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8 Attorney for Plaintiffs  
9 Crypto Asset Fund, LLC and  
10 Digital Capital Management, LLC

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

13	CRYPTO ASSET FUND, LLC, a )	<b>CASE NO.: 2:19-cv-06983</b>
14	Delaware limited liability company, )	
15	and DIGITAL CAPITAL )	<b>COMPLAINT FOR:</b>
16	MANAGEMENT, LLC, a Delaware )	
17	limited liability company, )	<b>(1) VIOLATIONS OF THE</b>
18	Plaintiffs, )	<b>SECURITIES ACT OF 1933; (2)</b>
19	vs. )	<b>VIOLATIONS OF THE SECURITIES</b>
20	OPSKINS GROUP INC., a Canadian )	<b>EXCHANGE ACT OF 1934; (3)</b>
21	company dba WORLDWIDE ASSET )	<b>UNFAIR BUSINESS ACTS OR</b>
22	EXCHANGE; EXPOSITION PARK )	<b>PRACTICES; (4) UNLAWFUL</b>
23	HOLDINGS SEZC, a Cayman Islands )	<b>BUSINESS ACTS OR PRACTICES;</b>
24	corporation, WILLIAM QUIGLEY, )	<b>(5) FRAUDULENT BUSINESS ACTS</b>
25	an individual; JONATHAN YANTIS, )	<b>OR PRACTICES; (6) BREACH OF</b>
26	an individual; JOHN BRECHISCI, )	<b>CONTRACT; (7) BREACH OF THE</b>
27	JR., an individual; MALCOLM )	<b>COVENANT OF GOOD FAITH &amp;</b>
28	CASSELLE, an individual; and DOES )	<b>FAIR DEALING; (8) UNJUST</b>
	1-10, inclusive, )	<b>ENRICHMENT; (9) CONVERSION;</b>
	Defendants. )	<b>(10) PROMISSORY ESTOPPEL; (11)</b>
	)	<b>FRAUD; AND (12) NEGLIGENT</b>
	)	<b>MISREPRESENTATION</b>
	)	<b>JURY TRIAL DEMANDED</b>
	)	
	)	

1 **JURISDICTION**

2 1. This Court has subject matter jurisdiction over this action pursuant to  
3 28 U.S.C. § 1331, 15 U.S.C. § 77v, and 15 U.S.C. § 78aa because Plaintiffs allege  
4 violations of the Securities Act of 1933 and Securities Exchange Act of 1934.

5 2. This Court has personal jurisdiction over Defendants because  
6 Defendants either conduct business in this District or are present in this District for  
7 jurisdictional purposes. Defendants have sufficient minimum contacts with this  
8 District as to render the exercise of jurisdiction by this Court permissible under  
9 traditional notions of fair play and substantial justice. Defendants solicited investors  
10 in this District to purchase WAX tokens and obtained money or valuable  
11 cryptocurrency from those investors and Defendants solicit consumers in this  
12 District to utilize their platform and services.

13 3. Defendants have purposefully availed themselves of the benefits of  
14 operating in this jurisdiction, and this Court may exercise personal jurisdiction over  
15 Defendants.

16 **NATURE OF THE ACTION**

17 4. Plaintiffs bring this action against Defendants for their violations of the  
18 Securities Act of 1933 (the “Securities Act”), the Securities Exchange Act of 1934  
19 (the “Exchange Act”), and California’s Unfair Competition Law and for breach of  
20 contract, breach of the covenant of good faith and fair dealing, unjust enrichment,  
21 conversion, promissory estoppel, fraud, and negligent misrepresentation.

22 5. Plaintiffs seek compensatory damages, including lost profits,  
23 restitution, disgorgement of profits, pre- and post-judgment interest at the statutory  
24 legal rate of 10% pursuant to Section 3289(b) of the California Civil Code, awards  
25 of costs and attorneys’ fees pursuant to Section 1021.5 of the California Civil Code,  
26 and punitive damages in an amount sufficient to punish and deter Defendants.

27 6. Plaintiffs also seek injunctive relief to enjoin Defendants’ unfair,  
28 unlawful, and fraudulent business acts and practices, including (1) an order

1 prohibiting Defendants from continuing to offer and sell unregistered, non-exempt  
2 securities, (2) an order prohibiting Defendants from engaging in any activities that  
3 promote or facilitate in any way, directly or indirectly, online gambling, and (3) an  
4 order declaring that Defendants’ purported pre-dispute arbitration agreements with  
5 OPSkins and WAX users are invalid, unconscionable, and unenforceable and  
6 prohibiting Defendants from enforcing, seeking to enforce, or in any way relying  
7 upon such purported agreements.

8 **PARTIES**

9 7. Plaintiffs Crypto Asset Fund, LLC and Digital Capital Management,  
10 LLC are Delaware limited liability companies with members who reside in  
11 California. In October 2017, Plaintiffs invested in Worldwide Asset eXchange  
12 (“WAX”) tokens by causing to be electronically transmitted a total of 1.2 million  
13 U.S. dollars’ worth of Ether cryptocurrency through or to Defendants in exchange  
14 for WAX tokens.

15 8. Plaintiffs are informed and believe that Defendant OPSkins Group Inc.  
16 dba Worldwide Asset eXchange (“OPSKINS”) is a Canadian Company with the  
17 registered address of 1200 McGill College Avenue, Montréal, Québec,  
18 H3B4G71207 Canada. Plaintiffs are further informed and believe that OPSkins  
19 operates out of offices located at 1207 4th Street, Suite 400B, Santa Monica,  
20 California 90401.

21 9. Plaintiffs are informed and believe that Exposition Park Holdings  
22 SEZC (“EPH”) is a Cayman Islands Company with the registered address of Floor 4  
23 Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands.  
24 Plaintiffs are further informed and believe that EPH operates out of offices located  
25 at 1207 4th Street, Suite 400B, Santa Monica, California 90401. According to  
26 OPSkins’ Terms of Service, effective October 31, 2018, OPSkins became a  
27 tradename of EPH. According to WAX’s Terms of Service, EPH provides WAX’s  
28 products and services.



1 substantial compensation and other transfers of money by transacting business in  
2 this District and engaging in activities that have an effect in this District.

3 **FACTUAL ALLEGATIONS**

4 16. OPSkins claims to be the world’s largest platform for video game  
5 virtual goods traders. WAX – which stands for Worldwide Asset eXchange –  
6 describes itself as “[t]he safest and most convenient way to create, buy, sell, and  
7 trade physical and virtual items” and is reportedly one of the more active  
8 blockchains in the world.

9 17. OPSkins and WAX are effectively one in the same, run by an  
10 Executive Team comprised of William Quigley, Jonathan Yantis, John Brechisci,  
11 Jr., and Malcolm CasSelle (collectively, the “Executive Team”).

12 18. OPSkins and WAX regularly hold themselves out publicly as based in  
13 Los Angeles and Santa Monica, California in press interviews and public  
14 appearances. However, neither OPSkins Group Inc. nor Exposition Park Holdings  
15 SEZC (collectively, the “Corporate Defendants”) is properly registered with the  
16 California Secretary of State to do business in the State of California. The  
17 Corporate Defendants likewise do not properly hold business licenses with the City  
18 of Santa Monica.

19 19. The services and platforms provided by OPSkins and WAX are used to  
20 promote and facilitate underage and other illegal online gambling. In fact,  
21 Defendants run a massive online gambling operation with seemingly little if any  
22 independent oversight or regulation.

23 20. OPSkins and the Executive Team devised the WAX platform and token  
24 to facilitate and further their highly profitable online gambling operations and to  
25 fraudulently raise tens of millions of dollars from investors by offering and selling  
26 unregistered, non-exempt securities in violation of federal and state law.

27 21. On July 25, 2017, the Securities and Exchange Commission (“SEC”)  
28 issued an investigative report (commonly referred to as the “Dao Report”)

1 cautioning market participants that offers and sales of digital assets conducted by  
2 organizations using distributed ledger or blockchain technology are subject to the  
3 requirements of the federal securities laws. The SEC explained that “[s]uch offers  
4 and sales, have been referred to, among other things, as ‘Initial Coin Offerings’ or  
5 ‘Token Sales.’”<sup>1</sup>

6 22. In the summer of 2017, on the heels of the SEC’s issuance of the Dao  
7 Report, Defendants launched an aggressive private and public campaign to market  
8 their planned initial coin offering of the WAX token which would be accompanied  
9 by an industry standard “Whitepaper” describing the WAX platform and token to  
10 potential investors. Defendants released numerous versions of Whitepapers for  
11 WAX in 2017 and 2018. These Whitepapers were neither independently nor  
12 objectively prepared – they were specifically designed to persuade the investing  
13 public to provide the necessary capital to make Defendants’ WAX platform and  
14 token concept possible and to enrich Defendants personally at the expense of the  
15 investing public.

16 23. Before holding their public initial coin offering in November 2017,  
17 Defendants held an invitation only private pre-sale beginning in October in which  
18 Plaintiffs participated. Some of the tokens purchased by early investors were  
19 subject to “lock up” periods while the other tokens would be subject to the initial  
20 release and distribution. Defendants later announced that the pre-sale was  
21 oversubscribed and had raised \$21 million. Defendants then conducted their public  
22 pre-sale (for example, OPSkins customers were offered the opportunity to purchase  
23 tokens at a 50% “discount” from the pre-sale price) and finally a “General Audience  
24 Main Sale.”

25 24. Defendants raised a staggering amount of money through their illegal  
26 offer and sale of WAX tokens. In an article published on January 1, 2018 by

27  
28 <sup>1</sup> <https://www.sec.gov/news/press-release/2017-131>

1 Business Insider regarding “The 11 biggest ICO fundraises of 2017,” it was reported  
2 that Defendants were the tenth largest ICO of 2018 with a fundraiser of **\$68 million**.<sup>2</sup>  
3 However, in a November 30, 2017 press release, Defendants claimed that they  
4 raised “**over \$80 million**” from “thousands of participants” in their token sale.<sup>3</sup>  
5 OPSkins CEO and WAX President Malcom CasSelle later claimed in a July 18,  
6 2018 article by PC Games Insider that in 2017 Defendants “raised over **\$150 million**  
7 to launch the WAX platform.” CasSelle also claimed that “OPSkins is 10 or 20  
8 times bigger than [their] nearest competitor . . .”<sup>4</sup>

9 25. To promote their token sale, Defendants developed a “One Pager”  
10 teaser featuring a prominently displayed declaration from OPSkins CEO William  
11 Quigley that “WAX WILL BECOME THE ONRAMP FOR MASS MARKET  
12 CRYPTOCURRENCY ADOPTION.” Asking “What is WAX?”, the One Pager  
13 claims that “**400M** Gamers currently trade **billions** of virtual items each month.”  
14 (Emphasis added). Turning next to the “Market Opportunity,” the One Pager  
15 proclaims that these “[o]ver **400M** gamers purchase close to **\$50B** in virtual items  
16 annually.” (Emphasis added). OPSkins declares itself “the **world’s #1** centralized  
17 marketplace for trading video game ‘virtual’ items” (emphasis added) while the One  
18 Pager touts the credentials of the Executive Team with references to prominent  
19 names like Disney, Harvard, and Stanford and a claim that the “OPSkins team” has  
20 “20 years AND BILLIONS OF TRANSACTIONS of virtual item experience.”  
21 (Emphasis in original).

22 \_\_\_\_\_  
23 <sup>2</sup> <https://www.businessinsider.com/the-10-biggest-ico-fundraises-of-2017-2017-12#7-qash-106-million-5>

24 <sup>3</sup> <https://markets.businessinsider.com/news/stocks/wax-completes-token-sale-to-decentralize-online-gaming-skins-marketopskins-backed-project-onboards-gamers-to-cryptocurrency-attracting-over-80-million-from-thousands-of-participants-1010047604>

27 <sup>4</sup> <https://www.pcgamesinsider.biz/feature/67458/why-opskins-is-okay-destroying-its-own-business-with-the-blockchain/>  
28

1           26. Defendants also developed and marketed a much more robust 11-page  
2 “Deck” detailing the investment opportunity presented by the WAX token sale  
3 scheduled for the fall of 2017.

4           27. On December 18, 2017, WAX published a list of “Top 10 Reasons to  
5 Get WAX Tokens” on medium.com in which Defendants proclaimed that they were  
6 “Trading the Most Popular Items in the World” and touted what a great investment  
7 opportunity they were offering since they were “Targeting an Existing Market” – a  
8 “Giant Ecosystem” supported by WAX – with a “Real and Needed Use Case” for  
9 WAX tokens.<sup>5</sup>

10           28. According to the publication, Defendants are a “Remarkable Team” of  
11 “HIGHLY RESPECTED” “Blockchain Development Experts” with “Deep Roots in  
12 the Crypto Community” who operate “the #1 digital marketplace in the world”  
13 where they “sell 2 million digital items PER WEEK.” *Id.* (emphasis in original)  
14 Defendants pointed to their “History of Business Success,” claiming that “WAX  
15 will be the 3rd global marketplace built by the OPSkins team. The first two became  
16 #1 in their respective categories (virtual items, skins).” *Id.* Defendants asserted  
17 “Market Dominance,” claiming that “OPskins is a **multi-billion dollar business**  
18 with **millions of customers** who love it (9.8/10 Trust Pilot rating). They created  
19 WAX because they know exactly what their **400 million** global digital item trading  
20 community wants.” *Id.* (emphasis added).

21           29. Defendants systematically and deliberately lured investors, including  
22 Plaintiffs, under false pretenses to invest in WAX through the unregistered offering  
23 and sale of non-exempt securities.

24           30. In addition to failing to disclose to the investing public that they were  
25 offering and selling unregistered, non-exempt securities which bore massive risk of  
26 principal loss in violation of federal and state law, Defendants deliberately withheld

27 \_\_\_\_\_  
28 <sup>5</sup> <https://medium.com/wax-io/top-10-reasons-to-get-wax-tokens-4b0ea8a88dfa>



1 material information from investors, including Plaintiffs, regarding the true and  
2 complete nature of their business operations, including the use of their platform and  
3 services for underage and other illegal online gambling.

4 31. For example, CasSelle represented to Plaintiffs that the \$50B number  
5 in the One Pager was based upon “extensive analysis” and claimed that OPSkins is  
6 “the largest *providing cash payouts* and 10x larger than the next competitor.”  
7 (Emphasis added). CasSelle represented that OPSkins’ annual revenue is  
8 “substantial and very profitable.” After identifying Steam Marketplace as the  
9 “largest major player” other than OPSkins, CasSelle again emphasized that “*they*  
10 *don’t cash out*. They just provide credit you can only use on Steam. They do *many*  
11 *billions of dollars*.” (Emphasis added). CasSelle and all the Defendants failed,  
12 however, to explain the significance of that distinction: To run a successful and  
13 profitable online gambling operation, users need to be able to realize their potential  
14 gambling profits in the form of cash rather than be stuck with using such proceeds  
15 only within the application itself.

16 32. Another tool Defendants use to maximize profits from gambling is  
17 restricting users’ ability to withdraw money they have put into their accounts. As  
18 explained on the OPSkins blog, “as with all other payment methods, you can only  
19 withdraw WAX tokens that you earned from item sales – you cannot withdraw  
20 WAX Tokens that you deposited.” The blog again reminds users that “you can only  
21 withdraw or cashout funds earned from item sales.”<sup>6</sup> Put differently, you can only  
22 cash out gambling winnings, not the initial “seed” money you deposited to gamble.  
23 This is key of course because it forces users to either make a profit or gamble away  
24 the entire amount deposited, making it more likely that they may make a subsequent  
25 deposit in an effort to “win back” some of their losses. This is how the cycling of  
26

27  
28 <sup>6</sup> <https://blog.opskins.com/can-now-use-wax-tokens-opskins/>

1 gambling addiction begins and continues.<sup>7</sup> This is how Defendants make millions  
2 of dollars.

3 33. That the WAX platform and the WAX token were developed for the  
4 specific purpose of facilitating Defendants’ online gambling operations generally  
5 and to facilitate cash payouts for Defendants’ gambling customers specifically are  
6 material facts that should have been disclosed to potential investors including  
7 Plaintiffs. Obviously running an online gambling operation presents huge  
8 regulatory and other risks that could materially impact the value of the WAX token  
9 should Defendants ever fall under regulatory scrutiny or investigation or become the  
10 subject of an enforcement action. Additionally, Defendants’ participation in online  
11 gambling operations might understandably render investments in WAX tokens  
12 outside of investor guidelines and therefore likely would have significantly  
13 hampered Defendants’ ability to raise funds from institutional investors and others.

14 34. Defendants also withheld material information regarding the process by  
15 which tokens would be released and distributed to investors, including regarding  
16 their lack of general preparedness for the release and their plan to selectively  
17 distribute tokens to certain, preferred investors on a staggered basis, enabling those  
18 favored investors to potentially – and ultimately actually – realize the most  
19 significant profits at the expense of other investors like Plaintiffs.

20 35. Indeed, Defendants knew and understand that for early investors like  
21 Plaintiffs timing was key. Defendants knew and understood that investors like  
22 Plaintiffs who intended to employ a “get in early, get out early” investment strategy  
23

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24 <sup>7</sup> According to the California Council on Problem Gambling – “a non-profit  
25 organization, founded in 1986, dedicated to assisting problem gamblers and their  
26 families by promoting awareness, education, research, prevention and treatment for  
27 problem gambling” – gambling addiction is a serious problem that afflicts youth,  
28 teens, and adults and “can affect all elements of a person’s life: social, academic,  
professional (work), and personal.” <https://calpg.org/about-us/> &  
<https://calpg.org/what-is-gambling-addiction/>

1 whereby they would buy at a discount at the hopes of selling at a premium once  
2 trading began on the open market cannot work if you are unable to execute on the  
3 “get out” half of the strategy at the critical time because you do not have your  
4 tokens.

5 36. Defendants admitted in a post on medium.com that after deciding to  
6 start “the token distribution process a week and a half early,” it was plagued with  
7 problems and “taking longer than expected.” Other serious issues included a last  
8 minute “10 to 1 split” whereby Defendants released 1,8500,000,000 tokens instead  
9 of the originally planned 185,000,000. When exchange Huobi Pro listed the WAX  
10 token supply as the original number (one tenth of the true supply), mass confusion  
11 ensued.<sup>8</sup>

12 37. While Defendants began releasing tokens to certain investors on or  
13 before December 19, 2017, Defendants did not release Plaintiffs’ tokens until four  
14 days later. During this time, Plaintiffs watched the price of a WAX token peak at  
15 over \$5 while other favored investors realized millions of dollars in profits of which  
16 Plaintiffs were deprived due to Defendants’ failure and refusal to timely release the  
17 tokens they had purchased.

18 38. Plaintiffs communicated extensively with Defendants during these  
19 crucial days. Plaintiffs were understandably frustrated and desperate to obtain their  
20 tokens, an obviously necessary prerequisite to their ability to maximize profits.  
21 Defendants’ acts and omissions cost Plaintiffs millions of dollars in lost profits.

22 39. In an April 30, 2018 “Insider Spotlight” on OPSkins’ CEO William  
23 Quigley on builtinla.com — the self-described “hub for LA startups + tech”,  
24 Quigley admitted that OPSkins was “targeting a large and fast-growing market”  
25 with the “explosion of blockchain-based tradeable assets” and quipped about how  
26 easily companies have been able to raise money by launching ICOs instead of

27 \_\_\_\_\_  
28 <sup>8</sup> <https://medium.com/wax-io/wax-update-december-24-2017-8db1b1a9fee2>

1 “going the venture capital route.”<sup>9</sup> Of course Defendants preferred to raise tens of  
2 millions of dollars from investors through an ICO because it costs them very little in  
3 comparison to create a virtual “token” and they only need provide various quantities  
4 of the token (the supply of which they control entirely) to investors in exchange for  
5 their money. Of course, the cash raised by Defendants is then insulated from  
6 fluctuations and potential declines in the value of the token on a going forward basis  
7 while investors are left to bear the brunt of market forces. And bear the brunt they  
8 did – WAX tokens are currently worth only pennies at a mere fraction of what most  
9 investors paid.

10 40. On March 13, 2018, Defendants published a “Project Update 1”  
11 regarding WAX. Defendants contended that “Crypto + virtual item marketplaces”  
12 were “on the rise,” claiming that “[m]ore than \$500 million has been raised by  
13 projects in th[e] space over the part few years.” Claiming that there has been  
14 “strong year-over-year growth in revenue from companies like OPSkins,”  
15 Defendants continued to aggressively target potential investors and users by  
16 declaring that “it’s clear that money will continue to flow into this category.”  
17 Defendants declared OPSkins “clearly the dominant player” in the field,  
18 “outperforming all others.”<sup>10</sup>

19 41. In June 2018, OPSkins received a cease and desist order from Valve,  
20 the developer of Steam, shortly after Defendants’ launch of the WAX ExpressTrade.  
21 In 2011, Steam had added a feature whereby users could trade in-game items. Users  
22 could not, however, turn those items into actual money and Steam’s terms of service  
23 expressly prohibited its use to promote or facilitate gambling. Valve concluded that  
24 Defendants’ ExpressTrade service violated Valve’s Subscriber Agreement terms and  
25 constituted an unauthorized use of Valve’s intellectual property for commercial

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27 <sup>9</sup> <https://www.builtinla.com/2018/04/30/OPSKins-Leadership-Spotlight>

28 <sup>10</sup> <https://medium.com/wax-io/worldwide-asset-exchange-project-update-1-56f6f893eb32>

1 purposes because it enabled users to gamble with skins and then turn any gambling  
2 winnings into real-world money. Defendants developed and launched WAX for this  
3 specific purpose. Why? According to Esports Insider, which describes itself as  
4 “[o]ne of the leading esports industry focused platforms worldwide,” unregulated  
5 “skin gambling is projected to generate **\$50b (£35.3b)** by 2022.”<sup>11</sup>

6 42. The Esports Insider’s take on Valve’s response to WAX’s  
7 ExpressTrade was as follows: “In-game skin trading has been an attractive feature  
8 for CS:GO, players, since its introduction **but as it opens up the market for**  
9 **unregulated trading and gambling** Valve has to enforce strict rules along with  
10 cease and desist orders just like this. Some may think this is actually harmful to the  
11 CS:GO and Steam communities but as the environment is heavily unregulated Valve  
12 has no choice.” *Id.* (emphasis added).

13 43. Indeed, in an article dated November 6, 2018 on the website  
14 BlockchainGamerBiz, which describes itself as being “dedicated to illuminating and  
15 explaining the world of blockchain technology as applied in the games space,” the  
16 author explained that WAX launched a “test case application, which is effectively  
17 its version of Counter-Strike: GO skin **gambling**, in which **users buy keys to open**  
18 **cases in the hope of randomly winning more valuable items than the key cost**  
19 **them.**”<sup>12</sup> The case opening process is the virtual equivalent of watching a slot  
20 machine spin in a casino.

21 44. In response to Valve’s cease and desist order, OPSkins took to the  
22 internet – specifically the OPSkins blog at [blog.opskins.com](http://blog.opskins.com) – to defend itself.  
23 OPSkins was quick to advertise that while Valve “does not allow cashouts,”  
24 “OPSkins has offered this since day one.” OPSkins also touted its lower  
25 commission rates and the fact that it had no maximum price for the trading of virtual

26 \_\_\_\_\_  
27 <sup>11</sup> <https://esportsinsider.com/2018/06/valve-opskins/> (emphasis added)

28 <sup>12</sup> <https://www.blockchaingamer.biz/news/7258/wax-delays-mainnet-launch/>  
(emphasis added)

1 items while Valve had a \$2,000 price cap.<sup>13</sup> OPSkins admitted in its blog that WAX  
2 was “built to support a post-Valve trading economy” and that “Valve’s decision was  
3 not unexpected.”

4 45. On July 23, 2018, Defendants posted a “Project Update 2” regarding  
5 WAX which consisted of both a video interview of OPSkins and WAX CEO  
6 William Quigley and an accompanying written transcript. In the interview, after  
7 noting how much Defendants “like being in downtown Santa Monica” after the  
8 interviewer commented on how “wonderful” Defendants’ “office space” is, Quigley  
9 was prompted to pitch why WAX’s token offering was supposedly different than  
10 others who are “just like throwing some money online and being like, oh I’ve made  
11 money somehow.”<sup>14</sup> Spoiler alert: WAX isn’t different. Defendants effectively  
12 treated and used the ICO process as a license to print money. It was a money *pit* for  
13 investors, however. On the other hand, as the interviewer joked, from Defendants’  
14 perspective “I know everyone was like, we’re going to be rich . . .” *Id.*

15 46. In describing his “grand vision” for WAX as a “global platform,”  
16 Quigley throws around comparisons to the Apple App store and Google Play,  
17 characterizing OPSkins as “an ebay for virtual goods” and explaining that  
18 Defendants “created the WAX ExpressTrade specifically to enable virtual items to  
19 be traded easily, at very low cost, conveniently.” *Id.* In reality, Defendants created  
20 WAX and the WAX token for two key reasons: to raise tens of millions of dollars  
21 through an illegal securities offering and to facilitate Defendants’ aspirations of  
22 building a highly profitable global, online gambling operation.

23 47. In the interview, Quigley claims that “[t]he number of transactions that  
24 are taking place with VGO for instance, make it the top DApp, distributed

25 \_\_\_\_\_  
26 <sup>13</sup> <https://blog.opskins.com/official-statement-regarding-valve-opskins-steam-accounts/>

27 <sup>14</sup> <https://medium.com/wax-io/worldwide-asset-exchange-q2-project-update-6664fb77ec83>  
28

1 application, on Ethereum.” *Id.* VGO and vIRL are gambling sites or applications.  
2 In fact, if you Google “vgo virI” the top results direct you to the “Best vIRL and  
3 VGO **Gambling** Sites in 2019” and the “Best VGO and vIRL **Gambling** Sites in  
4 2019.” (Emphasis added). Gaming publication Polygon even featured an article on  
5 March 4, 2019 about how WAX is bringing gambling to users’ computers around  
6 the world.<sup>15</sup>

7 48. In a post on the WAX website, Defendants proclaim that “[v]ideo game  
8 customers spending \$100+ billion per year on virtual items are painting a clear  
9 picture of the future of retail.” Defendants then argue that Twitch and YouTube  
10 streamers “giving away merchandise or selling it” “reveal immediately that  
11 customers overwhelmingly love digital goods” and “want to trade them, share them  
12 and sell them, quickly and easily.”<sup>16</sup> Companies like Defendants “sponsor” these  
13 streamers with large followings (*i.e.*, pay them) to promote their gambling  
14 operations, showcasing things like mystery item unboxing and case battles where  
15 users gamble with the house or each other.

16 49. On February 12, 2019, when a user credited and thanked OPSkins and  
17 WAX for making gambling available on a message board, WAX responded “Thank  
18 you for the kind words!” followed by a heart emoji.

19 50. Defendants specifically marketed their platform and services to  
20 California consumers and investors. Indeed, both OPSkins’ and WAX’s terms of  
21 service have special Notices for California Users. WAX’s Notice even specifically  
22 directs communications to **underage users in California**, stating: “**If you are a**  
23 **California resident under the age of 18**, and a registered user of any site where this  
24 policy is posted, California Business and Professions Code Section 22581 permits  
25

26 <sup>15</sup> [https://www.polygon.com/2019/3/4/18246712/real-life-loot-boxes-wax-virl-](https://www.polygon.com/2019/3/4/18246712/real-life-loot-boxes-wax-virl-itemunbox-gambling)  
27 [itemunbox-gambling](https://www.polygon.com/2019/3/4/18246712/real-life-loot-boxes-wax-virl-itemunbox-gambling)

28 <sup>16</sup> <https://wax.io/blog/the-wax-platform-invites-a-post-retail-world>

1 you to request and obtain removal of content or information you have publicly  
2 posted. . . .”<sup>17</sup>

3 51. OPSkins’ and WAX’s terms of service also purport to require users to  
4 arbitrate any disputes relating to their products and services in the Cayman Islands.<sup>18</sup>  
5 Defendants’ purported pre-dispute arbitration agreements, however, are  
6 unconscionable and neither valid nor enforceable.

7 52. In April 2019, Defendants began rolling out announcements on the  
8 WAX website regarding the upcoming launch of the WAX Blockchain Mainnet and  
9 a “WAX Token Swap” which had been delayed approximately a year from the  
10 promised rollout in the second half of 2018. Referring to the token swap process as  
11 a supposedly “fair coin distribution mechanism,” Defendants explained that, in order  
12 to accommodate the WAX Blockchain Mainnet, holders of the original ERC-20  
13 WAX tokens would have a two-month period from June 30 to August 30, 2019 to  
14 swap those tokens for the new WAX Protocol Tokens.

15 53. In other words, Defendants have doubled down following their initial  
16 illegal securities offering with a second one. And, to boot, if purchasers of the  
17 original tokens fail for any reason to swap their tokens during this two-month  
18 period, their tokens will then truly be rendered worthless since the WAX website  
19 provides that once the WAX Token Swap has ended on August 31, 2019, “ERC-20  
20 WAX Tokens will no longer be converted to WAX Protocol Tokens.”<sup>19</sup>

21 54. Defendants also introduced the Genesis Block Member Program and  
22 numerous other complex concepts including the “burning” and “staking” of tokens  
23 and the ability to earn tokens as rewards, concepts which Defendants admit could  
24 have deflationary or inflationary effects on the fluctuating value of a WAX token.

25  
26 <sup>17</sup> <https://opskins.com/tos.html> & <https://wax.io/zh/tos> (emphasis added)

27 <sup>18</sup> *See id.*

28 <sup>19</sup> <https://wax.io/blog/a-look-ahead-wax-in-q3-2019>



1 To date, Defendants have essentially been left to their own devices to just “go with  
2 the flow” – presently in the process of manipulating the supply and therefore  
3 ultimately price of a WAX token – as they see fit without appropriate oversight and  
4 regulation.

5 55. On or about April 11, 2019, the SEC released a “Spotlight on Initial  
6 Coin Offerings (ICOs)” in which it noted that “[c]ompanies and individuals are  
7 increasingly considering initial coin offerings (ICOs) as a way to raise capital or  
8 participate in investment opportunities” which “bring increased risk of fraud and  
9 manipulation because the markets for these assets are less regulated than traditional  
10 capital markets.” Among the “5 things you need to know about ICOs” per the SEC  
11 were the fact that “ICOs can be securities offerings,” “they may need to be  
12 registered,” and “ICOs may pose substantial risks.” The SEC also reiterated its  
13 position set forth in the Dao Report: “As SEC Chairman Jay Clayton has stated,  
14 tokens and offerings that feature and market the potential for profits based on the  
15 entrepreneurial or managerial efforts of others contain the hallmarks of a security  
16 under U.S. law.”<sup>20</sup>

17 56. On June 4, 2019, the SEC sued Kik Interactive Inc. (“Kik”) – launched  
18 by the creators of once popular social media app Kik – for conducting an illegal  
19 \$100 million securities offering of the Kin digital tokens. As noted above, on the  
20 first day of 2018, Business Insider published an article on “The 11 biggest ICO  
21 fundraises of 2017.” WAX ranked tenth, two behind Kin at eighth place with its  
22 reported \$98 million fundraise.<sup>21</sup> The SEC charged that Kik sold the tokens to U.S.  
23 investors without registering their offer and sale as required by the U.S. securities  
24 laws because it was desperate to keep from running out of money.<sup>22</sup> Indeed, Kik

25 \_\_\_\_\_  
26 <sup>20</sup> <https://www.sec.gov/ICO>

27 <sup>21</sup> <https://www.businessinsider.com/the-10-biggest-ico-fundraises-of-2017-2017-12#7-qash-106-million-5>

28 <sup>22</sup> <https://www.sec.gov/litigation/litreleases/2019/lr24493.htm>

1 would not have survived nearly as long as it did but for the money raised through its  
2 illegal ICO.

3 57. Just like Kik, Defendants similarly raised tens of millions of dollars  
4 from California and other U.S. investors through their illegal securities offering of  
5 WAX tokens without registering their offer and sale as required by the U.S.  
6 securities laws. Likewise, the WAX platform and services would have never been  
7 rolled out and functioning as they are today without the illegal securities offering  
8 and sale conducted by Defendants.

9 58. Among other indicia of a securities offering, Defendants touted that the  
10 WAX tokens received in exchange for investors' investments would be worth more  
11 than the moneys they paid. Additionally, Defendants created a sense of urgency for  
12 investors including Plaintiffs to make their investments to capitalize on the profit  
13 potential of the investment. Defendants also publicly refer to token holding as  
14 "ownership" – another hallmark of a security.<sup>23</sup> Just as more traditional securities  
15 are listed on exchanges like NYSE and NASDAQ, WAX tokens are listed on  
16 various cryptocurrency exchanges such as Huobi, Bibox, EtherDelta, Bancor  
17 Network, and Tidex.

18 59. The Securities Act's and the Exchange Act's requirements are designed  
19 to protect investors by ensuring that they are provided adequate, truthful, and  
20 materially complete information upon which to base their investment decisions.  
21 California's Unfair Competition Law is an important law enforcement tool designed  
22 to protect consumers from unfair, unlawful, and fraudulent business acts and  
23 practices and to deter and punish wrongdoing.

24 60. The initial WAX token price was \$0.50. When open trading began on  
25 the secondary markets in December 2017, the price quickly peaked at just over  
26 \$5.00 per token during which time certain investors and/or insiders were given  
27

28 <sup>23</sup> <https://wax.io/blog/how-can-an-increasing-wax-token-supply-lead-to-deflation>

1 preferential treatment through the early, limited release of tokens to the detriment of  
2 other investors like Plaintiffs who were deprived of millions of dollars in lost profits  
3 because of Defendants' failure and refusal to timely release their tokens. The WAX  
4 token's value quickly fell dramatically to mere cents where it remains today,  
5 currently worth less than \$0.06, yielding a return on investment of *negative 70%*  
6 from the initial token price. On the other hand, Defendants have enriched  
7 themselves to the tune of *tens of millions of dollars* at the expense of investors and  
8 consumers.

9 61. Through this action, Plaintiffs seek relief for themselves, to protect  
10 California consumers, and to deter and punish Defendants' wrongdoing.

11 **CLAIMS ALLEGED**

12 **COUNT 1**

13 **Violation of the Securities Act (15 U.S.C. § 77l(a)(2))**  
14 **(Against all Defendants)**

15 62. Plaintiffs repeat and re-allege each and every allegation above as if set  
16 forth herein.

17 63. The Securities Act prohibits the offer and sale of a security by the use  
18 of any means or instruments of transportation or communication in interstate  
19 commerce or of the mails, by means of a prospectus or oral communication, which  
20 includes an untrue statement of a material fact or omits to state a material fact  
21 necessary in order to make the statements, in the light of the circumstances under  
22 which they were made, not misleading.

23 64. The Securities Act grants Plaintiffs a private right of action for  
24 damages against Defendants for their violations of this provision.

25 65. In marketing the WAX token to prospective investors, including  
26 Plaintiffs, Defendants unlawfully made use of means or instruments of  
27 transportation or communication in interstate commerce or of the mails or by means  
28 of a prospectus or oral communication to make an untrue statement of material fact

1 and/or omitted to state a material fact necessary in order to make their statements, in  
2 light of the circumstances they were made, not misleading.

3 66. Defendants “offered” and “sold” securities within the meaning of the  
4 Securities Act because Defendants solicited Plaintiffs’ and others investments in  
5 WAX Tokens, actively and knowingly participated in the offer and sale of WAX  
6 Tokens to Plaintiffs and others, and/or offered or sold WAX Tokens they held or  
7 controlled to Plaintiffs.

8 67. By reason of the foregoing, Defendants have violated 15 U.S.C. §§  
9 77l(a)(2).

10 68. Defendants’ violation of the Securities Act was a substantial factor in  
11 causing Plaintiffs damages in connection with their purchases of WAX Token  
12 securities. As such, Defendants are liable to Plaintiffs for compensatory damages.

13 **COUNT 2**  
14 **Violation of the Securities Act (15 U.S.C. § 77o(a))**  
15 **(Against all Individual Defendants)**

16 69. Plaintiffs repeat and re-allege each and every allegation above as if set  
17 forth herein.

18 70. Section 15 of the Securities Act provides for joint and several liability  
19 for “controlling persons” who had sufficient power or influence over a person or  
20 entity that violated federal securities laws:

21 Every person who, by or through stock ownership,  
22 agency, or otherwise, or who, pursuant to or in  
23 connection with an agreement or understanding with one  
24 or more other persons by or through stock ownership,  
25 agency, or otherwise, controls any person liable under  
26 section 77k or 77l of this title, shall also be liable jointly  
27 and severally with and to the same as extent as such  
28

1 controlled person to any person to whom such controlled  
2 person is liable, unless the controlling person had no  
3 knowledge of or reasonable ground to believe in the  
4 existence of the facts by reason of which the liability of  
5 the controlled person is alleged to exist.

6 15 U.S.C. § 77o(a).

7 71. Defendant William Quigley is subject to liability by virtue of his top-  
8 level executive positions with OPSkins and WAX and his significant influence and  
9 supervisory authority over them. Quigley is a Co-Founder of WAX and serves as its  
10 Chief Executive Officer, which provided him the power to control or influence the  
11 actions of WAX and persons affiliated with WAX. Quigley is a “controlling  
12 person” within the meaning of Section 15(a) of the Securities Act, 15 U.S.C. § 77o.

13 72. Defendant Jonathan Yantis is subject to liability by virtue of his top-  
14 level executive positions with OPSkins and WAX and his significant influence and  
15 supervisory authority over them. Yantis is the COO of OPSkins and WAX, which  
16 provided him the power to control or influence the actions of WAX and persons  
17 affiliated with WAX. Yantis is a “controlling person” within the meaning of  
18 Section 15(a) of the Securities Act, 15 U.S.C. § 77o.

19 73. Defendant Jonathan Brechisci, Jr. is subject to liability by virtue of his  
20 top-level executive position with OPSkins and his significant influence and  
21 supervisory authority over the company. Brechisci, Jr. is the CTO and Founder of  
22 OPSkins, which provided him the power to control or influence the actions of WAX  
23 and persons affiliated with WAX. Brechisci, Jr. is a “controlling person” within the  
24 meaning of Section 15(a) of the Securities Act, 15 U.S.C. § 77o.

25 74. Defendant Malcolm CasSelle is subject to liability by virtue of his top-  
26 level executive position with OPSkins and his significant influence and supervisory  
27 authority over the company. CasSelle is the CIO of OPSkins and President of  
28 WAX, which provided him the power to control or influence the actions of WAX

1 and persons affiliated with WAX. CasSelle is a “controlling person” within the  
2 meaning of Section 15(a) of the Securities Act, 15 U.S.C. § 77o.

3 75. Defendants’ roles as “controlling persons” of entities or persons who  
4 violated Section 15 of the Securities Act were a substantial factor in causing  
5 Plaintiffs damages.

6 **COUNT 3**  
7 **Violation of the Securities Act (15 U.S.C. § 77q(a))**  
8 **(Against all Defendants)**

9 76. Plaintiffs repeat and re-allege each and every allegation above as if set  
10 forth herein.

11 77. The Securities Act prohibits the use of any means or instruments of  
12 transportation or communication in interstate commerce or by use of the mails,  
13 directly or indirectly (1) to employ any device, scheme, or artifice to defraud, or  
14 (2) to obtain money or property by means of any untrue statement of a material fact  
15 or any omission to state a material fact necessary in order to make the statements  
16 made, in light of the circumstances under which they were made, not misleading; or  
17 (3) to engage in any transaction, practice, or course of business which operates or  
18 would operate as a fraud or deceit upon the purchaser. 15 U.S.C. § 77q(a).

19 78. Defendants unlawfully used interstate commerce and/or the mails to  
20 employ a device, scheme, or artifice to defraud purchasers of WAX tokens, to obtain  
21 money or property from those purchasers by means of untrue statements of material  
22 facts and omissions to state material facts necessary in order to make the statements  
23 they made, in light of the circumstances under which they were made, not  
24 misleading, and to engage in transactions, practices, and courses of business which  
25 operated and operate as a fraud or deceit upon the purchasers of WAX tokens.

26 79. By reason of the foregoing, Defendants have violated 15 U.S.C. §§  
27 77q(a).

28



1 WAX tokens, including all material facts regarding Defendants’ ability and plans to  
2 release WAX tokens to investors.

3 85. Defendants’ lack of appropriate preparation for, failed execution of,  
4 and/or selective, advanced release of WAX tokens to certain favored investors  
5 proximately caused Plaintiffs damages, including millions of dollars of lost profits.

6 86. By reason of the foregoing, Defendants have violated 15 U.S.C. §§  
7 77q(a) and are liable to Plaintiffs for compensatory damages.

8 **COUNT 5**  
9 **Violation of the Exchange Act (15 U.S.C. § 78t)**  
10 **(Against all Individual Defendants)**

11 87. Plaintiffs repeat and re-allege each and every allegation above as if set  
12 forth herein.

13 88. The Exchange Act provides for joint and several liability  
14 for “controlling persons” who had sufficient power or influence over a person or  
15 entity that violated federal securities laws:

16 Every person who, directly or indirectly, controls any  
17 person liable under any provision of this chapter or of  
18 any rule or regulation thereunder shall also be liable  
19 jointly and severally with and to the same extent as such  
20 controlled person to any person to whom such controlled  
21 person is liable (including to the Commission in any  
22 action brought under paragraph (1) or (3) of section  
23 78u(d) of this title), unless the controlling person acted in  
24 good faith and did not directly or indirectly induce the act  
25 or acts constituting the violation or cause of action.

26 15 U.S.C. § 78t.

27 89. Defendant William Quigley is subject to liability by virtue of his top-  
28 level executive positions with OPSkins and WAX and his significant influence and



1 supervisory authority over them. Quigley is a Co-Founder of WAX and serves as its  
2 Chief Executive Officer, which provided him the power to control or influence the  
3 actions of WAX and persons affiliated with WAX. Quigley is a “controlling  
4 person” within the meaning of the Exchange Act, 15 U.S.C. § 78t.

5 90. Defendant Jonathan Yantis is subject to liability by virtue of his top-  
6 level executive positions with OPSkins and WAX and his significant influence and  
7 supervisory authority over them. Yantis is the COO of OPSkins and WAX, which  
8 provided him the power to control or influence the actions of WAX and persons  
9 affiliated with WAX. Yantis is a “controlling person” within the meaning of the  
10 Exchange Act, 15 U.S.C. § 78t.

11 91. Defendant Jonathan Brechisci, Jr. is subject to liability by virtue of his  
12 top-level executive position with OPSkins and his significant influence and  
13 supervisory authority over the company. Brechisci, Jr. is the CTO and Founder of  
14 OPSkins, which provided him the power to control or influence the actions of WAX  
15 and persons affiliated with WAX. Brechisci, Jr. is a “controlling person” within the  
16 meaning of the Exchange Act, 15 U.S.C. § 78t.

17 92. Defendant Malcolm CasSelle is subject to liability by virtue of his top-  
18 level executive position with OPSkins and his significant influence and supervisory  
19 authority over the company. CasSelle is the CIO of OPSkins and President of  
20 WAX, which provided him the power to control or influence the actions of WAX  
21 and persons affiliated with WAX. CasSelle is a “controlling person” within the  
22 meaning of the Exchange Act, 15 U.S.C. § 78t.

23 93. As “controlling persons,” Defendants proximately caused Plaintiffs  
24 damages, including millions of dollars of lost profits.

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**COUNT 6**  
**Unfair Business Acts or Practices (Cal. Bus. & Prof. Code §§ 17200 *et seq.*)**  
**(Against all Defendants)**

94. Plaintiffs repeat and re-allege each and every allegation above as if set forth herein.

95. The acts and practices of Defendants offend established public policy and/or are immoral, unethical, oppressive, unscrupulous or substantially injurious to consumers. Defendants therefore engaged in unfair business acts and practices within the meaning of Cal. Bus. & Prof. Code §§17200 *et seq.*

96. Defendants’ unfair business acts or practices were a substantial factor in causing Plaintiffs to lose money or property in which they had a vested interest.

97. Plaintiffs are entitled to recover restitution and disgorgement of profits and seek injunctive relief to enjoin Defendants’ unfair business acts and practices which are ongoing.

**COUNT 7**  
**Unlawful Business Acts or Practices (Cal. Bus. & Prof. Code §§ 17200 *et seq.*)**  
**(Against all Defendants)**

98. Plaintiffs repeat and re-allege each and every allegation above as if set forth herein.

99. By violating various statutes, rules, and regulations, including without limitation those referenced above and 15 U.S.C. § 77e(a), 15 U.S.C. § 77e(c), and Cal. Corp. Code §§ 25100 *et seq.*, Defendants engaged in unlawful business practices within the meaning of Cal. Bus. & Prof. Code §§17200 *et seq.*

100. Defendants’ unlawful business acts or practices were a substantial factor in causing Plaintiffs to lose money or property in which they had a vested interest.

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1 109. Defendants breached their obligations under the agreement, including  
2 without limitation their obligation to release the WAX tokens in a fair and timely  
3 manner that did not give certain investors preference over others.

4 110. Defendants’ breach of contract was a substantial factor in causing  
5 Plaintiffs damages.

6 **COUNT 10**  
7 **Breach of the Covenant of Good Faith and Fair Dealing**  
8 **(Against all Defendants)**

9 111. Plaintiffs repeat and re-allege each and every allegation above as if set  
10 forth herein.

11 112. Under California law, every contract has an implied covenant of good  
12 faith and fair dealing which requires that the parties refrain from doing anything to  
13 unfairly interfere with the right of the other party to receive the benefits of the  
14 contract.

15 113. Defendants breached the covenant of good faith and fair dealing when  
16 they selectively distributed tokens to certain, preferred investors while failing and  
17 refusing to release Plaintiffs’ tokens for days while other investors were able to take  
18 advantage of the opportunity to maximize profits.

19 114. Defendants’ breach of the covenant of good faith and fair dealing was a  
20 substantial factor in causing Plaintiffs damages.

21 **COUNT 11**  
22 **Unjust Enrichment**  
23 **(Against all Defendants)**

24 115. Plaintiffs repeat and re-allege each and every allegation above as if set  
25 forth herein.

26 116. As a result of their failure and refusal to timely release Plaintiffs’  
27 tokens, Defendants have been unjustly enriched at the expense of Plaintiffs.

28

1 117. Plaintiffs are entitled to recover monies from Defendants to remedy  
2 such unjust enrichment.

3 **COUNT 12**  
4 **Conversion**  
5 **(Against all Defendants)**

6 118. Plaintiffs repeat and re-allege each and every allegation above as if set  
7 forth herein.

8 119. Plaintiffs had a right to timely obtain and possess the WAX tokens at  
9 the same time as other investors.

10 120. Defendants intentionally and substantially interfered with Plaintiffs'  
11 WAX tokens by preventing Plaintiffs from having access to them.

12 121. Defendants did so without Plaintiffs' consent.

13 122. Defendants' conduct was a substantial factor in causing Plaintiffs harm.

14 **COUNT 13**  
15 **Promissory Estoppel**  
16 **(Against all Defendants)**

17 123. Plaintiffs repeat and re-allege each and every allegation above as if set  
18 forth herein.

19 124. Defendants made a promise to distribute WAX tokens to Plaintiffs and  
20 other investors on a fair, non-preferential basis.

21 125. Defendants, however, did not intend to perform this promise when they  
22 made it.

23 126. Defendants intended that Plaintiffs rely on their promise.

24 127. Plaintiffs reasonably relied on Defendants' promise.

25 128. Defendants did not distribute WAX tokens to Plaintiffs and other  
26 investors on a fair, non-preferential basis.

27 129. Plaintiffs' reliance on Defendants' promise was a substantial factor in  
28 causing Plaintiffs harm.



1 139. Plaintiffs reasonably relied to their detriment on the material  
2 misrepresentations made by Defendants and upon the expectation that Defendants  
3 would disclose all material facts.

4 140. Plaintiffs' reliance was a substantial factor in causing Plaintiffs  
5 damages.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Plaintiffs respectfully request that the Court enter  
8 judgment and relief as follows:

- 9 A. Declaring the sale of WAX tokens a security under the federal and state  
10 securities laws;
- 11 B. Declaring that Defendants offered and sold unregistered securities in  
12 violation of federal and state securities laws;
- 13 C. Declaring that Defendants are liable to Plaintiffs under  
14 the Securities Act, the Exchange Act, and California's Unfair  
15 Competition Law;
- 16 D. Awarding Plaintiffs compensatory damages, including lost profits;
- 17 E. Ordering Defendants to provide restitution and to disgorge profits to  
18 Plaintiffs;
- 19 F. Awarding Plaintiffs punitive damages in an amount sufficient to punish  
20 and deter Defendants;
- 21 G. Awarding Plaintiffs pre- and post-judgment interest at the statutory legal  
22 rate of 10% pursuant to Section 3289(b) of the California Civil Code;
- 23 H. Awarding Plaintiffs attorneys' fees pursuant to Section 1021.5 of the  
24 California Civil Code;
- 25 I. Awarding Plaintiffs the costs of this action;
- 26 J. Enjoining Defendants and each of them from continuing to offer and sell  
27 unregistered, non-exempt securities;
- 28

- 1 K. Enjoining Defendants and each of them from engaging in any activities  
2 that promote or facilitate in any way, directly or indirectly, online  
3 gambling;
- 4 L. Declaring Defendants’ purported pre-dispute arbitration agreements with  
5 OPSkins and WAX users invalid, unconscionable, and unenforceable and  
6 enjoining Defendants and each of them from enforcing, seeking to enforce,  
7 or in any way relying upon such purported agreements; and
- 8 M. Ordering such other and further relief as may be just and proper.

9  
10 DATED: August 12, 2019

Respectfully Submitted,

11 By: /s/ Jeffrey N. Goldberg

12 JEFFREY N. GOLDBERG  
13 THE LAW OFFICES OF JEFFREY N.  
14 GOLDBERG, P.C.

15 Attorney for Plaintiffs  
16 Crypto Asset Fund, LLC and  
17 Digital Capital Management. LLC

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**DEMAND FOR JURY TRIAL**

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiffs demand a trial by jury of all claims in this Complaint so triable.

DATED: August 12, 2019

Respectfully Submitted,

By: /s/ Jeffrey N. Goldberg

JEFFREY N. GOLDBERG  
THE LAW OFFICES OF JEFFREY N.  
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Crypto Asset Fund, LLC and  
Digital Capital Management. LLC