false, defamatory, misleading and manufactured information belittling the Plaintiffs, and discrediting their reputation as an inventor, project developer and project director. The video is believed to have been produced by Defendants as part of their anti-trust attack program against Plaintiffs.

26. In or about February 25, 2011 the Plaintiffs contacted the Defendants, YouTube and Defendants, with many written requests that they delete the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, project developer and project director from its website. [See, Sample responses of the Defendants Defendants and YouTube, attached as Exhibits and incorporated herein by reference.]

27. All of the written demands of the Plaintiffs were to no avail and none of the Defendants, agreed to edit, delete, retract or modify any of the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, product developer and project director from their websites and digital internet and media platforms

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and architecture.

28. The Plaintiffs, whose multiple businesses ventures had already suffered significant damage as the result of the online attacks of the Defendants, contacted renowned experts, and especially Search Engine Optimization and forensic internet technology (IT) experts, to clear and clean the internet of the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, product developer and project director from their websites.

39. None of the technology experts hired by the Plaintiffs, at substantial expense, were successful in their attempts to clear, manage or even modify the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking him and discrediting their reputation as an inventor, product developer and project director which only Defendants, the controlling entity of the internet, refused to remove. In fact, those experts were able to even more deeply confirm, via technical forensic internet analysis and criminology technology examination techniques that Defendants was rigging internet search results for its own purposes and anti-trust goals.

30. All efforts, including efforts to suppress or de-rank the results of a name search for “Plaintiffs” failed, and even though tests on other brands and names, for other unrelated parties did achieve balance, the SEO and IT tests clearly proved that Defendants was consciously, manually, maliciously and intentionally rigging its search engine and adjacent results in order to “mood manipulate” an attack on Plaintiffs.

31. In fact, the experts and all of them, instead, informed the Plaintiffs, that, not only had Defendants locked the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, project developer and project director into its search engine so that the information could never be cleared, managed or even modified, Defendants had assigned the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting their reputation as an inventor, project developer and project director “PR8” algorithmic internet search engine coding embedded in the internet information-set programmed into Defendants internet architecture. [See, Information received from one of over 30 IT, forensic network investigators and forensic SEO test analysts, a true and correct copy of which is attached hereto in the Exhibits.] Plaintiffs even went to the effort of placing nearly a thousand forensic test servers around the globe in order to monitor and metricize the manipulations of search results of examples of the Plaintiffs name in comparison to the manipulations for PR hype for Defendants financial partners, for example: the occurrence of the phrase “Elon Musk”, Defendants business partner and beneficiary, over a five year period. The EU, China, Russia, and numerous research groups (ie: <http://www.politico.com/magazine/story/2015/08/how-google-could-rig-the-2016-election-121548> By Robert Epstein ) have validated these forensic studies of Defendants architect-ed character assassination and

partner hype system .

32. The “PR8” codes are hidden codes within the Defendants software and internet architecture which profess to state that a link is a “fact” or is an authoritative factual document in Defendants opinion. By placing “PR8” codes in the defamatory links that Defendants was manipulating about Plaintiffs, Defendants was seeking to tell the world that the links pointed to “Facts” and not “Opinions”. Defendants embedded many covert codes in their architecture which marketing the material in the attack links and video as “facts” according to Defendants.

33. The “PR8” codes are a set of codes assigned and programmed into the internet, by the Defendants to matters it designates as dependable and true, thereby attributing primary status as the most significant and important link to be viewed by online researchers regarding the subject of their search.<sup>8</sup> Defendants was fully aware that all of the information in the attack articles against Plaintiffs was false, Defendants promoted these attacks as vindictive vendetta-like retribution against Plaintiffs.

34. At all times pertinent from January 1, 2006, to in or about November 20, 2015, Defendants maintained it had no subjective control or input into the rankings of links obtained by online researchers as the result of a search on its search engines and that its search engine algorithms and the functions of its media assets were entirely “arbitrary” according to the owners and founders of Defendants.

35. In or about April 15, 2015, The European Union Commission took direct aim at Defendants Inc., charging the Internet-search giant with skewing and rigging search engine results in order to damage those who competed with Defendants business and ideological interests.

36. In those proceedings, although Defendants continued to maintain that it has no subjective control or input into the rankings of links obtained by online researchers as the result of a search on its search engines and that its staff had no ability to reset, target, mood manipulate, arrange adjacent text or links, up-rank, down-rank or otherwise engage in human input which would change algorithm, search results, perceptions or subliminal perspectives of consumers, voters, or any other class of users of the world

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<sup>8</sup> Defendants has a variety of such hidden codes and has various internal names for such codes besides, and in addition to, “PR8”. Defendants has been proven to use these fact vs. fiction rankings to affect elections, competitors rankings, ie: removing the company: NEXTAG from competing with Defendants on-line; or removing political candidates from superior internet exposure and it is believed by investigators and journalists, that Defendants are being protected from criminal prosecution by public officials who Defendants have compensated with un-reported campaign funding.



wide web, also known as The Internet, the court, in accord with evidence submitted, determined that Defendants, does in fact have and does in fact exercise, subjective control over the results of information revealed by searches on its search engine.<sup>9</sup>

37. As a result of receiving this information, the Plaintiffs became convinced of the strength and veracity of their original opinion that the Defendants, had, in fact posted the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking them and discrediting Plaintiffs reputation as inventor, project developer and project designer had been intentionally designed, published, orchestrated and posted by them in retaliation to the true testimony provided by the Plaintiffs, to the Government Office of Accountability of the United States in May of 2005, and to the Securities and Exchange Commission, The Federal Bureau of Investigation, The United States Senate Ethics Committee and other investigating parties, and had been disseminated maliciously and intentionally by them in an effort to do damage to their reputation and to their business prospects and to cause him severe and irremediable emotional distress.

38. In fact, the Plaintiffs, has suffered significant and irremediable damage to their reputation and to their financial and business interests. As a natural result of this damage, as intended by the Defendants, Gawker, Defendants and Youtube, the Plaintiffs has also suffered severe and irremediable emotional distress.

<sup>10</sup> 39. To this day, despite the age of the false, defamatory, misleading and manufactured information belittling the Plaintiffs, attacking him and discrediting their reputation as an inventor, project

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<sup>9</sup> The EU case, and subsequent other cases, have demonstrated that Defendants sells such manipulations to large clients in order to target their enemies or competitors or raise those clients subliminal public impressions against competitors or competing political candidates. In fact, scientific study has shown that although Defendants claims to “update its search engine results and rankings, sometimes many times a day”, the attack links and codes against Plaintiffs have not moved from the top lines of the front page of Defendants for over FIVE YEARS. If Defendants were telling the truth, the links would have, at least, moved around a bit or disappeared entirely since hundreds of positive news about Plaintiffs was on every other search engine EXCEPT Defendants. Many other lawsuits have now shown that Defendants locks attacks against its enemies and competitors in devastating locations on the Internet. The entire nations of China, Russia, Spain and many more, along with the European Union have confirmed the existence and operation of Defendants“attack machine”.

<sup>10</sup> As a party, attacked in a similar “hit job” media attack describes it: *“Gawker sets up the ball and Defendants kicks it down the field....over and over, until the end of time”*. The recent Hulk Hogan, and other lawsuits, against Gawker Media has clearly demonstrated that Defendants and Gawker run “hit jobs” against adversaries of themselves and their clients.

developer and project director, in the event any online researcher searches for information regarding the Plaintiffs, the same information appears at the top of any list of resulting links.

40. In addition, due to their control of all major internet database interfaces, Defendants have helped to load negative information about Plaintiffs on every major HR and employment database that Plaintiffs might be searched on, thus denying Plaintiffs all reasonable rights to income around the globe by linking every internal job, hiring, recruiter, employment, consulting, contracting or other revenue engagement opportunity for Plaintiffs back to false “red flag” or negative false background data which is designed to prevent Plaintiffs from future income in retribution for Plaintiffs assistance to federal investigators.<sup>11</sup>

41. It should be noted here that, in 2016, one of the companies Plaintiffs was associated with, in cooperation with federal investigations, won a federal anti-corruption lawsuit against the U.S. Department of Energy in which a number of major public officials were forced to resign under corruption charges, federal laws and new legal precedents benefiting the public were created, and Defendants and its associates and related entities found culpable of corruption.

With specific attention to Plaintiffs claims being “personal injury tort...claims” under 28 U.S.C. § 157(b)(2) (B) and the inapplicability of the California Anti-SLAPP law, Cal. Code. of Civ. P. § 425.16, to Defendants potential claim objections, and state as follows:

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### **Procedural Background**

Some of Plaintiffs are residents of the State of California and the Companies are organized and domiciled in that jurisdiction.

Up to this date, Defendants maliciously libeled Plaintiffs through its employees Adrian Covert, and John Herman, A.J. Delaurio, as well as through its pseudonymous authors, including: Adam Dachis, Adam

<sup>11</sup> Major public figures and organizations, including the entire European Union, have also accused Defendants of similar internet manipulation by Defendants. The attacks, by Defendants, continue to this day. In 2016, the renowned Netflix series: “House of Cards” opened its sixth season with a carefully held script-surprise researched by the script factuality investigators for the production company of “House of Cards.” The surprise featured Defendants, fictionally named “PollyHop,” and described, in detail, each of the tactics that Defendants uses to attack individuals that Defendants owners have competitive issues with. The Plaintiffs maintains that each and every tactic included in the televised example were tactics actually used to attack the Plaintiffs, his intellectual properties, his peers and his associates as threatening competitors.

Weinstein, Adrian Covert, Adrien Chen, Alan Henry, Albert Burneko, Alex Balk, Alexander Pareene, Alexandra Philippides, Allison Wentz, Andrew Collins, Andrew Magary, Andrew Orin, Angelica Alzona, Anna Merlan, Ariana Cohen, Ashley Feinberg, Ava Gyurina, Barry Petchesky, Brendan I. Koerner, Brendan O'Connor, Brent Rose, Brian Hickey, Camila Cabrer, Choire Sicha, Chris Mohney, Clover Hope, Daniel Morgan, David Matthews, Diana Moskovitz, Eleanor Shechet, Elizabeth Spiers, Elizabeth Starkey, Emily Gould, Emily Herzig, Emma Carmichael, Erin Ryan, Ethan Sommer, Eyal Ebel, Gabrielle Bluestone, Gabrielle Darbyshire, Georgina K. Faircloth, Gregory Howard, Hamilton Nolan, Hannah Keyser, Hudson Hongo. Heather Deitrich, Hugo Schwyzer, Hunter Slaton, Ian Fette, Irin Carmon, James J. Cooke, James King, Jennifer Ouellette, Jesse Oxfeld, Jessica Cohen, Jesus Diaz, Jillian Schulz, Joanna Rothkopf, John Cook, John Herrman, Jordan Sargent, Joseph Keenan Trotter, Josh Stein, Julia Allison, Julianne E. Shepherd, Justin Hyde, Kate Dries, Katharine Trendacosta, Katherine Drummond, Kelly Stout, Kerrie Uthoff, Kevin Draper, Lacey Donohue, Lucy Haller, Luke Malone, Madeleine Davies, Madeline Davis, Mario Aguilar, Matt Hardigree, Matt Novak, Michael Ballaban, Michael Dobbs, Michael Spinelli, Neal Ungerleider, Nicholas Aster, Nicholas Denton, Omar Kardoudi, Pierre Omidyar, Owen Thomas, Patrick George, Patrick Laffoon, Patrick Redford, Rich Juzwiak, Richard Blakely, Richard Rushfield, Robert Finger, Robert Sorokanich, Rory Waltzer, Rosa Golijan, Ryan Brown, Ryan Goldberg, Sam Faulkner Bidle, Sam Woolley, Samar Kalaf, Sarah Ramey, Shannon Marie Donnelly, Shep McAllister, Sophie Kleeman, Stephen Totilo, Tamar Winberg, Taryn Schweitzer, Taylor McKnight, Thorin Klosowski, Tim Marchman, Timothy Burke, Tobey Grumet Segal, Tom Ley, Tom Scocca, Veronica de Souza, Wes Siler, William Haisley, William Turton and others writing under pseudonyms; through false accusations of vile and disgusting acts, including fraud and false invention.

Defendants engaged in the defamation and economic attack campaign against Plaintiffs on the pages of its “Gizmodo”, YouTube Channel, Twitter Accounts, “Deadspin”, “Jalopnik” and other facades under Defendants “Gawker.com” and “Univision” websites. These libels also falsely accused Plaintiffs of lying in his published patents, journals and works-of-art. All of these false and defamatory accusations were published on multiple webpages operated and controlled by Defendants and on social media platforms, such as Twitter and Google, through accounts operated and controlled by Defendants and/or its employees and agents.

***Per outside legal reviews from independent third party law firms:*** “These libels, which were also false light invasions of privacy, caused Plaintiffs considerable reputational, emotional, and financial harm, and they so identified him with Plaintiffs that it, too, was a victim of Defendants’s tortious conduct and suffered reputational and financial harm as well.

*Despite being given months to take responsibility for its misdeeds, Defendants failed to retract its libel, apologize, or take any other remedial steps. As set forth the California action, Defendants’s modus operandi was to make extreme and outrageous statements, without regard for the truth, and without reasonable*

*inquiry, in order to attract readers and generate revenue. As this Court is well aware, that business model ultimately imploded, resulting in multiple lawsuits and a substantial judgment against it.*

*Among those who decided that Defendants should not be permitted to get away with defamation for profit, Claimants reluctantly took the step to seek justice, risking that Defendants and its functionaries would employ the “Streisand effect” to republish the false accusations previously made in reporting on the suit itself.*

*California , Case No. (“In Pro Per litigation”) asserting claims for defamation and false light invasion of privacy arising from the aforesaid false and defamatory statements. Under California law, corporations that appear in propria persona may proceed with their right to sue upon the appearance of counsel for the corporation, which is without prejudice to a defendant. See *CLD Constr., Inc. v. City of San Ramon*, 120 Cal. App. 4th 1141, 1152 (1 st Dist. Ct. App. 2004). See Cal. Code of Civ. P. § 583.210(a). Claimants, without the assistance of counsel, diligently appeared or attempted to appear at all hearings as required.*

### **Analysis**

*Defendant is a media company not unlike CNN. Those who accuse CNN and other mainstream media outlets of “fake news” will probably revel in a recent decision by a federal judge in Atlanta, Georgia. While Judge Orinda Evans didn’t all out declare that CNN was peddling in falsehoods, she did take aim at the network in an initial judgment in favor of a former hospital CEO who sued CNN accusing them of purposely skewing statistics to reflect poorly on a West Palm Beach hospital. Judge Evans didn’t mince words in her 18-page order allowing the case to move forward, and dismissing CNN’s attempt to get it thrown out of court.*

*Davide Carbone, former CEO of St. Mary’s Medical Center in West Palm Beach, filed a defamation lawsuit against CNN after they aired what he claims were a “series of false and defamatory news reports” regarding the infant mortality rate at the hospital. CNN’s report said the mortality rate was three times the national average. However, Mr. Carbone contends that CNN “intentionally” manipulated statistics to bolster their report. He also claims that CNN purposely ignored information that would look favorable to the hospital in order to sensationalize the story.*

*“In our case, we contended that CNN essentially made up its own standard in order to conduct an ‘apples to oranges’ comparison to support its false assertion that St. Mary’s mortality rate was 3 times higher than the national average. Accordingly, the case against CNN certainly fits the description of media-created ‘Fake News.’” said Carbone’s attorney L. Lin Wood, in a statement to LawNewz.com.*

*Wood says that as a result of CNN’s story Carbone lost his job and it became extremely difficult for him to find new employment in the field of hospital administration.*

*“False and defamatory accusations against real people have serious consequences. Neither St. Mary’s or Mr. Carbone did anything to deserve being the objects of the heinous accusation that they harmed or put babies and young children at risk for profit,” Wood said.*

*On Wednesday, Federal District Judge Orinda Evans ruled that the case could move forward, even ruling that she found that CNN may have acted with “actual malice” with the report — a standard necessary to prove a defamation claim.*

*“The Court finds these allegations sufficient to establish that CNN was acting recklessly with regard to the accuracy of its report, i.e., with ‘actual malice,” the order reads. CNN had tried to get the case dismissed.*

*Nothing in the legislative history indicates that defamation or invasion of privacy claims are not “personal injury torts”. In fact, all of the history provided by Defendants would preclude their narrow interpretation when Congress was expressly acting to ensure the district court would hear such claims. Similarly, although some courts have permitted the California Anti-SLAPP law to be heard in cases involving diversity jurisdiction, it does not follow that the procedural mechanisms can apply in an objection to claim proceeding.*

*Defendants also neglects to mention its ongoing, post-petition libel. See, e.g., Trotter, J.K., “What did Internet Troll Chuck Johnson Know about Peter Thiel’s Secret War on Gawker?” (Jun. 17, 2016) (reiterating false accusation of misreporting a story about Sen. Menendez) available at <<http://gawker.com/what-did-internet-troll-chuck-johnson-know-about-peter-1782110939>>.*

*At that hearing and in response to objections to claims, other claimants also argued that the district court was required to hear defamation claims as personal injury claims under 28 U.S.C. § 157(b)(2)(B).*

### ***Personal Injuries are More Than Just Bodily Injuries***

*Although Defendants mentions the reorganization of authority between the bankruptcy courts and the district courts in the wake of Northern Pipeline Construction Co. v. Marathon Pipeline Co., 458 U.S. 50 (1982), it fails to explain what motivated the Marathon decision.*

*The concern in that case was the extent to which Congress could empower Article I courts. The Supreme Court specifically observed that “Congress cannot ‘withdraw from [Art. III] judicial cognizance any matter which, from its nature, is the subject of a suit at the common law, or in equity, or admiralty.’” 458 U.S. at 69 n.23, quoting Murray’s Lessee v. Hoboken Land & Improvement Co., 18 How. 272, 284 (1856). Such suits involved “private rights”, as opposed to “public rights” created legislatively.*

*During debate over the Bankruptcy Amendments and Federal Judgeship Act of 1983, Pub. L. 98-353, Senator Robert Dole specifically noted: This title establishes an article I bankruptcy court, with judges appointed for limited terms, to handle the routine business of bankruptcy claims based upon State law, which under Marathon will require the attention of article III judges, will be referred to the district courts except where the parties consent to bankruptcy court jurisdiction. One of those areas reserved for attention of the district courts will be personal injury claims, which are exempted from the definition of core proceeding under the bill. 130 Cong. Rec. S20083 (daily ed. June 29, 1984).*

*However, none of the legislative history, including that cited by Defendants, specifically addresses whether defamation claims are “personal injury” claims. 5i.*

### ***Slander and Libel are Common-Law Personal Injury Claims***

*In determining the meaning of “personal injury”, this Court must look to the common law understanding. Over a century ago, in determining whether a slander was among the “willful and malicious injuries to the person or property of another” not discharged in bankruptcy, the Kentucky Court of Appeals found that a slander is a “personal injury—that is, an injury to his person”, and further explained its holding in the context that “[t]he act of Congress must be 5*

*There is no inconsistency with including defamation claims among the “narrow range of cases” that are personal injury cases raised by Rep. Kastenmeir. 130 Cong. Rec. H7491. As Defendants notes, the sole example was an automobile accident claim; by Defendants’s logic, all medical malpractice claims would be excluded. None of the remainder of the legislative history cited provides any further insight.*

*understood as having used the words in the section quoted with reference to their common-law acceptance. Sutherland on Statutory Construction, 289.” Sanderson v. Hunt, 116 Ky. 435, 438, 76 S.W. 179, 179 (1903); accord McDonald v. Brown, 23 R.I. 546, 51 A. 213 (1902); Nat’l Sur. Co. v. Medlock, 2 Ga. App. 665, 58 S.E. 1131 (1907). The Sanderson decision was adopted by the Sixth Circuit Court of Appeals, similarly finding a libel to be a “personal injury” under the common law such that it would not be dischargeable under the bankruptcy act. Thompson v. Judy, 169 F. 553 (6th Cir. 1909); 6 see also Parker v. Brattan, 120 Md. 428, 434-35, 87 A. 756, 758 (1913). This understanding was also adopted by at least one district court in the Second Circuit. See In re Bernard, 278 F.734, 735 (E.D.N.Y. 1921). 14.*

*Congress, in drafting Section 157(b)(2)(B) must, therefore, be understood as having used the words “personal injury” with reference to its common-law acceptance. From the earliest cases, claims sounding in defamation have been deemed a “personal injury.” Indeed, this Court recognized as much nearly twenty years ago when it wrote in In re Boyer, 93 B.R. 313, 317 (Bankr. N.D.N.Y. 1988), in the context of a Section*

1983 & 1985 claim: The term “personal injury tort” embraces a broad category of private or civil wrongs or injuries for which a court provides a remedy in the form of an action for damages, and includes damage to an individual’s person and any invasion of personal rights, such as libel, slander and mental suffering, BLACK’S LAW DICTIONARY 707, 1335 (5th ed. 1979).

*Accord Soukup v. Employers’ Liab. Assur. Corp.*, 341 Mo. 614, 625, 108 S.W.2d 86, 90 (1937) citing 3 Words & Phrases, Fourth Series, p. 90 (workers’ compensation case observing that “The words ‘personal injuries’ as defined by lexicographers, jurists and textwriters and by common acceptance, denote an injury either to the physical body of a person or to the reputation of a person, or to both.”)

Simply put, “[t]here is no firm basis to support the proposition that libel and slander were considered to be other than personal injuries at common law.” *McNeill v. Tarumianz*, 138 F. Supp. 713, 717 (D. Del. 1956). In support thereof, the Delaware district court quoted 1 Blackstone 6 The Thompson decision was generally met with approval by the Second Circuit Court of Appeals in *In re Conroy*, 237 F. 817 (2d Cir. 1916).

Commentaries 129, which classified rights of “personal security” to consist “in a person’s legal and uninterrupted enjoyment of his life, his limbs, his body, his health and his reputation.” *Id.* at 716 (further noting that the courts consider “rights of personal security” as synonymous with “personal injury”). 716.

The Supreme Court of Pennsylvania, in 1825, laid down the following common law history in the context of a claim involving a decedent: That a personal action dies with the person is an ancient and uncontested maxim. But the term “personal action,” requires explanation. In a large sense, all actions except those for the recovery of real property, may be called personal. This definition would include contracts for the payment of money, which never were supposed to die with the person. The maxim must therefore be taken in a more

restricted meaning. It extends to all wrongs attended with actual force, whether they affect person or property; and to all injuries to the person only, though without force. Thus stood originally the common law, in which an alteration was made by the stat. 4. Ed. 3. c. 7, which gave an action to an executor for an injury done to the personal property of his testator in his life, which was extended to the executor of an executor by stat. 25, Ed. 3. And by the stat. 31, Ed. 3 c. 11, administrators have the same remedy as executors. These statutes received a liberal construction from the judges, but they do not extend to injuries to the person of the deceased, nor to his freehold. So that no action now lies, by an executor or administrator for an assault and battery of the deceased, or trespass vi et armis, on his land, or for slander; because it is merely a personal injury.

*Lattimore v. Simmons*, 13 Serg. & Rawle 183, 184-85 (Pa. 1825) (emphasis added). 17.

*The Supreme Court of Wisconsin, in 1874, expounded upon this concept in a matter involving state bankruptcy law. It observed “A libel or a slander might deprive a man of 7*

*The Georgia Supreme Court in Johnson v. Bradstreet Co., 87 Ga. 79, 81-82, 13 S.E. 250, 251 (1891) expounded upon this understanding: At common law, absolute personal rights were divided into personal security, personal liberty, and private property. The right of personal security was subdivided into protection to life, limb, body, health, and reputation. 3 Blackst. Com. 119. If the right to personal security includes reputation, then reputation is a part of the person, and an injury to the reputation is an injury to the person. Under the head of “security in person,” Cooley includes the right to life, immunity from attacks and injuries, and to reputation. Cooley on Torts (2d ed.), 23, 24. See, also, Pollock on the Law of Torts, \*7. Bouvier classes among absolute injuries to the person, batteries, injuries to health, slander, libel, and malicious prosecutions. 1 Bouv. L. Dic. (6<sup>th</sup> ed.) 636. “Person” is a broad term, and legally includes, not only the physical body and members, but also every bodily sense and personal attribute, among which is the reputation a man has acquired. Reputation is a sort of right to enjoy the good opinion of others, and is capable of growth and real existence, as an arm or a leg. If it is not to be classed as a personal right, where does it belong? No provision has been made for any middle class of injuries between those to person and those to property, and the great body of wrongs arrange themselves under the one head or the other. Whether viewed from the artificial arrangement of law writers, or the standpoint of common sense, an injury to reputation is an injury to person.*

*employment, destroy his credit, ruin his business, and greatly impair his estate; yet an action therefor would be an action for a personal injury, the effect of the wrong on the estate of the injured party being merely incidental.” Noonan v. Orton, 34 Wis. 259, 263 (1874). That same year, the Supreme Court of Virginia recognized that an “action of slander” did “involve a claim for personal damages” and, as such, did not pass to the assignee in bankruptcy. Dillard v. Collins, 66 Va. 343, 345-47 (1874). 18.*

*Similarly, a claim by a wife for slander was deemed a “personal injury” claim such that, under the law at that time, her husband was required to join in the suit. See, e.g., Smalley v. Anderson, 18 Ky. 56 (1825) (in a claim for “personal injury”, husband was required to join suit with wife in claim for slander accusing her of adultery); accord Gibson v. Gibson, 43 Wis. 23, 26- 27 (1877); Leonard v. Pope, 27 Mich. 145, 146 (1873) (a claim for slander is “a personal grievance or cause of action”). The U.S. Court of Appeals for the Fifth Circuit agreed that “libel is a personal injury” and that “[a]t common law, libel and slander were classified as injuries to the person, or personal injuries. 3 Blackstone, 119; Cooley on Torts (2d Ed.) 23, 24; Bouvier, Law Dictionary, verbo ‘Injury.’” Times-Democrat Pub. Co. v. Mozee, 136 F. 761, 763 (5th Cir. 1905). Although the law now recognizes spousal independence, the nature of the action has not changed. 19.*



*The principle that slander and libel are personal injuries is one that was generally recognized, and, as seen above, it tended to be addressed in cases involving decedents. Blackstone, in his Commentaries (vol. 3, p. 302), stated the rule: “In actions merely personal, arising ex delicto, for wrongs actually done or committed by the defendant, as trespass, battery, and slander, the rule is that actio personalis moritur cum persona; and it shall never be revived either by or against the executors or other representatives.” Thus, by statute, states such as Illinois, in overriding the common law to permit actions to survive, expressly carved out slander and libel as being personal injuries that would not survive. See *Holton v. Daly*, 106 Ill. 131, 139 (1882) quoting Ill. Rev. Stat. 1874, p. 126 (“actions to recover damages for an injury to the person, except slander and libel, ... shall also survive.”).*

*In contrast, a claim for wrongful death was not recognized at common law precisely because personal injury actions did not survive under the action personalis moritur cum persona universal maxim.*

*Statutes were, therefore, enacted to permit claims for wrongful death “compensatory of the damages sustained by the heirs or next of kin, who had, or are supposed to have had, a pecuniary interest in the life of the intestate.” *Burns v. Grand R. & I. R. Co.*, 113 Ind. 169, 171, 15 N.E. 230, 231 (1888). Specifically, “[t]hese statutes, while they do not in terms revive the common law right of action for personal injury, nor make it survive the death of the injured person, create a new right in favor and for the benefit of the next of kin or heirs of the person whose death has been wrongfully caused.” *Id.* 21.*

*Defendants mistakenly believes that the addition of “wrongful death” implies that because only such a claim can arise from the death of a natural person’s body, the term “personal injury” must be construed similarly in context. Defendants misunderstands that a wrongful death claim is not a common law personal injury claim; thus it had to be specifically added. The addition of wrongful death claims does not, however, modify the common law understanding of “personal injury,” which included libel and slander. 22.*

*The legislative history, therefore, shows that claims for wrongful death were added because they were not recognized at common law to be a “personal injury.” Libel and slander, on the other hand, were. The legislative record is otherwise silent as to the specific torts that made up a “personal injury” claim and therefore should be understood to include all such claims at common law, including slander and libel. Although Defendants worries that claims for emotional damages will “create an exception that swallows the rule” (*Defendants’s Brief* at 10), it creates a straw- man argument, improperly lumping in claims that are not common law “personal injury” claims that happen to provide for emotional distress damages. Those claims are different, statutory causes of action; the only statutory claim included in Section 157(b)(2)(B) is the wrongful death claim.*

*Thus, when Congress enacted Section 157(b)(2)(B), it necessarily imported the common law meaning of “personal injury” and, therefore, libel and slander claims. 8 ii. Plaintiffs is Entitled to Invoke Section 157(b)*

(2)(B) 23. Defendantss seek to treat Plaintiffs, as a corporate person, differently under Section 157(b)(2)(B) than Plaintiffs. There is no reason for this. As libel is a “personal injury” tort, there is no basis to suggest a corporate person should be treated any differently than a natural person. Simply because it cannot suffer a battery does not mean it is foreclosed from all personal injury claims. As explained by the Georgia Supreme Court in *Johnson v. Bradstreet Co.*, 87 Ga. 79, 81-82, 13 S.E. 250, 251 (1891), an “injury to reputation is an injury to person.” Although a corporation may be unable to suffer a physical, bodily injury, it can suffer an injury to reputation. 24.

Defendants’s citations are inapposite. The U.S. Supreme Court has not said that a corporation cannot suffer a personal injury; rather, *N.P.R. Co. v. Whalen*, 149 U.S. 157, 162-163 (1893), address actions in nuisance, which can only either affect life, health, senses, or property, and not reputation. Defendants’s quote from *Roemer v. Commissioner of Internal Revenue*, 176 F.3d 693, 699 n. 4 (9th Cir. 1983), was a matter of pure dicta; the Ninth Circuit had no occasion to pass upon whether a corporation could, in fact, suffer a personal injury. Subsequent cases, such as *In re Lost Peninsula Marina Dev. Co., LLC*, 2010 U.S. Dist. LEXIS 78532 (E.D. Mich. 2010), wrongly rely upon such dicta. In fact, the Ninth Circuit’s entire basis was *DiGiorgio Fruit Corp. v. American Federation of Labor*, which does not say a corporation cannot suffer a “personal injury”; it merely says that “a corporation has no reputation in the personal sense”, yet “it has a business reputation”. 215 Cal.App.2d 560, 571, 30 Cal.Rptr. 350, 356 (1963). The Second Circuit has specifically refrained from finding a dichotomy between a business reputation and the reputation 8

Similarly, as invasions of personal rights, Claimants’ false light invasion of privacy claims are “personal injury” claims. See *Mercado v. Fuchs (In re Fuchs)*, No. 05-36028-BJH-7, 2006 Bankr. LEXIS 4543, at \*6-7 (U.S. Bankr. N.D. Tex. Jan. 26, 2006) (finding invasion of privacy claim to be a “personal injury” under Section 157(b)(2)(B)); see also *Bernstein v. Nat’l Broad. Co.*, 129 F. Supp. 817, 825 (D.D.C. 1955) (“The tort of invasion of privacy being a personal injury....”)

of a natural person. See *Agar v. Commissioner*, 290 F.2d 283, 294 (2d Cir. 1961). However, the Eleventh Circuit specifically answered in the affirmative the question “[i]s damage to one’s business reputation a personal injury?” *Fabry v. Commissioner*, 223 F.3d 1261, 1270 (11th Cir. 2000).

In fact, the purpose of Section 157(b)(2)(B) was to properly address claims that should be heard by an Article III court. As noted above, such was prompted by the *Marathon* decision, a case where the sole litigants were corporate persons. Where a natural person would have a right to have a matter heard by an Article III court but a corporate person does not, such denial of equal protection would be unlawfully violative of due process under the Fifth Amendment. See *Bolling v. Sharpe*, 347 U.S. 497 (1954) (holding equal protection claims implicate due process).

26. Even if corporate persons could be treated differently from natural persons for claims arising from the same transaction, it would be improper to abide Defendants's suggestion to have the Bankruptcy Court determine the corporate claim first, in order to then argue a preclusive effect against the natural person. This attempted end-run around a specifically mandated statutory provision, grounded in Constitutional rights, should not be condoned. This is not what the Supreme Court was considering in *Katchen v. Landy*, 382 U.S. 313 (1966); in *Katchen*, the determination involved a single party who submitted to equity jurisdiction. Plaintiffs has not taken action to deprive himself of his rights. Where Congress has acted to provide for access to Article III courts, it would run afoul of the intent of the law to make that access ephemeral.

27. Although Defendants at least has the decency to acknowledge that is its purpose, it would set an unconscionable precedent. Many natural persons conduct business through or have some relationship with a corporate person such that harms giving rise to their individual personal injury claims would also harm the corporate person. As a result, Defendants who would seek to deprive such natural persons of their right to be heard by an Article III court could simply involuntarily join or otherwise implead the related corporate person, have that matter heard first, and then attempt to preclude the natural person's claim on that basis.

#### **The California Anti-SLAPP Law Does Not Apply**

28. Defendants's motion is not about allowance of claims; it is about whether a state law procedural mechanism is to apply in a non-adversarial, contested matter. Although some federal courts permit the application of the California Anti-SLAPP law, *Cal. Code Civ. P. § 425.16*, in civil cases arising from diversity jurisdiction, it has never been found applicable to a contested claim proceeding in bankruptcy court. The differences between the Federal Rules of Civil Procedure and the Federal Rules of Bankruptcy Procedure demonstrate that it makes little sense to do take such an unprecedented step.

29. The very nature and purpose of a proof of claim differs from a traditional complaint, rendering the California law impracticable. As this Court is aware: Correctly filed proof of claims "constitute prima facie evidence of the validity and amount of the claim . . . . To overcome this prima facie evidence, an objecting party must come forth with evidence which, if believed, would refute at least one of the allegations essential to the claim." *Sherman v. Novak (In re Reilly)*, 245 B.R. 768, 773 (2d Cir. B.A.P. 2000). By producing "evidence equal in force to the prima facie case," an objector can negate a claim's presumptive legal validity, thereby shifting the burden back to the claimant to "prove by a preponderance of the evidence that under applicable law the claim should be allowed." *Creamer v. Motors Liquidation Co. GUC Trust (In re Motors Liquidation Co.)*, No. 12 Civ. 6074 (RJS), 2013 U.S. Dist. LEXIS 143957, 2013 WL 5549643, at \*3 (S.D.N.Y. Sept. 26, 2013) (internal quotation marks omitted). If the objector does not "introduce[] evidence as to the invalidity of the claim or the excessiveness of its amount, the claimant need offer no further proof of the merits of the claim." 4 *Collier on Bankruptcy* ¶ 502.02 (Alan N. Resnick & Henry J. Sommer eds., 16<sup>th</sup> ed. 2014). *In re*

*Residential Capital, LLC*, 519 B.R. 890, 907 (Bankr. S.D.N.Y. 2014). 30. In contrast, under Cal. Code Civ. P. § 425.16(b)(1): A cause of action against a person arising from any act of that person in furtherance of the person's right of petition or free speech under the United States Constitution or the California Constitution in connection with a public issue shall be subject to a special motion to strike, unless the court determines that the plaintiff has established that there is a probability that the plaintiff will prevail on the claim.

31. California courts have established a two-step process: first, the defendant must establish the action arose from protected speech or petitioning activity, then “then the burden shifts to the plaintiff to establish a probability that the plaintiff will prevail on the claim, i.e., make a prima facie showing of facts which would, if proved at trial, support a judgment in plaintiff's favor.

In making its determination, the trial court is required to consider the pleadings and the supporting and opposing affidavits stating the facts upon which the liability or defense is based.” *Dowling v. Zimmerman*, 85 Cal. App. 4th 1400, 1417, 103 Cal. Rptr. 2d 174, 188 (2001) (internal citations and quotation marks omitted).

32. Further, [t]o establish a probability of prevailing, the plaintiff must demonstrate that the complaint is both legally sufficient and supported by a sufficient prima facie showing of facts to sustain a favorable judgment if the evidence submitted by the plaintiff is credited. For purposes of this inquiry, the trial court considers the pleadings and evidentiary submissions of both the plaintiff and the defendant (§ 425.16, subd. (b)(2)); though the court does not weigh the credibility or comparative probative strength of competing evidence, it should grant the motion if, as a matter of law, the defendant's evidence supporting the motion defeats the plaintiff's attempt to establish evidentiary support for the claim. In making this assessment it is the court's responsibility to accept as true the evidence favorable to the plaintiff. The plaintiff need only establish that his or her claim has minimal merit to avoid being stricken as a SLAPP.

*Soukup v. Law Offices of Herbert Hafif*, 39 Cal. 4th 260, 291, 46 Cal. Rptr. 3D 638, 662-63, 139 P.3d 30, 50 (2006) (internal citations and quotation marks omitted).

33. This process makes little sense in a non-adversarial, claims objection proceeding. First, as noted, Claimants' proofs of claim already enjoy a presumption of prima facie validity under Fed. R. Bankr. P. 3001(f) and Claimants' submissions must be accepted as true. Thus, as a matter of law, Claimants will always prevail on a California anti-SLAPP motion, having the “minimal merit” which would support allowance of the claim. Second, once a party objects to a proof of claim and introduces evidence of invalidity, a claimant must prove his claim by a preponderance of the evidence, not merely a probability of prevailing. Defendants would require a bankruptcy court to make an unnecessary finding that a disallowed claim nevertheless had a probability of prevailing. The burden shifting framework does not work in a

*contested claim proceeding, even if it might work for an adversarial matter or in a case under the Rules of Civil Procedure.*

*Notably, even in diversity cases, the entirety of the California Anti-SLAPP law is not imported in its entirety. Unlike in California state courts, a denial of an Anti-SLAPP motion is not an appealable interlocutory order in Federal courts. See Hyan v. Hummer, 825 F.3d 1043 (9th Cir. 2016). Federal courts do not apply the timing requirements set forth in Section 425.16(f), which directly collides with the timeline allowed under Fed. R. Civ. P. 56. See Sarver v. Chartier, 813 F.3d 891 (9th Cir. 2016). Federal courts do not stay discovery upon the filing of an Anti-SLAPP motion, as otherwise directed by Section 425.16(g). See Metabolife Int'l, Inc. v. Wornick, 264 F.3d 832, 845 (9th Cir. 2001).*

*35. Even the very idea of the burden-shifting framework has been questioned by the Ninth Circuit. See Englert v. MacDonell, 551 F.3d 1099, 1102 (9th Cir. 2009) (reserving the issue with respect to a parallel Oregon statute). The D.C. Circuit directly confronted this issue in Abbas v. Foreign Policy Grp., LLC, 783 F.3d 1328, 1335 (2015). In Abbas, the D.C. Circuit directly rejected the idea that an analogous burden-shifting framework created a substantive, quasi-immunity from suit, because the law collided with Rules 12 and 56 as to how a showing is to be made, rendering it inapplicable pursuant to Shady Grove Orthopedic Associates, P.A. v. Allstate Insurance Co., 559 U.S. 393, 398-99, 130 S. Ct. 1431 (2010). See 783 F.3d at 1335.*

*36. Defendants attempts to distinguish Abbas by highlighting the non-mandatory nature of applying Rules 12(b)(6) and 56, suggesting that collision is avoided if those rules are not applied. Defendants's Brief at 15-16. First, it bears observing that Defendants, in its objections to the claims, did move to apply Rule 12(b)(6), rendering its own argument moot. Thus, where § 425.16 does conflict with Rule 7012, its application would directly collide with this Court's authority to "direct that one or more of the other rules in Part VII shall apply." Fed. R. Bankr. P. 9014(c). Second, although Defendants argues that the Court can "otherwise direct" Rule 7056 not apply per Rule 9014, it provides no reason why the normal rules should be avoided here; Claimants located but one case where a bankruptcy court made such direction to permit the parties to "flesh out the record", there on a motion to employ, not a claims objection. See In re Rusty Jones, Inc., 109 B.R. 838, 845 (Bankr. N.D. Ill. 1989). Fleshing out a record would similarly be reason not to apply § 425.16 where*

*Defendants has otherwise obtained a briefing schedule in order for it to take discovery. See Dkt. No. 703. Essentially, the only reason to "otherwise direct" Rule 7056 not apply is because it collides with § 425.16. Third, to not apply certain rules simply because Claimants are California citizens would deny such citizens equal protection in a manner to be so violative of due process that it is an offense to the Fifth Amendment. See Shapiro v. Thompson, 394 U.S. 618, 642, 89 S. Ct. 1322, 1335 (1969).*

37. Moreover, it makes little sense to import the California procedure where Fed. R. Bankr. P. 3007 permits parties in interest other than the Defendants to object to a claim. It could well be impracticable where a Defendant does not believe protected speech was involved, but a third party does. It is not equitable for one class of objector (a Defendant) to potentially enjoy the benefits of the California procedure (attorneys' fees) and not others (other creditors).

38. Contrary to the assertion of Defendants, the procedures of § 425.16 are not "bound up" with the law of libel, even to the extent Justice Stevens's concurrence in *Shady Grove Orthopedic Assocs., P.A. v. Allstate Ins. Co.*, 599 U.S. 393, 419-410 (2010), is controlling. First, Defendants fails to identify what the substantive law is that Section 425.16 is bound up with. The California Anti-SLAPP law is not limited to the law of libel; it also applies to other state law claims. See, e.g., *State Farm Mut. Auto. Ins. Co. v. Lee*, 193 Cal. App. 4th 34, 122 Cal. Rptr. 3D 183 (2011) (application to abuse of process and unfair business practice claims); *Jarrow Formulas, Inc. v. LaMarche*, 31 Cal. 4th 728, 3 Cal. Rptr. 3d 636, 74 P.3d 737 (2003) (application to malicious prosecution claims); *Fremont Reorganizing Corp. v. Faigin*, 198 Cal. App. 4th 1153, 131 Cal. Rptr. 3d 478 (2011) (application to breach of confidence, breach of fiduciary duty, equitable indemnity, and violation of Cal. R. Prof. Conduct 3-310(C)); *Peregrine Funding, Inc. v. Sheppard Mullin Richter & Hampton LLP*, 133 Cal.App.4th 658, 674-675, 35 Cal. Rptr. 3D 31 (2005) (application to legal malpractice and breach of fiduciary duty claims). Section 425.16 is not analogous to a bond posting requirement, statute of limitations, evidentiary rule, or verdict capping identified by Justice Stevens, all of which have a substantive quality. See *Shady Grove*, 599 U.S. at 419-410. Here, Defendants seeks to employ a burden shifting framework that could appear at but one discrete stage of a diversity case and has no role in a claim objection; this is not even, then, an example of a "state-imposed burden[ ] of proof", which would go to the ultimate outcome. *Id.* at 410 n. 4. There is no question that Claimants have the ultimate burden of proof, with or without the Anti-SLAPP motion. Thus, as it is not sufficiently bound up with any particular substantive law, it is not applicable in this matter. 9

39. Claims in a bankruptcy case are distinguishable from adversarial matters, especially those brought in district court on the basis of diversity jurisdiction. Claimants did not choose this forum; Defendants did by filing its petition. In doing so, it effectively stripped Claimants of their usual litigation rights. As Defendants says, "what is good for the goose is good for the gander". Defendants's Brief at 14. It would be inequitable to allow Defendants the benefit of a normal civil case, such as the use of Section 425.16, while simultaneously denying Claimants the benefits of such a case, by having deprived them of their chosen forum. C.

***This Matter Should Be Heard by the District Court AND A GRAND JURY***

40. Moving forward, this matter should proceed before the district court. Defendants incorrectly asserts that *Exec. Bens. Ins. Agency v. Arkison*, 134 S. Ct. 2165 (2014) commands that this Court first determine the

case; rather, it held that having summary judgment first heard by the bankruptcy court, to be followed by de novo review by the district court, was permissible under 28 U.S.C. § 157(c). See *Messer v. Magee (In re FKF 3, LLC)*, No. 13-CV-3601 (KMK), 2016 U.S. Dist. LEXIS 117258, at \*52 n.11 (S.D.N.Y. Aug. 30, 2016). Section 157(c)(1) says that a bankruptcy court “may” hear a non-core proceeding, not that it must.

41. The standard as to whether the bankruptcy court should hear the non-core proceeding in the first instance under Section 157(c)(1) is not well articulated. Guidance from cases under Section 157(d), regarding withdrawal, however, may be informative. In such cases, the considerations are “(1) whether the case is likely to reach trial; (2) whether protracted discovery

Although Defendants noted the availability of fees under § 425.16, such provision is secondary to the burden-shifting framework. If the Bankruptcy Court does not perform the mechanism to determine whether or not a probability of success occurs, it would never reach the issue of fees. Section 425.16 does not create a substantive right to fees in all libel cases; only those cases where a defendant is successful on a motion to strike. with court oversight will be required; and (3) whether the bankruptcy court has familiarity with the issues presented.” In *re Times Circle East, Inc.*, 1995 U.S. Dist. LEXIS 11642, 1995 WL 489551, at \*3 (S.D.N.Y. Aug. 15, 1995). All three factors warrant the matter being heard by the District Court in the first instance.

42. This case is likely to reach trial. Claimants have properly asserted multiple false and defamatory statements as libelous. Because of the defenses asserted by Defendants, it is more probable than not that multiple statements will require factual determinations beyond otherwise being readily apparent on their face. Defendants has asserted a defense of lack of actual malice; such will require probing and evidence into its research, editorial, and publication process. Defendants has asserted a defense under Section 230 of the Communications Decency Act; such will require probing and evidence into its business practices, sources, and publication processes. Neither do Claimants have any confidence that this matter will reach settlement; as noted above, even after having filed a bankruptcy petition arising from publication malfeasance, Defendants continued to defame Claimants.

43. Moreover, this non-core proceeding will likely require a jury trial to determine the claim’s value. As having filed personal injury tort claim, Claimants are entitled to and claim the right to trial by jury. See 28 U.S.C. § 1411(a). The Second Circuit has found that jury trials in non-core proceedings are likely prohibited “due to the district court’s de novo review of such proceedings.” In *re Orion Pictures Corp.*, 4 F.3d 1095, 1101 (2d Cir. 1993).

44. Protracted discovery with court oversight will be required. Among other matters, without limitation: Claimants will seek depositions from Defendants. Claimants will require discovery of the identities of the Gawker authors and campaign financiers and will seek to depose them.

*Claimants will seek discovery from Defendants as to its business practices, including editorial and publication decisions and social media cross-promotion, as well as the source code relative to the Kinja and website platforms. Claimants will require detailed discovery into the readership and extent of circulation. Claimants anticipate significant litigation over several of these items. A Bankruptcy Court is unfamiliar with the issues presented. A LEXIS search for cases involving “actual malice” or “section 230”, involving “libel”, “slander”, or “defamation”, yielded only six decision in three cases in this Court. This is not the typical claim arising in a Chapter 11 proceeding. Such cases and issues arise with far more frequency before the District Court.*

*46. Because all of the factors favor the District Court, the Bankruptcy Court should not hear these non-core proceedings. III.*

*47. As set forth above, the California Anti-SLAPP law is not applicable to a contested matter under Fed. R. Bankr. P. 3007, especially as it relates to the allowance of claims. The state statute conflicts with the Federal procedures and otherwise is unworkable where a proof of claim is already prima facie evidence of a possibility of prevailing. Notwithstanding, Claimants filed their proofs of claims knowing they would ultimately prevail, whether or not the California Anti- SLAPP law applies.*

*48. The claims asserted by Claimants are personal injury tort claims that should be heard by the District Court for all further proceedings. Congress must be deemed to have understood the meaning of the term “personal injury” when it legislated, a meaning that, for centuries, has included causes of action sounding in libel and slander, as well as false light invasion of privacy. Defendants has failed to demonstrate that any different meaning was intended.*

*49. The issues raised by Defendants show a determined intent to attempt to avoid facing liability for the multiple calumnies it heaped upon Claimants. Claimants are entitled to be heard and to vindicate their claims. “*

## **INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS CAUSE OF ACTION NOTES**

42. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through 42 inclusive as though fully set forth herein.



43. On or about May 3, 2005, the Plaintiffs, received, in recognition by the United States Congress in the Iraq War Bill, a Congressional commendation and grant issued by the United States Congress and the United States Department of Energy in the amount of over \$2M plus additional access to resources as, and for, the development of a domestic energy fuel cell and energy storage technology to be used in connection with the research and development of an electric car to be used by the Department of Defense and the American retail automotive market in order to create domestic jobs, enhance national security and provide a domestic energy solution derived from entirely domestic fuel sources.

44. Defendants knew of the above described contractual relationship existing between the Plaintiffs and COMPANY B and the United States Department of Energy, in that the grant was made public record and, at the request of representatives of the Venture Capital group of the Defendants, the Plaintiffs believing that the request for information was as to providing additional funding for the project, did, in fact, submit complete information regarding the subject of the grant to Defendants agents upon their request.

45. Defendants, who had, and have, personal, stock-ownership, revolving-door career and business relationships with executive decision-makers at the United States Department of Energy and other Federal and State officials, lobbied and service-compensated those executive decision-makers to cancel, interfere and otherwise disrupt the grant in favor of the Plaintiffs, with the intention of terminating the funding in favor of the Plaintiffs and COMPANY B and applying the information they pirated from the Plaintiffs, for their own benefit as well as terminating the Plaintiffs competing efforts, which third party industry analysts felt could obsolete Defendants products via superior technology.

46. Individuals approached Plaintiffs offering to “help” the Plaintiffs get their ventures funded or managed. Those individuals were later found to have been working for Kleiner Perkin's, the founding investor and current share-holder of Defendants. The Plaintiffs discovered that those “helpful” individuals were helping to sabotage development efforts and pass intelligence to Defendants for its own use and applications.

47. Accordingly, Defendants was successful in its efforts and, in or about August of 2009, the grant and other funding programs in favor of the Plaintiffs, was summarily canceled and re-directed to Defendants and their holdings.

48. Commencing in or about 2008, Defendants commenced to take credit for advancement in its own energy storage and internet media technology, as based on the information it had pirated from the Plaintiffs.

49. The interference of Defendants, with the relationship of the Plaintiffs, was intentional, continues to today, and constitutes an unfair business practice in violation of Business and Professions code section 17200.

50. As a proximate result of the conduct of the Defendants, and severance and termination of the grant to the Plaintiffs, the Plaintiffs have suffered damages including financial damage, damage to their reputation and loss of critical intellectual property.

51. The aforementioned acts of the Defendants, were willful, fraudulent, oppressive and malicious. The Plaintiffs is therefore entitled to punitive damages.

#### **INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE CAUSE OF ACTION NOTES**

52. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through this paragraph inclusive as though fully set forth herein.

53. In or about the fall of 2009, when the Plaintiffs discovered that their fundings from the United States Department of Energy had been terminated, de-funded and re-routed to Defendants, by Defendants. The Plaintiffs informed other members of the energy and automotive technology industry and the U.S. Congress of the facts of Defendants behavior and specifically the behavior that gave rise to termination of the grant.

54. Defendants became aware that the Plaintiffs were intent on telling the truth about these facts, about true ownership of the intellectual property relied on by Defendants in its own vehicle, energy and internet media technology and about Defendants theft of this property.

55. In order to put a stop to the Plaintiffs and in an effort to discredit Plaintiffs, divest Plaintiffs of contacts in the industry and also of financial backing, Defendants enlisted the services of the Defendants, YouTube and Gawker and also Defendants own wide array of media and branding manipulation tools which are service offerings of Defendants. The Defendant produced attack material is reposted, impression accelerated, click-farm fertilized and Streisand array reposted by Defendants massive character assassination technology via servers algorithms and technical internet manipulation daily as recently as yesterday. Defendants also embed the article in job hiring databases on Axciom, Palantir, Taleo and other databases used by all hiring and recruiting services in order to prevent Plaintiffs from ever receiving income

for W2 or 1099 work ever again.

56. In 2011, Gawker published a contrived “hatchet job” article describing the Plaintiffs in horrific descriptors. The article is reposted, impression accelerated, click-farm fertilized and Streisand array reposted by Defendants massive character assassination technology via servers algorithms and technical internet manipulation daily as recently as yesterday. Defendants also embed the article in job hiring databases on Axciom, Palantir, Taleo and other databases used by all hiring and recruiting services in order to prevent Plaintiffs from ever receiving income for W2 or 1099 work ever again. Defendants own staff then posted thousands of fake comments, below each attack item, under fake names, designed to make it appear as if a broad consensus of the public agreed with the defamation messages by Defendants. Almost all of the fake comments were created by a handful of Defendants own staff pretending to be a variety of outside voices. Defendants replicated various versions of these attack items across all of their different brands and facade front publications and added additional fake comments to each on a regular basis.

57. In 2011, Defendants YouTube posted a video which depicted the Plaintiffs as a cartoon character who attempts to engage in unethical behavior. The video employs Plaintiffs personal name and personal information. The article is reposted, impression accelerated, click-farm fertilized and Streisand array reposted by Defendants massive character assassination technology via servers algorithms and technical internet manipulation daily as recently as yesterday. Defendants also embed the article in job hiring databases on Axciom, Palantir, Taleo and other databases used by all hiring and recruiting services in order to prevent Plaintiffs from ever receiving income for W2 or 1099 work ever again. Defendants own staff then posted thousands of fake comments, below each attack item, under fake names, designed to make it appear as if a broad consensus of the public agreed with the defamation messages by Defendants. Almost all of the fake comments were created by a handful of Defendants own staff pretending to be a variety of outside voices. Defendants replicated various versions of these attack items across all of their different brands and facade front publications and added additional fake comments to each on a regular basis.

58. Defendants has paid tens of millions of dollars to Gawker Media and has a business and political relationship with Gawker Media according to financial filings, other lawsuit evidence, federal investigators and ex-employees.

59. Also as intended by Defendants, this damage, especially because the false representations become immediately apparent to anyone conducting an internet search for the “Plaintiffs,” have caused investors to shy away from the Plaintiffs, causing the Plaintiffs further difficulty in obtaining funding from in, or about, 2011 to the present time.

60. Defendants has also placed on human resources and and job hiring databases negative and damaging red flags about the Plaintiffs, relative to the Gawker and Defendants attacks. These

postings were intended by Defendants to prevent the Plaintiffs, not only from working for himself, but also from working for other, noteworthy individuals of good repute.

61. Additionally, Defendants representatives sent a copy of the Gawker attack article to an employer of the Plaintiffs via their human resources office and asked this employer, “You don't want him working for you with this kind of article out there, do you?” This resulted in the Plaintiffs immediate termination because of that article. Plaintiffs has recovered documents between Defendants showing the preplanned and premeditated deployment of this attack. As documented in one of the Hulk Hogan cases against Defendants associates: *“As evidence, the lawsuit points to a Gawker article by its founder, Nick Denton, that predicted Mr. Bollea’s “real secret” would be revealed — it was posted soon before The Enquirer report — and a 14-minute gap between the publication of the article and a Gawker editor, Albert J. Daulerio, tweeting about it. “Based upon the timing and content of Daulerio’s tweet, Daulerio was aware, in advance, of The Enquirer’s plans to publish the court-protected confidential transcript,” the lawsuit argues...”* Plaintiffs in this case also have the same form of evidence from the same parties.

62. As a proximate result of the conduct of the Defendants, the Plaintiffs and COMPANY B have suffered severe financial damage and, accordingly, loss of their good will and reputation.

63. Plaintiffs are informed by investigators and Defendants' own former staff that Defendants planned an effort to “take him down” in retribution for effectively competing with Defendants and for co-operating with law enforcement and regulatory investigations of Defendants.

64. The aforementioned acts of the Defendants were willful, fraudulent, oppressive and malicious. The Plaintiffs is therefore entitled to punitive damages.

### **CYBER-STALKING CAUSE OF ACTION**

65. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through this paragraph inclusive as though fully set forth herein.

66. By hiring and/or making an arrangement with associated tabloids to publish an article replete with false and misleading statements disparaging the Plaintiffs, in the guise of publishing opinion, the Defendants Defendants intended to harass the Plaintiffs and did in fact harass the Plaintiffs.

67. By refusing to remove the offending publication and, in fact, assigning it a value associated with “truth”, “factuality” and a position in its web browser that came up and still comes up the

first and most prominent link pursuant to any search for the Plaintiffs and maintaining this link for the past 5 years as globally marketed, public, published, permanent, un-editable and unmovable, Defendants intended, and continues to intend to harass the Plaintiffs.

68. By doing the things described in paragraphs 67 and 68 above, Defendants, did and does continue to intend to cause the Plaintiffs substantial emotional distress.

69. The Plaintiffs, commencing in or about their discovery of the post and the link, has experienced and continues to experience substantial emotional distress.

70. Defendants engaged in the pattern of conduct described above with the intent to place the Plaintiffs in reasonable fear for their safety or in reckless disregard for the safety of the Plaintiffs.

71. The Plaintiffs admit here that Plaintiffs knew of a number of Bay Area technologists including Gary D. Conley, Rajeev Motwani who also had strange run-ins with Defendants and who subsequently suffered strange terminations per investigators and media who continue, at the request of the families and friends of those individuals, and others, to examine those cases. This has caused concern and stress for Plaintiffs. While Defendants did not necessarily have the intent to do physical harm to the Plaintiffs, by arranging for publication of the subject article, ensuring the subject article could not be moved or altered and would be certain to appear first and permanently as the result of any search for the Plaintiffs, intended to do significant damage to Plaintiffs financial interests in retaliation for their testimony at the proceedings described above and also intended to ensure the Plaintiffs would have no future as a competitor in the industry of technology populated by the Plaintiffs and by the Defendants.

72. Defendants chose to cheat rather than compete and decided, as a whole to plan, operate and deploy “hit jobs”, defamation attacks, media hatchet jobs, character assassinations, venture capitol black-lists, technology hiring no-poaching blacklists, public officials influence buying and other illicit tactics against Plaintiffs, public officials, journalists, ex-employees, political candidates and others, as retribution, vengeance and vendetta tactics.

73. The results of any search for the Plaintiffs on Defendants search engine are attached hereto in the Exhibits and incorporated herein by reference. These same results have remained consistently in place and unmovable and un-editable since April 3, 2011.

74. In 2011, and through 2015, the Plaintiffs did contact Defendants with written requests to remove the offending content. [See, Correspondence, a true and correct copy of which is attached hereto as Exhibits and incorporated herein by reference.] In response, Defendants consistently stated it has no control over the results of any search on its search engine or the operation of its technology or its

algorithm and, accordingly, refused to remove the results or cease the harassment.

75. Defendants continues to refuse to allow any member of the public to search for the Plaintiffs, without locating results that falsely identify the Plaintiffs in a negative and damaging narrative contrived for the sole intended purpose of Plaintiffs financial and social destruction.

76. As so aptly stated by Hulk Hogan’s lawyers in their own suit against associates of the Defendants: The Defendants “*chose to play God.*”

### **FRAUD CAUSE OF ACTION**

77. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through this paragraph inclusive as though fully set forth herein.

78. As above, in response to the request of the Plaintiffs regarding removal of the Gawker article of early 2011, the Defendant stated that has no control over the results of any search on its search engine and no control over the results of its algorithms, refused to and continues to refuse to allow any member of the public to search for the Plaintiffs, without publishing results that falsely identify the Plaintiffs as a scam artist.

79. The Defendant made this statement with the intent to induce the Plaintiffs Company A to rely on it.

80. The Plaintiffs continued to rely on the statement and to believe that the Defendant has not power or authority to manipulate the results of searches conducted on its search engine until in or about mid 2015 when it became clear as the result of the litigation commenced in Europe by The European Commission, that Defendant does in fact have such ability and does, in fact, exercise this ability regularly to manipulate and manage any of the results of any search on its engine.

81. On or about early 2011, defendants made the following representation(s) to the Plaintiffs: They stated that Defendants had no control over the public experience of its products, page ranking and link presentation and that all results were arbitrary and a matter of luck.

82. The representations made by the defendant were in fact false. The true facts are that Defendants owners and executives can freely, consciously and manually rig, manipulate, modify, mood

emphasize, re-rank, hide, adjust psychological adjacency perceptions of above-and-below text, delete or otherwise affect the local, regional, national and global perceptions of the public overall, or any market segment, or demographic, at will, in precise, controlled and monitored manipulations and that Defendants has even sold these manipulations-as-a-service to private clients.

83. When the defendant made these representations, he/she/it knew them to be false and made these representations with the intention to deceive and defraud the Plaintiffs and to induce the Plaintiffs to act in reliance on these representations in the manner hereafter alleged, or with the expectation that the Plaintiffs would so act.

84. The Plaintiffs, at the time these representations were made by the defendant and at the time the Plaintiffs took the actions herein alleged, was ignorant of the falsity of the defendant's representations and believed them to be true. In reliance on these representations, the Plaintiffs was induced to and did delay their attempts to have Defendants cease their abuse of Plaintiffs by technical means. Had the Plaintiffs known the actual facts, he/she would not have taken such action. The Plaintiffs reliance on the defendant's representations was justified because Defendants stated that they represented government interests and because FTC and SEC investigation manipulations, by Defendants, had not yet been fully exposed in the news media.

85. As a proximate result of the fraudulent conduct of the defendant(s) as herein alleged, the Plaintiffs was induced to expend hundreds of hours of their/her time and energy in an attempt to derive a profit from their ventures which were covertly under attack by defendant(s) but has received no profit or other compensation for their/her time and energy], by reason of which the Plaintiffs has been damaged in the sum of at least two billion dollars based on the minimum reported amounts by which Defendants profited at Plaintiffs expense and the paths of direction which Plaintiffs were steered to by Defendants fraudulent misrepresentations.

86. The aforementioned conduct of the defendant(s) was an intentional misrepresentation, deceit, or concealment of a material fact known to the defendant(s) with the intention on the part of the defendant(s) of thereby depriving the Plaintiffs of property or legal rights or otherwise causing injury, and was despicable conduct that subjected the Plaintiffs to a cruel and unjust hardship in conscious disregard of the Plaintiffs rights, so as to justify an award of exemplary and punitive damages.

### **INVASION OF PRIVACY CAUSE OF ACTION**

87. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through this paragraph inclusive as though fully set forth herein.

88. The Defendant, first by arranging for and allowing/posting the gawker article, then by coding a link to the article that permanently placed the article at the top of any search results for the Plaintiffs, Company A, has invaded the inalienable privacy rights of the Plaintiffs, Company A as protected by Article I section 1 of the Constitution of the State of California and violated the human right known as “the right to be forgotten”, now overtly supported in other nations.

89. The intrusion commenced in or about April of 2011 and continues to this day, is significant and remains unjustified by any legitimate countervailing interest of the Defendant.

90. For five years, when any member of the public searches on the Defendant search engine holdings, for the Plaintiffs, Company A, the first link to pop up refers to the Plaintiffs, Company A as a horrible person via Defendants severs and postings which are locked in position on the internet. A situation which could only possibly occur if Defendants and their partner Google were maliciously rigging the internet results and processes.

91. The pervasiveness and longevity of this link plus its placement at the very top of any search result has resulted in a significant, albeit intentional interference with the right of the Plaintiffs Company A to engage in and conduct personal and business activities, to enjoy and defend life and liberty, acquiring possessing and protecting property and pursuing and obtaining safety, happiness and privacy.

92. The facts disclosed about Plaintiffs were and remain false. Even in the event the Gawker article might have at one time garnered protection by the First Amendment as opinion regarding a public controversy and about a semi-public figure, no further controversy exists or even could.

93. Five years have passed and, despite the lack of current content of controversy, the Plaintiffs, Company A remains saddled with a personal, permanent and immovable reference on the internet that characterizes him as scam artist in the world of internet technology.

94. The Plaintiffs Company A has done the best he could in these years to move on with new projects and new investors. He has made every effort to start anew and has been precluded from doing so by the gawker article.

95. Maintenance of the original posting of April 2011 for five years is offensive and objectionable to the Plaintiffs Company A and certainly would be to a reasonable person of ordinary sensibilities in that the original posting is false and defamatory and was intentionally arranged for



by Defendant so as to do significant damage to the personal and professional reputation of the Plaintiffs, Company A, because it has accomplished this damage, because there is no manner other than at the Defendant Defendants hand by which the link can be altered or removed or the search results edited or limited and because there exists no reason that the Plaintiffs Company A should not be allowed to enjoy a right to move on with is life independent of a label that had no basis in truth and reality in the first place.

96. The facts regarding the character of the Plaintiffs, Company A, included in the gawker article are certainly no longer of any legitimate public concern nor are they newsworthy nor are they tied to any current controversy or dialogue.

97. IN FACT, THE Plaintiffs, can truly no longer be considered a public figure or even a semi-public figure as the GAWKER article has fairly successfully put him out of business and kept him out of business for the past five or more years.

98. As a proximate result of the above disclosure, Plaintiffs lost investors, contracts, was scorned and abandoned by their/her friends and family, exposed to contempt and ridicule, and suffered loss of reputation and standing in the community, all of which caused them/him/her humiliation, embarrassment, hurt feelings, mental anguish, and suffering], all to their/her general damage in an amount according to proof.

99. As a further proximate result of the above-mentioned disclosure, Plaintiffs suffered special damages to the brand, financing, reputation and market timeframe opportunities for their/her business, in that they lost funding, market share, federal contracts and other income, to their special damage in an amount according to proof.

100. In making the disclosure described above, defendant was guilty of oppression, fraud, or malice, in that defendant made the disclosure with (the intent to vex, injure, or annoy Plaintiffs or a willful and conscious disregard of Plaintiffs rights. Plaintiffs therefore also seeks an award of punitive damages.

101. Defendant has threatened to continue disclosing the above information. Unless and until enjoined and restrained by order of this court, defendant's continued publication will cause Plaintiffs great and irreparable injury in that Plaintiffs will suffer continued humiliation, embarrassment, hurt feelings, and mental anguish. Plaintiffs has no adequate remedy at law for the injuries being suffered in that a judgment for monetary damages will not end the invasion of Plaintiffs privacy.

#### **UNFAIR COMPETITION CAUSE OF ACTION**

102. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through this paragraph inclusive as though fully set forth herein.

103. The Plaintiffs brings this action on their own behalf and on behalf of all persons similarly situated. The class that the Plaintiffs Company A represents is composed of all persons who, at any time since the date four years before the filing of this complaint, sought to have offensive, irrelevant and outdated material posted to the internet and available through a search on the Defendant search engine corrected, removed or re-ranked and have been informed by the Defendant that the Defendant does not have the ability to do so and that Defendants falsely states this assertion in Defendants published policy.

104. The persons in the class are so numerous, an estimated 39% of the population of the United States of America, that the joinder of all such persons is impracticable and that the disposition of their claims in a class action is a benefit to the parties and to the court.

105. There is a well-defined community of interest in the questions of law and fact involved affecting the parties to be represented in that each member of the class is or has been in the same factual circumstances, hereinafter alleged, as the Plaintiffs . Proof of a common or single state of facts will establish the right of each member of the class to recover. The claims of the Plaintiffs are typical of those of the class and the Plaintiffs will fairly and adequately represent the interests of the class.

106. There is no plain, speedy, or adequate remedy other than by maintenance of this class action because the Plaintiffs is informed and believes that each class member is entitled to restitution of a relatively small amount of money, amounting at most to \$5,000.00 each, making it economically infeasible to pursue remedies other than a class action. Consequently, there would be a failure of justice but for the maintenance of the present class action.

107. The Defendant is a business incorporated in the State of California and at all times herein mentioned owned and operated a its search engine and its ancillary commercial enterprises from its headquarters in Mountain View California.

108. In early 2011, GAWKER, a well-known internet libel and slander processing tabloid published an article about the Plaintiffs. The article falsely, maliciously and without regard for the truth, labeled the Plaintiffs, a scam artist.

109. Any search on the Defendant's search engine for "Company A" resulted and to this day still results in a display of the GAWKER article with the Plaintiffs described as a horrible person.

110. Publication of the article by GAWKER and the linking by GOOGLE caused the Plaintiffs immediate and irreparable harm to their reputation, to their business interests and to their personal life.

111. Some five years have passed and the Plaintiffs, Company A, continues to suffer damage to their reputation to their business interests and to their personal life as the result of the publication by GAWKER and GOOGLE'S rigged link to it.

112. In or about early 2011, the Plaintiffs directed a written request to the Defendants to unlink the GAWKER publication to any search for their name or to delete the offending article.

113. The Defendant, responded by stating that it had no ability or legal obligation to do so as the request didn't fall within its own policies for removal.

114. The position of the Defendant is illegal, false and unfair.

115. The position of the Defendant is illegal as it infringes on the rights of individuals as protected by the Constitution of the State of California which protects the rights and freedoms of individuals to: "All people are by nature free and independent and have inalienable rights. Among these are enjoying and defending life and liberty, acquiring, possessing, and protecting property, and pursuing and obtaining safety, happiness, and privacy." per the State Constitution.

116. The position of the Defendant is unfair as it deprives individuals of rights protected by the Constitution of the State of California which protects the rights and freedoms of individuals to: "All people are by nature free and independent and have inalienable rights. Among these are enjoying and defending life and liberty, acquiring, possessing, and protecting property, and pursuing and obtaining safety, happiness, and privacy."

117. The position of the Defendant, is false because, as a processor of personal information and a controller of that information, the Defendant also possesses the technical, logistical and government official manipulation power and ability to delete, re-rank and mood manipulate any information obtained as the result of a search on its search engine.

118. As a direct, proximate, and foreseeable result of the Defendant's wrongful conduct, as alleged above, the Plaintiffs and millions of others other members of the Plaintiffs class, who are unknown to the Plaintiffs but can be identified through inspection of the Defendant's records reflecting requests for removal it has already received and by other means, have been subjected to unlawful and unwanted publication of in accurate, inadequate, irrelevant, false, excessive, malicious and defamatory internet postings about themselves and as a result of the Defendant's present policies, have thereby been deprived of their right to privacy and the right to control information published about them as

this control now apparently is vested in the Defendant and not in and of themselves.

119. The Plaintiffs is entitled to relief, including full restitution for the unfair practices of the Defendant as these have damaged their reputation and their business prospects and deletion or de-ranking of any article naming him a scam artist as inaccurate and currently irrelevant.

120. The Defendant, has failed and refused to accede to the Plaintiffs's request for a removal of the offending article or for any de-ranking or separation of the article from a search for their name. The Plaintiffs is informed and believes and thereon alleges that the Defendant has likewise failed and refused, and in the future will fail and refuse, to accede to the requests of other individuals requests for removal, de-ranking or the separation of search results from a simple search for their name.

121. The Defendant's acts hereinabove alleged are acts of unfair competition within the meaning of Business and Professions Code Section 17203. The Plaintiffs is informed and believes that the Defendant will continue to do those acts unless the court orders the Defendant to cease and desist.

122.. The Plaintiffs has incurred and, during the pendency of this action, will incur expenses for attorney's fees and costs herein. Such attorney's fees and costs are necessary for the prosecution of this action and will result in a benefit to each of the members of the class. The sum of \$500,000.00 is a reasonable amount for attorney's fees herein.

#### **THEFT OF INTELLECTUAL PROPERTY CAUSE OF ACTION**

123. The Plaintiffs hereby incorporate by reference the allegations set forth in paragraphs 1 through this paragraph inclusive as though fully set forth herein.

124. Plaintiffs venture fund has founded, funded and launched multiple business ventures based on novel new technology inventions. In the majority of the cases, Defendants engaged in industrial espionage of Plaintiffs new ventures, including using agents to solicit Plaintiffs for information under the guise of "possibly investing", and then copied and exploited those ventures for substantial profit while running attacks on Plaintiffs venture in order to blockade any attempt at competition. Defendants engaged in systematic venture capitol black-listing, funding cartels, the hiring of attack-media hatchet job bloggers, internet search rigging and numerous other dirty tricks campaigns in order to steal technology and business ideas. SEC, U.S. Senate Investigators, broadcast news journalists, other federal investigators and records from other lawsuits have provided testimony that Defendants have paid Gawker Media "*tens of millions of dollars*" for "*special services*". Of millions of publications in the world, only

Gawker Media engaged in the media attacks against Plaintiffs and only the Defendants derived the core benefits of those attacks. A list of the Plaintiffs business ventures interdicted and copied by Defendants includes the following.

136. Defendants did have their agents, investors, executives and staff contact Plaintiffs under the guise of "considering an investment" in order to induce Plaintiffs to disclose trade secrets under false promises of confidentiality

137. The New York Times newspaper and digital publications group published an investigative article entitled: "***How Larry Page's Obsession Became DefendantsBusiness***" on January 22, 2016 by CONOR DOUGHERTY. This article describes the manner in which Defendants founder, Larry Page, seeks to steal ideas, for Defendants, from young entrepreneurs and inventors, much as he appears to have done to Plaintiffs. The article discloses the covert manners in which Defendants harvest intellectual property without revealing their true identities or actual intentions.

138. Hundreds of reporters, clients and members of the public have commented that: "Defendants seems to copy everything you come up with" to Plaintiffs. In one specific instance, a television show entitled the Silicon Valley Business Report did a broadcast report demonstrating how Plaintiffs company appeared to have been nearly 100% copied by Defendants's YouTube. In another instance, the globally broadcast TV Network E! Entertainment Network produced a network TV segment about Plaintiffs creation: "Scott Glass" which was later copied by Defendants as: "Defendants Glass" with nearly verbatim features, appearance

139. CBS News staff, including Bob Simon of 60 Minutes CBS News, did inform Creditors that Defendants did attack, interfere with the business of, defraud, cyber-stalk and engage in RICO statute violations of Creditors as exemplified in the FBI Solyndra, Cleantech and Obama Administration campaign financing quid-pro-quo investigations since 2007.

140. Federal corruption hearings and court trials in Washington DC have proven these facts and ruled that Creditors were in fact subjected to reprisal, vendetta and retribution actions financed and directed in part by Defendants.

141. Former staff of a company called KiOR have whistle-blown as to the veracity of facts about Defendants and recent CIA/FBI and Russian Hacks of Khosla have confirmed the veracity of damages by Defendants against Creditors.

142. Defendants have sent numerous proxies to spy on and interfere with Creditors under the guise of “helping” Creditors or “considering an investment in Creditors”.

143. Creditors report to the FBI and have privileged access to Federal executive officials such that law enforcement knowledge is shared.

144. House Ethics investigators and San Jose Mercury News investigators have provided additional evidence and verifying data.

145. Tens of billions of dollars of profits were acquired by Defendants while infringing Plaintiffs technologies, and Defendants sought to damage and delay Plaintiffs ability to seek recovery.

146. Defendants maliciously harmed revenue stream of Plaintiffs in order to prevent or delay legal action by Plaintiffs in order to seek to expire statute of limitations. Causes of action continue to this day and Plaintiffs only recently discovered much of the inside information via law enforcement and federal investigators.

147. Defendants’ founders personally solicited and copied CEO business ventures and technologies and wanted to harm Plaintiffs’ brand in order to mitigate discovery of that fact.

148. Plaintiffs testified for federal law enforcement against Defendants and Defendants sought to engage in retribution for Plaintiffs’ testimony. In previous related cases, Plaintiffs won historical national legal precedents and overcame multi-million dollar federal litigation counter-measures by Defendants’ and their associates. Plaintiffs are the first known Americans to receive a federal court confirmation that they were victimized by “*a federal program infected with corruption and cronyism*”. Defendants were the “*crony’s*” referred to by the U.S. Courts. The U.S. Federal Court has now issued one of, if not the, first rulings in U.S. Federal Court Record stating that Plaintiffs were in fact attacked by corrupt federal employees.

149. Plaintiffs’ technologies obsolete Defendants’ technologies and Defendants sought to damage Plaintiffs as witnesses and competitors.

150. Defendants sabotaged Plaintiffs’ government contracts and circumvented and acquired Plaintiffs’ money through illicit actions. Defendants traded campaign financing, that was not properly reported, in exchange for insider contracts and stock valuation pumps.

151. Defendants covertly work together and share common stock transactions, trusts, shell companies, campaign financing, contracts, and personal relationships.

152. Defendants operate a cartel-like organization which fully meets RICO violation parameters.

153. Defendants have been reporting to FBI, OSC, GAO, FTC, CFTC, EU, SEC and U.S. Congress on this case for many years and supportive federal case files are already deeply for this matter and any future Special Prosecutor hearings.

154. Defendants cannot argue time bar statute of limitations due to attacks as recently as today and revelations by the Justice Department as of this week.

155. Defendants cannot argue “Conspiracy Theory” or “Fake News” because the overwhelming current public opinion will destroy them within a week (ie: Voat.co)

156. 95% of the entire 2017 White House Administration supports this case because Defendants spent hundreds of millions of dollars attacking 95% of the entire 2017 White House Administration. Every new FBI director on the short-list for the new FBI supports this case.

157. Plaintiffs have an advance copy of Defendants potential defense plan against this case. Plaintiffs have ongoing resources from law enforcement, investigators and journalists with deep factual repositories. China & Russia are thought to have hacked Defendants, and have begun posting leaks which are helpful to this case. In this election year, more beneficial leaks are expected by the press. Global public trends are tracking negative on Defendants. Plaintiffs won a federal court decision in a partially related case in which investigators found a “Cartel controlled by Defendants” to be the primary financier of the illicit activities. Recent news and government investigation reports prove that Defendants wild and bizarre actions actually took place, even though Defendants tries to play the charges off as “fantastical”, in circumventing due process and government ethics programs. News reports of Defendants investors and executives sex scandals and tax evasions prove bad character aspects of defendants.

158. Defendant's attorney Michelle Lee runs the patent office and may have already attempted to interfere with Plaintiffs patent filings, The Defendants-created ALICE and IPR disruptions put Plaintiffs existing patents at risk if any of their patent #'s are named. One day after Plaintiffs was told they were about to receive their most recent patent, which USPTO had determined over-rode Defendants and Facebook, the USPTO reversed their decision after interjection from Defendants USPTO-based staff.

159. According to large numbers of investment publications, including Investor Place publication: Tesla Motors TSLA Stock: *"Tesla Motors Inc is "Worth \$660 Billion". " Today, Apple Inc. (AAPL) is the largest company in the world. But Tesla Motors Inc (TSLA) stock could rocket so high in the next 10 or 15 years that the currently \$33 billion automaker exceeds even Apple's \$540 billion valuation.*

*That's according to billionaire investor Ron Baron, CEO of Baron Capital, who went on CNBC this morning to rave about TSLA stock.*" There is more than enough proof that experts value Tesla Motors at a minimum of \$33B and over \$660B at a higher argument point. Plaintiffs competing car company, which had solved all of the problems Tesla has had and has a higher volume sales potential due to it's lower retail pricing was worth at least \$33B and in excess of \$700B and that that one consideration accounts for \$700B of damages caused by Defendants in their attacks designed to interfere with the existence of Plaintiffs car company. In like manner, Plaintiffs broadcasting network was supplanted by Defendants broadcasting network which is now equivalent to Netflix or Univision. Motley Fool published a report that "*Shares of streaming video pioneer **Netflix** ([NASDAQ:NFLX](https://www.nasdaq.com/symbol/nflx)) have had another outstanding year in 2015. The stock hit a new all-time high of \$132.20 last week. As Netflix stock has taken off, the company's market cap has surged from around \$20 billion in January to a staggering \$56 billion today.*" Univision has publicly stated that it is worth \$25B in its SEC filings. Thus Defendants attacks cost Plaintiffs venture group \$56B of additional damages by attacking and cloning another of Plaintiffs technologies and businesses. Plaintiffs energy company offered the equivalence of the energy company Bloom Energy which has a market valuation of \$3B and thus justifies a loss valuation to Plaintiff of at least \$3B. Copy cat companies Tesla Motors, Netflix and Bloom Energy are owned by, managed or co-mingled with Defendants Cartel as are Google and other holders. These companies have been proven, and will again be proven before the jury, to have been first developed, launched, marketed, patented, documented, commended and offered by Plaintiffs. Thus Defendants are clearly documented engaging in over \$720B of damages to Plaintiffs via their coordinated malicious attacks, ongoing Streisand-Effect re-attacks, copy-cat efforts, circumvention of Plaintiffs federal funds into Defendants pockets, interference and other actions. Defendants argument of "*how could one entity have so many companies?*" is made moot by the fact that EACH of defendants principles and associates own HUNDREDS of companies apiece.

### **Damage Awards Demanded**

- **Joining of this case by DOJ**
- **Provision of an attorney for disadvantaged Plaintiffs by DOJ**
- **A percentage of Defendants profits.**
- **A mandated award for the damages that Defendants caused by the interdiction from Plaintiffs for Plaintiffs federal contracts by terminating Plaintiffs State and Federal funds and placing those funds in Defendants bank accounts.**
- **A percentage of all profits from Plaintiffs technologies used by Defendants**
- **Hit-Job damages awards**
- **Loss of income since the start of operations of Defendants**
- **Punitive damages**
- **Other damages**





**NEWS CLIPPINGS RELATED TO THIS CASE AND PRECEDENTS:**

## HULK HOGAN WINS THE SAME KIND OF CASE IN A SIMILAR HISTORICAL WIN:

### **Hulk Hogan on court victory: 'Told ya I was gonna slam ...**

**Hulk Hogan** on **court victory**: 'Told ya I was gonna slam another giant' ... She's still waiting for the Nationals to call about her spot with the Racing Presidents.

 [ftw.usatoday.com/2016/03/hulk-hogan-punitive-damages-twitter](http://ftw.usatoday.com/2016/03/hulk-hogan-punitive-damages-twitter)

### **Judge Upholds Hulk Hogan's \$140 Million Trial Victory Against ...**

Judge Upholds **Hulk Hogan's** \$140 Million Trial **Victory** Against ... There's also a pending Gawker motion arguing for dismissal on the basis of fraud upon the **court**.

▪ [hollywoodreporter.com/thr-esq/judge-upholds-hulk-hogans-140-897301](http://hollywoodreporter.com/thr-esq/judge-upholds-hulk-hogans-140-897301)

### **Hulk Hogan celebrates his court victory of more than £ ...**

**Hulk Hogan** is clearly in the mood for celebrating after being awarded £80million over his leaked sex tape, along with another £17.5million in punitive damages. The ...

▪ [mirror.co.uk/3am/celebrity-news/hulk-hogan-celebrates-...](http://mirror.co.uk/3am/celebrity-news/hulk-hogan-celebrates-...)

### **Hulk Hogan celebrates his court victory of more than £ ...**

**Hulk Hogan** celebrates his **court victory** of more than £90million with an EPIC leg drop on Gawker The 62-year-old star was victorious in his **court** case against website ...

 [irishmirror.ie/showbiz/celebrity-news/hulk-hogan-celebra...](http://irishmirror.ie/showbiz/celebrity-news/hulk-hogan-celebra...)

### **Hulk Hogan Court Hearing Confrontation - YouTube**

FROM TBO.com: An argument exploded between former pro wrestler **Hulk Hogan** and the attorney for his estranged wife Linda Bollea after a **court** hearing today ...

 [youtube.com/watch?v=yIqv2O0DBcg](http://youtube.com/watch?v=yIqv2O0DBcg)

▪ [hollywoodreporter.com/thr-esq/why-hulk-hogan-is-lose-408595](http://hollywoodreporter.com/thr-esq/why-hulk-hogan-is-lose-408595)

### **Hulk Hogan Celebrates Gawker Court Case Win With a Wrestling ...**

**Hulk Hogan** Celebrates Gawker **Court** Case Win With a Wrestling Meme of Himself. by Antoinette Bueno 8:16 AM PDT, ... **Hogan** tweeted about his **court victory** on Friday.

▪ [etonline.com/news/185042\\_hulk\\_hogan\\_celebrates\\_gawker...](http://etonline.com/news/185042_hulk_hogan_celebrates_gawker...)

### **Hulk Hogan Speaks Out About His Victory Against Gawker - Us ...**

**Hulk Hogan** was overwhelmed with emotion when he learned he had won his sex tape lawsuit against Gawker on Friday, March 18. In a clip from his first post-**victory** ...

 [usmagazine.com/celebrity-news/news/hulk-hogan-speaks-out...](http://usmagazine.com/celebrity-news/news/hulk-hogan-speaks-out...)

### **More Gawker Employees Being Forced into Bankruptcy in Wake of ...**

More Gawker Employees Being Forced into Bankruptcy in Wake of **Hulk Hogan Court Victory**. August 12, 2016 ... employer and former professional wrestler **Hulk Hogan**.

 <https://spartareport.com/2016/08/gawker-employees-forced-bankruptc...>

### **EXCLUSIVE: Hulk Hogan Breaks Down Crying, Says Sex Tape ...**

**Hulk Hogan** gets emotional about his **court** case **victory**. Toggle navigation. HOME; ... **Hogan** celebrated his **court victory** with a humorous meme of himself bodyslamming ...

 [etonline.com/news/185148\\_hulk\\_hogan\\_breaks\\_down\\_in\\_tea...](http://etonline.com/news/185148_hulk_hogan_breaks_down_in_tea...)



**BOOM! Georgia Judge REFUSES to Throw out CNN's Effort to Dismiss a Fake News Court Case, ...**  
...Cites "a Series of False and Defamatory News Reports"



CNN is now on the verge of being proven a fake news source by Georgia courts! CNN attempted to get the case dismissed involving Davide Carbone, CEO of St. Mary's Medical Center in West Palm Beach who accused CNN of fabricating a story about his hospital.



Federal Judge Orinda Evans  
Zach Porter/Daily Report  
02/02/09

Citing a "series of false and defamatory news reports" that insinuated St. Mary's had an infant mortality rate that was 3 times higher than the national average while ignoring information that made the Medical Center look good. The libel lawsuit against CNN seeking \$30 million in damages will continue onward thanks to federal district judge Orinda Evans.

Here is CNNs Fake news report about St. Mary's **they still have on their YouTube Page.**

Carbone, who actually lost his job due to the fake news reports **“has presented enough evidence at this early stage of the case to suggest that CNN ‘was acting recklessly with regard to the accuracy of its reporting’** according to The National Law Journal.

To make matters worse, judge Evans also found evidence of “actual malice” when insisting on reporting the Medical Center was under an official investigation, even after Florida’s Agency for Healthcare administration adamantly denied this was taking place.

Carbone’s lawyer describes the ruling as a major victory.

**“False and defamatory accusations against real people have serious consequences,”** he said. *“Neither St. Mary’s or Mr. Carbone did anything to deserve being the objects of the heinous accusation that they harmed or put babies and young children at risk for profit.”*

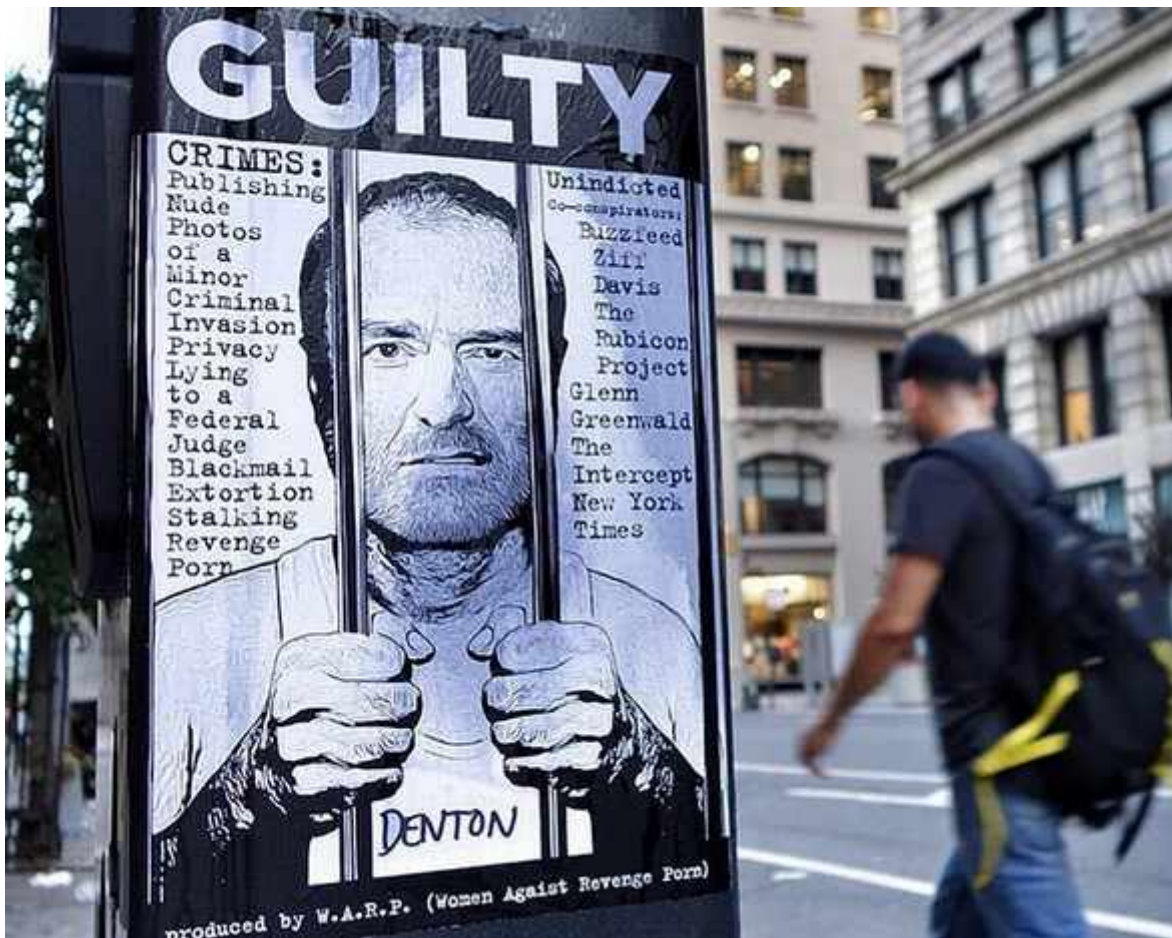
*“The ruling,”* he added, *“serves as a well-reasoned reminder that the media, its defense lawyers, and its lobbyists do not have a corner on the market of correct interpretation and application of the First Amendment.”*



A screenshot showing two social media profiles. The top profile is a Facebook profile for Adrian Covert. It includes a search bar, a profile picture, and a cover photo. The bio reads: "Need Character-Assess? at The Internet. Lives in San Francisco, California. Studied Library Science at University of California, Irvine. From Santa Rosa, California." The 'Education and Work' section lists employers: 'The Internet' (Need Character-Assess? | got paid to evaluate responsible things. It's the best alternative to an entrepreneurial fit of failure.), 'HDQ and Daniel Larkin' (Associate Music Editor - Berkeley, California | Not considered employable. Definitely a mistake. (CORRECTION: Was considered employable. Still a mistake, however.)), 'Gizmodo' (Reporter), and 'Repair Your Trash Industries' (Space Journalist). The 'College' section lists 'University of California, Irvine' (Class of 2007 | Library Science - Bachelor). The 'Arts and Entertainment' section lists 'The Internet' (Need Character-Assess?). The bottom profile is a LinkedIn profile for Adrian Covert. It includes a LinkedIn logo, navigation links (Home, What is LinkedIn?, Join Today, Sign In), and a profile picture. The profile name is 'Adrian Covert'. The headline is 'Adrian Covert Space Assesait San Francisco Bay Area | Online Media'. The bio reads: 'Full: Reporter at Gizmodo, Editorial Assistant at Gizmodo.com, Staff Writer. Education: University of California, Irvine'. The 'Experience' section lists 'Adrian Covert Campaign Organizer: Repair California San Francisco Bay Area | Political Organization' and 'Covert: Campaign Organizer at Repair California San Francisco Bay Area | Political Organization'. The education section lists 'San Francisco State University'.



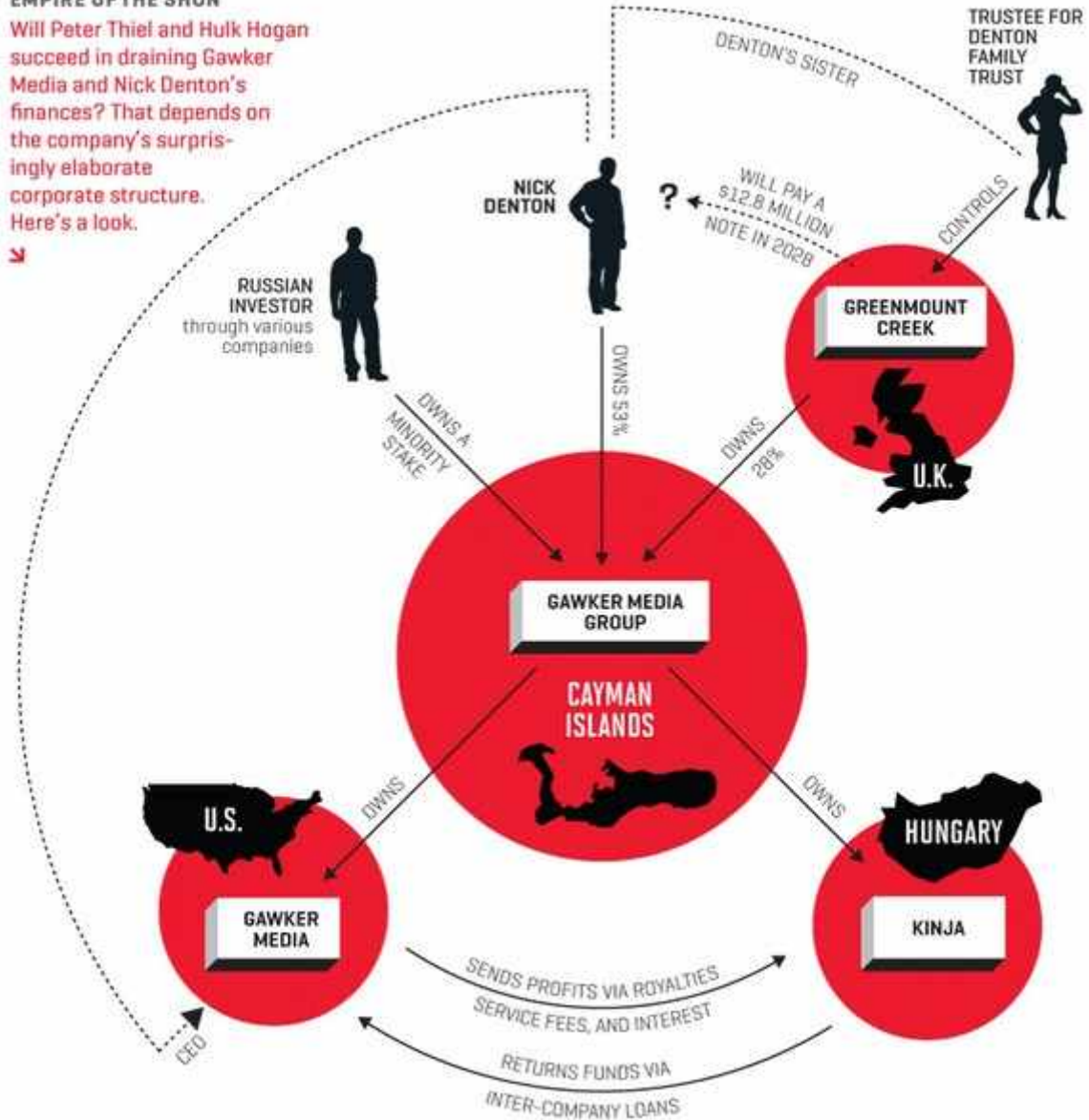




<b>Example Of How To Pay Less Taxes Like Gawker Global (Media Company)</b>	
<b>US Parent Company Income Statement</b>	
Advertising Revenue (US parent)	\$1,000,000
Editorial Expenses (Hungarian subsidiary)	\$600,000
Website Expenses (Hungarian subsidiary)	\$200,000
Design Expenses (Hungarian subsidiary)	\$200,000
Profit Before Tax (US parent)	\$0
<b>Tax Expense</b>	<b>\$0</b>
<b>Hungarian Subsidiary Income Statement</b>	
Editorial, Website, Design Revenue (Hungarian subsidiary)	\$1,000,000
Labor Expenses (Hungarian subsidiary)	\$100,000
Profit Before Tax (Hungarian subsidiary)	\$900,000
Tax Expense at 5% (Hungary)	\$45,000
Tax Expense at 34% tax rate (US)	\$306,000
<b>Tax Savings</b>	<b>\$261,000</b>
<b>US Parent Effective Tax Rate</b>	<b>4.50%</b>
Option: Lend back US Parent all after-tax profits with interest	
Key: Must own both US Parent and Hungarian Subsidiary to make this work	
Source: FinancialSamurai.com	

**EMPIRE OF THE SHUN**

Will Peter Thiel and Hulk Hogan succeed in draining Gawker Media and Nick Denton's finances? That depends on the company's surprisingly elaborate corporate structure. Here's a look.



**THE MANY MOBSTER SHELL CORPORATIONS, TAX EVASION FACADES AND POLITICAL MONEY LAUNDERING WEBS OF THE GOOGLE/GAWKER/YOUTUBE/GIZMODO/JALOPNIK CRIME EMPIRE**

IRS Additional Parties Service List  
Served via First Class Mail

Name	Address 1	Address 2	City	State	Postal Code
Internal Revenue Service	Centralized Insolvency Operation	P.O. Box 7346	Philadelphia	PA	19104
U.S. Attorney General- U.S. Department of Justice	950 Pennsylvania Avenue, NW		Washington	DC	20530-0001
United States Attorney's Office for the Southern District of New York	86 Chambers Street	3rd Floor	New York City	NY	10007



What did Nick Denton's Gaby Darbyshire know about Nick Denton's off-shore tax havens?



**The Podesta's and Blumenthal worked with Think Progress, Fusion GPS and Media Matters to give Nick Denton his marching orders directly from the Oval Office in The White House**

Form **1120**

**U.S. Corporation Income Tax Return**  
For calendar year 2014 or tax year

OMB No. 1545-0047

Department of the Treasury  
Internal Revenue Service

beginning \_\_\_\_\_, ending \_\_\_\_\_  
**EXTENSION GRANTED TO 09/15/15**  
Information about Form 1120 and its separate instructions is at [www.irs.gov/form1120](http://www.irs.gov/form1120).

**2014**

- A Check  **E**  
 1a  Corporation (attach Form 950)  
 1b  S corporation (attach Form 950)  
 7  Partnership (attach Form 1065)  
 2  Personal services (attach Form 1099-NEC)  
 4  Schedule M-1

Name  
**GAWKER MEDIA LLC**  
 TYPE OR PRINT  
 Number, street, and room or suite no. If a P.O. box, see instructions.  
**114 FIFTH AVENUE, FLOOR 2**  
 City or town, state, or province, country and ZIP or foreign postal code.  
**NEW YORK, NY 10011**

B Employer identification number  
 C Date incorporated **06/01/2004**  
 D Total assets (see instructions)  
**\$ 21,692,879.**

		E Check <input type="checkbox"/> (1) Initial return (2) Final return (3) Name change (4) Address change	
Income	1a Gross receipts or sales	1a	47,134,479.
	b Refunds and allowances	1b	
	c Balance. Subtract line 1b from line 1a	1c	47,134,479.
	2 Cost of goods sold (attach Form 1125-A)	2	
	3 Gross profit. Subtract line 2 from line 1c	3	47,134,479.
	4 Dividends (Schedule C, line 10)	4	
	5 Interest	5	357.
	6 Gross rents	6	
	7 Gross royalties	7	
	8 Capital gain net income (attach Schedule D (Form 1120))	8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	
10 Other income (attach statement)	10	100,759.	
11 Total income. Add lines 3 through 10	11	47,235,595.	
Deductions on deductions	12 Compensation of officers (attach Form 1125-C)	12	960,299.
	13 Salaries and wages (less employment credits)	13	21,534,818.
	14 Repairs and maintenance	14	
	15 Bad debts	15	11,749.
	16 Rents	16	893,866.
	17 Taxes and licenses	17	1,675,133.
	18 Interest	18	
	19 Charitable contributions	19	





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CAREERCHECK

## Executive Moves At Matchcraft, Gawker



Kelly Benish finds a new CEO at the helm of Matchcraft, a new CTO at Gawker Media and executive changes at *The Washington Post* and Hearst. Plus recruitment advice from Robert Hawthorne, anniversaries at BIA/Kelsey and Google and jobs at Gannett, Soleo and Brainworks, among others.

By Kelly Benish

NetNewsCheck, August 7, 2015 6:26 AM EDT

[Sandy Lohr](#), former SVP of sales at [Advance Digital](#) is now the CEO of [Matchcraft](#) (acquired by Advance in 2014). Lohr is charged with defining, implementing and executing the SEM management platform company's strategic goals and objectives. She will also be providing direction and leadership to support MatchCraft's philosophy, mission and organizational culture. She's currently moving from New Jersey to Santa Monica, CA. [Marc Zaks](#) made a similar move from Advance, where he formerly served as VP of advance visibility, to Matchcraft as chief revenue and innovations officer.

[Ian Fette](#) has been named CTO at [Gawker Media](#). He was most recently engineering manager at [Google](#), where he focused on improving design and usability. For over five years, he managed a team focused on improving performance, memory usage and improvements in Chrome's network stack such as support for and design of the next generation HTTP protocol. Before that, he was responsible for ensuring implementation protocol for Google Chrome met Web standards.

June 10, 2016

Gawker Media, LLC  
 114 Fifth Avenue, Floor 2,  
 New York, NY 10011

Please Make Checks Payable to: JB Duncan PC (or wire the funds to the account below)

Bill.com Payment Network ID:  
 0179784258790954

Wire Transfer Information:  
 ABA 321171184  
 Account Number 204351753  
 JB Duncan PC  
 Citibank, NA  
 590 Market St  
 San Francisco, CA 94104

Expenses:

Invoice for Legal Services

From: June 1, 2016  
 To: June 10, 2016  
 Twelve Month Target 40.0  
 Twelve Month Total 443.0  
 Rolling Excess 403.0  
 Monthly Excess 3.7

Total Hours		7.0
Base	\$	1,333.00
Overage	\$	1,925.33
Associate Time	\$200/hour	\$
Total Current Charges	\$	3,258.33
Outstanding	\$	3,997.50
Expenses	\$	
Total Due	\$	4,255.83

Date	Description of Services	Hours	Rate	Charge
6/2/16	Correspond re: BizFilings questions; shareholder meetings for GM LLC; correspond re: terminated employees, vesting, etc.	0.6	\$ 400.00	\$ 240.00
6/3/16	Follow up on Key Employees	0.3	\$ 400.00	\$ 120.00
6/4/16	correspond re: option acceleration terms	0.4	\$ 400.00	\$ 160.00
6/6/16	correspond re: LLC Member actions; correspond re: directors and officers, review files	0.9	\$ 400.00	\$ 360.00
6/7/16	correspond re salary deferral calculations; prepare summary	0.9	\$ 400.00	\$ 360.00
5/8/16	Attn to Employee salary adjustments; summarize Partner adjustments for Heidi G.; Call with Gaby D to discuss status; analyze forced conversion of Series A	2.7	\$ 400.00	\$ 1,080.00
6/9/16	Correspond with Ropes and Gray re: IP ownership/Kinja name, etc.; correspond re: name/entity history	1.2	\$ 400.00	\$ 480.00



bnarvan:

2 notes · reblog

they hack into pho...

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## From The Inbox

Denton might not be winning pageview bets but he sure is still making plenty of enemies out of idiots!

(Do remember that "un-American" and "foreign accounts" are not entirely off-the-mark slurs to throw at a foreign-registered business run by a Hungarian citizen. Maybe Donna ought to stick to Perez Hilton! He might be among the most distasteful people on Earth but he's a US-born citizen!)

New comment waiting approval on Upping The Clicks for Nick

Donna Hudson commented on Typical Gawker Story

(Please re-post)

Here is an organization who engages in cultural and personal terrorism.

Type "gawker outs cia officers" into google and you will see that this drug-user tabloid takes pride in playing a game of exposing undercover intelligence and law enforcement officers, an act which can cost those officers their lives. Not the sort of game America should tolerate. These people are un-American.

The staff of Gawker have publicly admitted that they were hired to attend the Consumer Electronics Show in Las Vegas and sabotage the corporate exhibit booths in violation of the law.

This tabloid, Gawker Media, makes it's name out of being the first to show corporate prototypes. The staff of the tabloid try to get ahold of workers at technology companies and seek to influence them to lose "iphone" and other prototypes in public places where they can pick them up. Law enforcement believes that Jason Chen, Adrian Covert and Joe Brown, of Gawker, work together on this effort. The San Mateo Police Dept. has kicked in their staff's doors. Gabby Darbyshire of Gawker threatened to use legal and political intimidation to stall the San Mateo police department investigation.

They hack into phone systems and servers for their "scoops".

A hacker group has made a great showing of its recent break-ins to law enforcement computers. This group has deep roots and members around Gawker Media. Law enforcement suspects that at least one of the three names mentioned previously are members of this group.

The IRS is looking into a report that Nick Denton hides his money offshore and evades taxes with foreign accounts.

<http://shyster.hypervocal.com/newsandpolitics/2010/why-nick-denton-is-an-esshole/>

<http://boycott-gawker-and-gizmodo.weebly.com>

#1 can just picture Denton reading 2600 magazine and playing with a circuit board for an

**GIZMODO SELLS MEDIA  
HIT JOBS TO THE DNC!**



**ACCUSATION**

W Gawker Founder Nick Denton Sits D... x W Gawker Founder Nick Denton Sit... x

Published on *The Wrap Media* (<http://www.thewrap.com>)  
[Link](#) - Gawker Founder Nick Denton Sits Down with NBC's 'Rock Center,' Where's BriWi?

## Gawker Founder Nick Denton Sits Down with NBC's 'Rock Center,' Where's BriWi?

By Lucas Shaw  
Created 03/07/2012 - 09:11

### Gawker Founder Nick Denton Sits Down with NBC's 'Rock Center,' Where's BriWi?

Published: March 07, 2012 @ 9:31 am

Gawker editor A.J. Daulerio already revealed the Brian Williams-Nick Denton bromance in January, so color us surprised that Williams skipped out on the chance to interview the Gawker Media founder for Wednesday's "Rock Center."

Instead, NBC employed Jamie Gangel – an award-winning correspondent in her own right – who sat down with Denton to talk about his "snarky," "sexual," "shameless" and "mean" websites.

Denton accepted all of those adjectives – though he said Gawker is only occasionally mean.

**Also Read: Brian Williams Scoops Lana Del Rey in Gawker Email: NBC Not Amused**

None of this sounds new. Denton wrote [in a recent staff email](#) that the Gawker Media sites, which include Deadspin, Gizmodo, the flagship and others, "oversell." He has made no secret of his willingness to publish "salacious scoops" or "rumors."

"We publish faster, change faster, correct faster and, frankly, our standards of publication are lower," he told Gangel.

That last bit is the only part that still rankles some people, but [keep the blog empire's 20 million monthly readers firmly in mind](#).

What we really want to know is what Denton makes of the interview.

Williams has already told Denton [what he thinks about Gawker](#), sending him an e-mail about the site's coverage of Lana Del Rey's performance on "Saturday Night Live." Because Gawker published that e-mail, we know Williams is a "loyal customer" of the site but thinks that the "weekends have been allowed to go awfully fallow." At least that was the word in January.

So when does Denton give Williams his March report card?



## Did Pando Just Imply That Nick Denton and Gawker Are Connected With Russian Mobsters?



### What if it's not Gawker writing the check?

By Paul Carr for Pando

With \$140m in damages awarded against them, the Hulk Hogan verdict certainly seems to be an existential threat to Gawker. To read the endless stream of op-eds around the verdict, you'd think Denton and his crew were already listing their office furniture on eBay.

And yet, nothing about Denton's public demeanor or that of any of his employees betrays the slightest concern. We're hearing no reports of writers circulating their resumes, and no one has leaked details of any attempt to sell the company. Sure, the company's lawyers argued in court that any punitive damages would be devastating to Gawker, Denton and Daulerio but that's what lawyers are supposed to do. At the very same time, Gawker PR was continuing to pump out its usual message: "The verdict will be overturned on appeal, or the damages significantly reduced."

**love hurts** **Angry Ex Threw A Brick Through Gay Gawker Honcho Nick Denton's Window**

By [Dan Avery](#) October 9, 2012 at 10:10am

