

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

CIP GP 2018 LLC, a Delaware limited liability company, doing business as Crimson Investment Partners

Plaintiff,

vs.

JOSH KOPLIEWICZ; THAYER STREET PARTNERS MANAGEMENT, LLC; GARY HOPKINSON; EASTMORE MANAGEMENT, LLC; QC CLB I, LLC; QC CLB II, LLC; QC CLB III, LLC; QC CLB III, INC.; QC CLB IV, INC.; QC CLB V, INC.; QC CLB VI, INC.; CLB HOLDINGS INC.; and BEDFORD ACQUISITION PARTNERS, LTD.

Defendants.

INDEX NO. 650696/2020

IAS Part 61 (Ostrager, J.)

AMENDED COMPLAINT

Plaintiff CIP GP 2018 LLC, doing business as Crimson Investment Partners (“CIP” or “Plaintiff”), by its undersigned attorney, for its Amended Complaint against Defendants Josh Koplewicz (“Koplewicz”), Thayer Street Partners Management, LLC (“Thayer Street”), Gary Hopkinson (“Hopkinson”), Eastmore Management, LLC (“Eastmore”), QC CLB I, LLC (“CLB I”), QC CLB II, LLC (“CLB II”), QC CLB III, LLC (“CLB III”), QC CLB, III, INC. (“CLB III, Inc.”), QC CLB IV, INC. (“CLB IV”), QC CLB V, INC. (“CLB V”), QC CLB VI, INC. (“CLB VI”), CLB Holdings Inc. (“CLB Holdings”), and Bedford Acquisition Partners, Ltd. (“Bedford”) (collectively, “Defendants”) hereby alleges:

NATURE OF THE ACTION

1. This is an action seeking declaratory relief and money damages in connection

with the theft of valuable services and assets worth at least tens of millions of dollars through a partnership in which Plaintiff agreed to provide its unique skills and team of operators toward a business venture with Defendants based on their agreement to divide proceeds equally (the “Partnership Agreement”).

2. As it became clear after more than a year of research, negotiations, complex financial modeling, and due diligence, that the investment opportunities generated almost exclusively by Plaintiff’s efforts would be enormously valuable, Defendants disavowed the Partnership Agreement, took Plaintiff’s investment and the venture’s corporate opportunities for themselves, and drove Plaintiff out of the business venture.

3. In their effort to drive Plaintiff out of the partnership (the “Partnership”) Defendants excluded Plaintiff from the business, illegally withheld funds invested by Plaintiff, stole tens of millions of dollars in assets and services, and now stand to gain hundreds of millions of dollars in ill-gotten profits from the investment venture built by Plaintiff under the agreement of an equal partnership.

4. For more than a year, Plaintiff CIP, through its principals, Ashkan Marsh (“Marsh”), Philipp Triebel (“Triebel”), and Brian Froehling (“Froehling”), worked tirelessly to develop investment opportunities in the legal cannabis industry under the Partnership Agreement. CIP spearheaded an initiative with Defendant Thayer Street (through its principal, Koplewicz) and Defendant Eastmore (through its principal, Hopkinson) to cultivate the lucrative investments through a three-way Partnership among Thayer Street, CIP, and Eastmore (collectively, the “Partners”), or special purpose limited liability companies created and controlled by each entity.

5. Each of the three Partners agreed to contribute its own unique skills as

entrepreneurs and investment professionals in exchange for a one-third ownership interest in the Partnership that would generate revenue through investment distributions and management fees.

6. The Partnership's business centered on the acquisition and management of cannabis safety testing laboratories across the country (and integrated technologies including software and robotics) - a substantial growth sector of the legal cannabis industry as determined after extensive research and analysis by the Partners.

7. In furtherance of the Partnership, the Partners created Bedford, a private holding company owned by the Partners through which the Partnership would acquire a portfolio of the cannabis assets across the United States. Bedford was created as a management entity whereby each Partner would equally manage the assets acquired for the Partnership.

8. The Partners planned to start the venture in California initially, and then to work their way around the country developing a dozen other acquisition opportunities in Florida, Michigan, Nevada, Massachusetts, and Oregon.

9. The particular undertaking or specific objective of the Partnership was to create a holding company for all acquisitions throughout the country and then to take the holding company to an initial public offering of its stock.

10. Within just a few months of establishing the Partnership, CIP assumed an increasingly dominant role in the development of the Partnership's business model, including the financial modeling, strategic operational and management planning, and the sourcing of target opportunities – in particular, two of the largest testing laboratories in California, Cannalysis and CW Analytical.

11. CIP continued its dominant role, in furtherance of the Partnership, relying upon repeated representations by Koplewicz and Hopkinson of their continued pursuit of common

objectives on behalf of the Partnership.

12. By the end of 2018, the Partnership began efforts to raise capital for the venture, recruiting sophisticated, industry savvy investors through various relationships in the Partners' networks. Throughout this recruitment effort, the Partners relied on marketing materials that represented to investors that CIP, with its Ivy League-Goldman Sachs pedigree, would be the operational backbone of the Partnership, responsible for implementing management strategies that would turn the Partnership's investment targets into massive profit centers for investors.

13. By February 2019, the Partnership had executed term sheets with two critical acquisition targets. Prospective investors responded enthusiastically to this progress and many committed to invest.

14. As the opportunity went from a multi-million dollar venture to potentially a billion dollar business, based largely on the extensive efforts of CIP, Defendants took action to usurp the entire opportunity for themselves by circumventing the Partnership Agreement and undercutting the agreed upon equity structure to carve CIP out of the Partnership entirely.

15. While the Partners were negotiating the details of a formal written agreement, Defendants started instituting obstacles for CIP's participation in certain aspects of the Partnership. In doing so, Defendants created a pretext for driving down CIP's share of the Partnership, which, by design, established a mechanism for Defendants to steal the equity that the Partners had agreed would belong to CIP. CIP had worked for and earned that equity over the course of a year of developing the business and opportunities for the Partnership.

16. Defendants' greed culminated in a sham negotiation of CIP's share of the business. On the night before the investors were set to fund the Cannalysis transaction, Defendants stated that they would not comply with the Partners' original Partnership Agreement,

and would cut CIP out entirely unless it agreed to an unconscionable share of the equity interests in the business venture with no managerial or voting rights.

17. Defendants have proceeded with building the venture, forging relationships with new entities and partners cultivated and developed initially by CIP. In furtherance of these efforts, Defendants have formed several new entities to hold the assets for future acquisitions, CLB I, CLB II, CLB III, CLB III, Inc. (just formed on December 17, 2019), CLB IV (formed on January 24, 2020), CLB V (also formed on January 24, 2020), and CLB VI (formed after the commencement of this lawsuit on February 3, 2020), and a holding company that Defendants intend to ultimately to use for an initial public offering, CLB Holdings.

18. On January 28, 2020, CIP received notice that Defendants intend to return funds invested by CIP in the venture by written subscription agreement, specifically Class A Interests in a new holding entity, CLB I, which would be formed for the Partnership's first acquisition.

19. As part of its scheme, Defendants seek to now completely sever the relationship with CIP and prevent CIP from ever participating in the decision-making process in the development of the business or realizing the gains of its investment in the venture.

20. Based on the foregoing, and as described in more detail below, Defendants have fraudulently conspired to steal tens of millions of dollars worth of assets and services from Plaintiff by usurping business opportunities created by Plaintiff. More specifically, the business opportunities that Defendants are actively developing, and all profits generated from those opportunities, are the fruit of Plaintiff's creation and cultivation over the course of more than a year of tirelessly working for the Partnership. Plaintiff would have pursued these opportunities on its own, but for its reliance on and performance under the Partnership Agreement.

21. Accordingly, Plaintiff seeks a declaratory judgment declaring Plaintiff as an equal

Partner or shareholder in the Partnership, Bedford, CLB I, CLB II, CLB III, CLB III, Inc., CLB IV, CLB V, CLB VI, CLB Holdings and any other ventures that own or control interests pursued by or through the Partnership or its owners during the time period of the Partnership. Plaintiff also seeks damages resulting from Defendants' theft of Plaintiff's corporate opportunities, trade secrets and confidential information, its interference with Plaintiff's relationship with Cannalysis and other target investments, and its unjust enrichment derived from and through the work of Plaintiff.

THE PARTIES

22. CIP is a Delaware limited liability company headquartered in New York, New York. CIP does business as Crimson Investment Partners, an investment firm that partners with founder-led companies and their management teams to spur growth of their companies.

23. Koplewicz is an individual who resides in New York, New York.

24. Hopkinson is an individual who resides in Los Angeles, California. Hopkinson is an employee of and/or affiliated with Defendant Eastmore, which is headquartered in New York, New York. Hopkinson frequently transacts business within the State of New York. During the course of the events which gave rise to this action, Hopkinson traveled to New York for numerous meetings with investors on behalf of the Partnership.

25. Thayer Street is a \$400 million private investment firm with its headquarters and principal place of business in New York, New York. Koplewicz is the founder and managing partner of Thayer Street. In addition to Koplewicz, other principals of Thayer Street, including Dan Perkins, were extensively involved in the activities of the Partnership.

26. Eastmore is a \$3 billion private investment firm with its headquarters and principal place of business in New York, New York. In addition to Hopkinson, other principals

of Eastmore, including its founder David Subotic and its managing director Eric Weinstein, were extensively involved in the activities of the Partnership.

27. CLB I is a Delaware limited liability company. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually members of CLB I and collectively control the entity. Much of the business of CLB I is transacted in the State of New York.

28. CLB II is a Delaware limited liability company. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually members of CLB II and collectively control the entity. Much of the business of CLB II is transacted in the State of New York.

29. CLB III is a Delaware limited liability company. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually members of CLB III and collectively control the entity. Much of the business of CLB III is transacted in the State of New York.

30. CLB III, Inc. is a Delaware corporation. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually shareholders of CLB III, Inc. and collectively control the entity. Much of the business of CLB III, Inc. is transacted in the State of New York.

31. CLB IV is a Delaware corporation. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually shareholders of CLB IV and collectively control the entity. Much of the business of CLB IV is transacted in the State of New York.

32. CLB V is a Delaware corporation. Defendant Hopkinson and Defendant

Koplewicz, a resident of the State of New York, or entities they control, are each individually shareholders of CLB V and collectively control the entity. Much of the business of CLB V is transacted in the State of New York.

33. CLB VI is a Delaware corporation. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually shareholders of CLB VI and collectively control the entity. Much of the business of CLB VI is transacted in the State of New York.

34. CLB Holdings is a Delaware corporation. Defendant Hopkinson and Defendant Koplewicz, a resident of the State of New York, or entities they control, are each individually shareholders of CLB Holdings and collectively control the entity. Much of the business of CLB Holdings is transacted in the State of New York.

35. Bedford is a corporation formed in British Columbia, Canada with its principal place of business in California. Bedford is managed by Hopkinson and Koplewicz, a resident of the State of New York and much of the business of Bedford is transacted in the State of New York.

JURISDICTION AND VENUE

36. This Court possesses jurisdiction over this action and Defendants pursuant to sections 301 and 302 of the New York Civil Practice Law and Rules (“CPLR”).

37. Venue is proper in this County pursuant to section 503 of the CPLR.

SPECIFIC FACTUAL ALLEGATIONS

Early Discussions About Opportunities in Cannabis Investment Lead to the Formation of the Partnership

38. CIP was formed in 2011 by Harvard Business School classmates Marsh, Froehling, and others as a boutique private investment firm focused on growth equity

investments in small and medium sized founder-led businesses that benefit from the significant experience of the CIP operators corporatizing their operations and digitizing their processes.

39. Through a unique skillset developed over years investing in, operating, and digitally transforming businesses, CIP built and refined a strategy that implemented a unique business operating system and procedure to professionalize a series of portfolio companies in a variety of sectors.

40. CIP's success derived from its application of this unique approach to an investment strategy commonly known as a "corporatization" in which it acquired stakes in smaller founder-led companies, professionalized them using the proprietary, institutional grade best practices tools CIP developed over the last eight years, and accelerated their growth into a larger operating company while CIP principals served as interim chief executive/financial/operating officers.

41. CIP generates revenues both through distributions as an investor in these ventures and through fees as the operators, board directors, and advisors of these businesses.

42. CIP's successful track record in this specialized investment sector over the course of eight years has allowed it to develop a strong reputation, making it a desirable partner for investors and financial collaborators alike who are interested in entering certain growing markets using CIP's model and expertise. Uniquely, CIP's specialized expertise also attracts family-owned and founder-led shareholders to sell portions of their company at favorable prices.

43. In April 2018, Marsh attended a reunion for the Special Situations Group of Goldman Sachs and reconnected with Koplewicz, a former colleague from that group. Since leaving Goldman Sachs, Koplewicz had also formed Thayer Street, a boutique private equity investment firm based in New York City.

44. During their meeting, Marsh and Koplewicz discussed collaborating on certain investment opportunities and met several times after the April 2018 reunion to develop various strategies that could mutually benefit their businesses. During these meetings, Koplewicz expressed a desire to work with CIP and to find opportunities where he could invest and apply his own skills to the work that CIP was doing with other founder-led businesses.

45. In May 2018, Marsh introduced Koplewicz and Thayer Street to various opportunities that CIP had been pursuing, including “roll-ups” of home services businesses in New Jersey focused on plumbing/HVAC/electrical and a dollar store chain in the United Kingdom.

46. Both opportunities, Marsh and Thayer Street agreed, could benefit from a collaboration of Thayer’s financial structuring capabilities and CIP’s acquisition and operating capabilities.

47. CIP and Thayer Street began developing these ideas, and meeting with their respective teams to build out a model that would work for the opportunities. Around this same time, Marsh and Koplewicz also began to explore employing the same corporatization strategy developed by CIP to other industries, including the rapidly emerging legal cannabis industry which had been to date largely fragmented with hundreds of “mom and pop” businesses.

48. CIP’s proprietary corporatization strategies for companies included, by way of example, without limitation, talent recruitment tools, personnel management systems, training strategies, and inventory and operations management optimization processes.

49. CIP maintained its corporatization strategy as confidential and proprietary and only shared it with its Partners with the understanding that it would be used solely for the benefit of the Partnership.

50. In 2018, the U.S. legal cannabis industry was estimated to be worth approximately \$12 billion and is expected to double to \$24 billion by 2020. The legal cannabis industry is made up a variety of business sectors, including cultivation, manufacturing, distribution and retail, among several others. It has created hundreds of thousands of jobs in the United States over the last few years and is expected to continue on a sharp upwards trajectory for the foreseeable future.

51. Marsh and Koplewicz sought to analyze each of the various cannabis business sectors based on this massive growth to determine where their unique skill sets could be applied to make the biggest impact and profits. In particular, Marsh and Koplewicz sought opportunities to which CIP could apply its managerial and operational strategies most effectively, as it had done so well with businesses in other industries.

52. In furtherance of their exploration of a cannabis investment strategy, Koplewicz introduced Marsh to Hopkinson, a Managing Director at Eastmore, who had made several personal investments in growing cannabis companies including, Captor Capital Corp. (“Captor”). Captor is a publicly traded Canadian cannabis holding company with institutional knowledge that Marsh, Koplewicz, and Hopkinson considered using to hold the acquisitions of “mom and pop” companies corporatized by the growing partnership. Captor is owned by Eastmore’s principals, Subotic and Alex Shnaider.

53. Thayer Street prepared a presentation for Captor regarding its and CIP’s credentials and expertise and the value Thayer Street and CIP could contribute to Captor’s operations, strategic planning and marketing initiatives. Thayer Street and CIP flew from New York to Los Angeles with their teams to present this material to Subotic and Hopkinson on June 28, 2018.

54. In June 2018, Hopkinson, Koplewicz, and Marsh agreed to form the Partnership, through CIP, Thayer Street, and Eastmore, that would include significant investments of their time and resources into a cannabis holding company for several target acquisitions.

55. In furtherance of this Partnership, the Partners began working together on marketing materials for the new project, showcasing CIP's management and operational experience and pedigree. They explored various corporate structures for the new business and determined that creating a private entity capitalized by investors would be the best approach, rather than using an existing entity like Captor. At the time, they nicknamed the partnership "HoKaMa" – a combination of each of their last names in the order based on their anticipated roles, sourcing-underwriting-operating.

Partners Formalize Partnership and Focus Business Model on Third Party Testing Labs

56. In late June 2018, Marsh, Koplewicz, and Hopkinson, along with the entities they represent and control, agreed to the terms for their Partnership at a formal meeting in Beverly Hills, California, consummating the Partnership Agreement.

57. The Partnership Agreement consisted of an equal, complimentary exchange of time and resources devoted to building the cannabis venture and an equal distribution of equity in the business. The equity distribution between the partners, as detailed below, provided that each of the Partners both shared in the profits of the business, through various distribution sources, and in the losses, including the shared obligation to equally fund shortfalls encountered by the business.

58. In addition to the financial interest the Partners received through this equal equity distribution of the founders' interests (Class B Interests), they were also provided certain management and voting rights over the major decisions of the Partnership. Each Partner

received an equal distribution of voting rights for management of the Partnership, which would be used in the event that a major decision needed to be made on behalf of the Partnership. Other holders of interests in the various holding companies set up in furtherance of the venture (Class A Interest Holders) were not entitled to participate in the management of the business.

59. Specifically, both the investment and the management functions would generate revenue for the Partnership through distributions and management fees (including closing fees, monitoring fees, and board fees), respectively, and the Partnership agreed to share equally in the responsibilities, relying on each Partner's unique skill sets. In exchange for the services that each Partner would commit to the Partnership, each would receive an equal, one-third distribution of all Partnership proceeds.

60. The Partners agreed that Eastmore's role in the Partnership, through Hopkinson, would be to raise capital with investors through its network of fellow high-net-worth individuals and to source potential acquisition targets for evaluation by the Partnership.

61. Thayer Street's role in the Partnership would be to underwrite and negotiate potential acquisitions, secure terms sheets, perform due diligence, and build financial models. Thayer Street was expected to play an active and key role in the Partnership's cannabis industry activities.

62. CIP's role in the Partnership would be to operate post-closing, specifically to train, install, and oversee an executive team to manage the operations at each of the target acquisitions using the proprietary, institutional grade best practices tools CIP has developed over the last eight years. CIP also would serve as the interim leadership team for Bedford, the holding company for the acquired cannabis assets until a permanent management team was hired to replace CIP.

63. CIP maintains as confidential its best practices tools for professionalization of small, founder-led companies. Pursuant to the Partnership Agreement, CIP shared its professionalization practices with its Partners with the belief and understandings that its best practices would be used for the benefit of the Partnership.

64. The Partnership Agreement also included an exclusivity requirement between the Partners. Each Partner could only consummate cannabis safety-testing transactions and investments if it did so within the Partnership with each Partner having a one-third interest in the transaction.

65. The Partners also agreed on a structure for the venture. As the Partnership acquired each entity, it would hold the ownership interests in a holding company. The first would be CLB I, and each subsequent acquisition would be CLB II, CLB III, CLB IV, CLB V, and CLB VI. The Partnership also agreed that it would create a holding company, CLB Holdings, that would ultimately be used for an initial public offering.

66. Led by Marsh and his colleagues at CIP, the Partnership began researching various opportunities in cannabis. CIP flew several associates out to Southern California to conduct diligence on multiple acquisition opportunities and to translate CIP's Business Operating Procedures over to the legal cannabis industry.

67. This process resulted in the Partnership determining at an early stage that some of the more visible sectors, cultivation companies and dispensary stores, would not be a good fit for CIP's investment strategies given the competition and less predictable margins.

68. Through its research and vetting process, CIP specifically determined, however, that the massive illegal cannabis market (\$25 billion) was quickly shifting to the

legal market under increased regulation, and California was growing into its role as a leader among the states who had legalized cannabis. Among the initiatives California adopted in this role was the development of certain mandatory third-party testing laboratory protocols for legalized cannabis that would result in massive growth in the market for testing laboratories. Other states were expected to follow suit.

69. In accordance with the Partnership Agreement, in September 2018, Koplewicz formed Bedford, a limited liability company in British Columbia, which would be the holding company for the Partnership's investment assets and would manage the operations of the acquired entities. CIP understood, based on representations by Koplewicz, that he formed Bedford properly and for the benefit of all the Partners. Indeed, the formation of the corporate entities supporting the Partnership was part of the responsibilities Koplewicz assumed on behalf of the Partnership.

70. After making numerous trips to and outside of California over several months and speaking to owners of over 100 different businesses focused on the emerging legal cannabis sector, CIP began to develop a strategy to corporatize these third-party testing laboratories first in California and then across the country.

71. CIP zeroed in on an opportunity that would benefit from its unique skill set and business model, as the existing testing laboratories would need to massively scale out their operations to keep up with the demand of their services.

CIP's Contributions Exceeded Those of its Partners as it Aggressively Pursued Opportunities on Behalf of the Partnership in Reliance on its Partners

72. In late-summer of 2018, Marsh brought Triebel into CIP as a key partner and contributor to the development of the business and investment strategies of the Partnership, along with two other CIP associates.

73. Around the same time, Eastmore and Thayer began taking a larger role in the business of the Partnership - for Eastmore, Managing Director Eric Weinstein and Hopkinson and for Thayer, senior employee Dan Perkins and Koplewicz.

74. Between them, from Eastmore and Thayer email accounts and offices, Weinstein, Hopkinson, Perkins, and Koplewicz participated in thousands of emails and teleconferences intimately discussing the growth of this Partnership with CIP and the investment interest and management role each entity would play as it progressed.

75. Among the roles Weinstein would play on behalf of Eastmore as the venture took shape was to advise on capitalization structures as well as provide the Partnership access to Eastmore investors. This access included many conference calls and extensive email correspondence between Weinstein, Eastmore's investors, and Marsh directly.

76. During this time period, the Partnership began developing investor leads, and building out the financial models for the business, but had not yet identified a suitable acquisition target.

77. While not CIP's primary function under the Partnership Agreement, CIP cultivated relationships with a dozen business brokers that could generate acquisition leads - one a former Goldman Sachs alumnus working as a business broker in the legal cannabis industry in California.

78. In October 2018, through CIP, Bedford formally engaged the broker to make introductions of potential investors for it.

79. Under CIP's guidance, and through education regarding the types of opportunities it was targeting, the broker introduced CIP to Cannalysis, a premier, family-owned, third-party cannabis safety testing laboratory and one of the most technologically advanced in the country.

80. CIP forged ahead with the development of this relationship, seeing immediately the unique opportunity and recognizing the urgency of pursuing it aggressively. CIP quickly signed a nondisclosure agreement with the business broker, and then with Cannalysis to begin negotiating a potential acquisition.

81. Within just a few days, Triebel had met with Cannalysis shareholders and drafted a term sheet for an acquisition of Cannalysis. CIP also assumed the lead role in performing initial due diligence on the target acquisition on behalf of the Partnership.

82. In reliance on the Partnership Agreement, CIP shared these developments with Koplewicz and Hopkinson and agreed to work on behalf of Bedford and the Partnership to successfully pursue this critical investment opportunity. CIP assigned the opportunity to the Partnership and began working on its behalf.

83. On October 9, 2018, Triebel flew to California to visit the laboratory and began independently developing a relationship with Cannalysis and its principals. Seven days later, on October 16, 2018, Marsh visited Cannalysis for a board meeting and dinner with all major investors and their family members to present a potential deal for the acquisition and to negotiate terms on behalf of the Partnership.

84. Simultaneously, as it was pursuing the target acquisition, CIP developed the investment capital structure for Cannalysis, working with Thayer Street's Koplewicz and Perkins.

85. CIP and Thayer Street collaborated through multiple in-person meetings and dozens of emails to prepare a handful of key documents and develop the Cannalysis investment capital structure, EBITDA performance matrix, secondary acquisition of family shareholders, and financials.

86. Perkins, on behalf of Thayer, was responsible for coordinating discussions with the Partnership's counsel and directing their work, which involved issues related to corporate and investment structure as well as legal issues related to the investors themselves.

87. In furtherance of cultivating investors, in October 2018, Gary Hopkinson sent letters to prospective investors projecting Eastmore's strong involvement in the Partnership and specifically declaring that Eastmore had available \$30 million for the specific "purpose of investing in cannabis related assets through [the Partnership]."

88. In exchange for this support, Hopkinson and Koplewicz both agreed to share their portion of the Partnership (founder interests defined as Class B Interests) with Eastmore and Thayer.

89. On November 6, 2018, Cannalysis' chief executive officer and chief operating officer flew to New York City to negotiate and finalize the term sheet for the acquisition of Cannalysis by the Partnership. The CIP and Thayer Street teams met with the Cannalysis executives at Thayer Street's offices.

90. During these meetings, and immediately thereafter, Cannalysis expressed dissatisfaction with the course of negotiations and called off the transaction. After internal discussions, the Partnership designated Triebel, due to his strong rapport with Cannalysis, to repair the relationship issues and to salvage the deal. In reliance upon and in furtherance of the Partnership, CIP and Triebel agreed to commit time and resources to closing the deal with Cannalysis as the entire venture now seemed to hinge upon it.

91. During the weekend of November 9, 2018, Triebel engaged Cannalysis in extended negotiations, structured deal terms, and ultimately secured a signed term sheet with the laboratory on November 11, 2018. The term sheet provided for several months of exclusivity

and steep break fees, which importantly allowed the Partnership to begin comprehensive due diligence and to begin pursuing investors to raise capital for the deal.

92. The term sheet secured by CIP included a purchase price of \$20 million, to be raised by the Partnership. Pursuant to the Partnership Agreement, and as confirmed in numerous emails and discussions between the Partners, CIP would serve as the interim executive team, Eastmore would raise the capital, and Thayer Street would complete the due diligence and the investment closing. Upon closing, CIP would oversee the management of Cannalysis, and begin plans to improve operations in order to scale the business and maximize profitability along with the existing leadership.

93. CIP led the Partnership's due diligence of Cannalysis, though it was outside of its responsibilities under the Partnership Agreement. In furtherance of this effort, CIP reviewed Cannalysis' corporate and financial reporting and created the financial model and investment memorandum for the transaction, almost entirely independent of either of its Partners. CIP also spent multiple weeks onsite at Cannalysis pulling together a data room containing all operational, legal, and financial diligence materials.

94. In December 2018, the Partnership began legal due diligence on the Cannalysis acquisition. While this was plainly within Thayer Street's Partnership responsibilities, Koplewicz informed Marsh that he was not comfortable taking the lead in the negotiations without him. In particular, Koplewicz expressed concerns about his firm negotiating the specific details of the sale and purchase agreement and the investors' rights agreement. Again, in reliance upon the Partnership Agreement and to support the continuing venture, CIP stepped in to assume a role it was comfortable with, but had not agreed to perform, to ensure a successful outcome.

95. On behalf of CIP, Marsh joined in the negotiation and review of key legal documents. He participated in every legal call and split the speaking, document drafting, and negotiating duties with Koplewicz. Marsh also led the development of a strategy with legal counsel and led many of the calls and negotiations with legal counsel from both sides for over one month.

96. As CIP continued to take a dominant role in nearly every facet of the Partnership, aside from raising capital, which was Hopkinson's role, Hopkinson approached Marsh and expressed a concern about Koplewicz's performance and contribution to the Partnership. At the time, Hopkinson proposed cutting Koplewicz from the deal altogether, as to date, CIP had performed most of the functions that Koplewicz and Thayer Street had agreed to perform.

97. Marsh rejected the proposal, pointing specifically to the Partnership Agreement, which bound them all to moving forward with the project and closing the Cannalysis deal together, as Partners, despite the underwhelming contributions and performance of Koplewicz and Thayer Street.

98. As the Cannalysis deal advanced toward closing, CIP's business broker contact arranged several introductions with cannabis testing labs in San Francisco, including a large potential target based in Oakland - CW Analytical.

99. The Partnership's business broker presented the Partnership to CW Analytical as an "investment team" consisting of Marsh and Triebel of CIP, Koplewicz of Thayer Street and Hopkinson of Eastmore. The business broker said the team was "highly experienced in buying significant stakes in growing private businesses, helping them to long-term success with a combination of capital and operational know-how."

100. Once again recognizing an important opportunity, CIP independently pursued a

relationship with this second laboratory in furtherance of the Partnership.

101. On December 2, 2018, the business broker entered into a mutual nondisclosure and non-circumvent agreement with CIP, not the Partnership. Nevertheless, once again in furtherance of the Partnership, CIP planned to develop and transfer the opportunity to the Partnership.

102. Over the course of the next two months, in reliance on the Partnership Agreement, CIP spearheaded the relationship building with CW Analytical, initially through conference calls led by Marsh followed by flights to California for in-person meetings with CW Analytical, including a meeting with the full board and shareholder group on January 9, 2019.

103. At the January 2019 CW Analytical board meeting, Marsh was the only Partnership representative in San Francisco and presented the benefits of the Partnership platform, highlighting the CIP management and corporatization strategy that would include other labs and eventually a public offering. This meeting kicked off negotiations between CIP and CW Analytical shareholders for an acquisition that would be shared pursuant to the Partnership Agreement.

CIP Helps to Attract New Investors for Bedford and Works to Finalize Acquisitions

104. In mid-January 2019, the Partnership, led by Marsh, Koplewicz, and Hopkinson conducted investor roadshows in New York, meeting with a dozen different family offices and hedge funds to generate interest in the Partnership. The presentations included the same script about three equal partners that had complimentary skillsets, with a slide deck that emphasized CIP's team of professional operators who would scale out their business and have the credentials to be its initial public offering management team.

105. During many of these interactions, including both in person and by email,

Hopkinson confirmed the Partnership to third parties by email, describing Marsh and Koplewicz as his “partners,” and the venture as a Partnership between them.

106. In one such email, to Eastmore principal Alex Shnaider, Hopkinson wrote: “Our plan here is to dominate the lab space in the USA, through M&A and roll outs of new labs in other states as they mature. Look forward to speaking you, my *partners* Josh Koplewicz and Ashkan Marsh will also be in the line with me.” (emphasis added).

107. In another email to Tom Purcell, the president of Lake Trail Capital in advance of a January 18, 2019 meeting, Hopkinson wrote that “my partners Josh Koplewicz and Ashkan Marsh will also come with me.”

108. At the same time, CIP continued to pursue new opportunities, including again taking on responsibilities beyond its contemplated role in the Partnership Agreement by leading deal negotiations with CW Analytical. On January 18, 2019, CIP conducted a call with CW Analytical to discuss the company’s newly created budget for financial due diligence and requested an in-person meeting to continue negotiations.

109. During the remainder of the month of January, Marsh, Triebel, Perkins, and Koplewicz continued legal diligence for the Cannalysis deal. The complexity of the deal required daily conference calls and email exchanges between Marsh, Triebel, Perkins, and Koplewicz on strategy and the structure of the deal. Hopkinson continued to focus on raising capital in accordance with the Partnership Agreement, while conducting daily conference calls with Marsh and Hopkinson to make sure they were all operating in sync.

110. In February 2019, Marsh individually traveled to San Francisco to negotiate and finalize a term sheet with CW Analytical on behalf of the Partnership. After multiple rounds of revisions, he was able to rearchitect deal terms and to obtain the agreement of CW Analytical’s

various shareholders. They executed a term sheet with Bedford on February 20, 2019.

111. The CW Analytical term sheet, secured by CIP, was a defining moment for the Partnership, as this acquisition transformed the venture from a single asset venture into a platform business comprising of multiple labs.

112. During this time period, Marsh, Koplewicz, and Hopkinson conducted dozens of investor calls and live meetings using the same script at all meetings, still emphasizing CIP's operations and management experience that would turn the laboratories into profit centers for a future public company. Hopkinson described Marsh as "such a vital part to the team" during these efforts, describing CIP and Marsh repeatedly as his "partners."

113. The Cannalysis negotiations also continued but were repeatedly interrupted over shareholder issues and changing deal terms, which jeopardized the acquisition.

114. Citing cash needs during the delays, Cannalysis demanded a bridge loan of \$620,000 to support the business during the remaining course of negotiations. The Partnership agreed, lending \$620,000 to Cannalysis. Pursuant to the Partnership Agreement, the loan was made by contributions of each of the Partners equally – CIP wired \$206,667 to Cannalysis and its suppliers and Thayer Street and Eastmore Group did as well, and the Partnership loaned the \$620,000 to Cannalysis.

115. At approximately the same time, Koplewicz informed Marsh and Hopkinson that each Partner would need to fund a small amount of money for the Partnership, i.e. Bedford, in order to create equity basis in the company that he had formed on behalf of the Partnership.

116. Though Koplewicz had been repeatedly advised to open a bank account on behalf of the Partnership, and had repeatedly misrepresented that he would, he had not up to this point, claiming difficulties getting to the bank. Instead, for purposes of funding the operational

expenses and creating equity basis, Koplewicz insisted that the operations be funded through an escrow account maintained through outside counsel. CIP complied, relying on Koplewicz's representations, and in accordance with the Partnership Agreement to share costs and losses equally, and paid \$26,667, representing its equal share of the \$80,000 in requested funds.

117. Perkins of Thayer Street specifically instructed Marsh and Hopkinson how to wire the funds to Cannalysis through its attorneys' trust account.

118. Through March 2019 and April 2019, pursuant to the Partnership Agreement, Hopkinson cultivated relationships with additional investors, including significant asset management firms, as well as conducted additional discussions with Eastmore's principals, including Subotic and Shnaider, about funding Bedford's cannabis laboratory acquisitions.

119. In subsequent correspondence, both internally within the Partnership as well as externally with investors, Hopkinson described Subotic as a "main funder" of Bedford's cannabis laboratory acquisitions. It is this substantial funding, a confirmed \$30 million, that entitled Subotic and Eastmore to a significant portion of Hopkinson's founder shares – 50% according to Hopkinson.

120. At Eastmore's request, CIP participated in several meetings at Eastmore's offices and via telephone to discuss the specific details of the venture's operational plan and investment opportunities.

121. At investor meetings, also attended by CIP, each of the investors and asset management firms were presented with a slide deck describing the first two investments of the holding company (Cannalysis and CW Analytical) and highlighting CIP as the operational team for the holding company.

122. Hopkinson specifically cited the importance of CIP's representation at these

investor meetings because he knew that the competence of the executive/management team was more meaningful than anything else to the investment decision, and he knew that CIP's profile and presentation in particular would resonate with investors. In these meetings, investors consistently reinforced this belief, emphasizing that the strength of the management team (CIP) was the key to any successful venture.

123. The meetings were extremely successful in generating interest from strategic partners and investors, including the global cannabis industry player, investment bank Canaccord Genuity, and its vice chairman, Graham Saunders. Saunders was the most active investment banking executive in the cannabis space, directly responsible for client engagements that linked to over half of the publicly traded cannabis stocks.

124. In meetings with Saunders and Canaccord Genuity, the investment bank indicated that it had full confidence in leading a brokered private placement round in excess of \$30 million, citing a valuation of closer to \$200-\$300 million. Canaccord Genuity also advised Hopkinson and Marsh that the Partnership should "go acquire every lab possible" based on its confidence in the model and the strong investor appetite for the platform that the Partnership was building.

125. As the Partners began getting feedback on the venture from industry insiders like Canaccord Genuity among others, it became apparent that the business would be much more lucrative than they had ever imagined. By leveraging the existing transactions and applying CIP's operational improvement strategies to the cannabis testing lab market, the Partnership believed that a public offering would be worth hundreds of millions of dollars, if not more after a series of acquisitions.

126. During this time, Marsh also prepared a presentation for Subotic which detailed a

target operating model for labs the Partnership acquired, summarized the Partnership's progress in acquisitions to date, and outlined the strengths of each individual member of the Partnership team, including Hopkinson, Marsh, Triebel, Koplewicz and Perkins.

127. The presentation also included a detailed, 12-week timeline of the corporatization process, which CIP developed, and which would be employed for each laboratory acquisition. The presentation set forth how CIP would implement an operations and management overhaul in its labs based on the business operating systems and standard operating procedures it had developed over the last decade in professionalizing portfolio companies.

128. As a result of these ongoing discussions, Subotic and fellow Eastmore Principal Shnaider became increasingly interested in Bedford and more engaged in the progress of the venture. For example, Subotic signed a term sheet with Bedford to fund \$18 million of the Cannalysis deal, and both Subotic and Shnaider appointed Eastmore Managing Director Eric Weinstein specifically to work with Marsh on refining the funding presentation.

129. Eastmore principals Subotic and Shnaider also sought ways to participate in each level of equity with the new venture, including participating in Hopkinson's one-third share of the partnership. By all accounts, Subotic and Shnaider wanted an increasingly substantial role in Bedford and the opportunities it was pursuing.

130. On behalf of Eastmore, Weinstein also secured funding for the Partnership's venture. In one case, Weinstein organized an investor call with Shakil Riaz of Lighthouse Investment Partners, LLC ("Lighthouse").

131. With Hopkinson absent from the call, Marsh and Froehling represented the Partnership and pitched Riaz on CIP's operating plans and its interim executive team that would integrate acquisitions and then replace itself with a full time CEO/COO when the acquisition was

stable. Prior to the call, Lighthouse had expressed the importance of speaking with the “operators” of the business, which was CIP’s primary area of responsibility under the Partnership Agreement.

132. Weinstein subsequently thanked Marsh for leading the call and asked for clarification about the Partnership’s capital structure.

133. At the end of May, Lighthouse invested \$1 million in the Cannalysis acquisition.

Defendants Begin Executing a Plan to Steal CIP’s Interests in the Partnership and the Value of the Extensive Services Provided in Furtherance of the Partnership

134. Through the end of the summer and well into the fall of 2018, CIP began developing the infrastructure for Cannalysis. It did so by not only relying on the expertise of Triebel and Marsh, but also bringing in other talented individuals with whom it had relationships that would bring value to the venture. For example, CIP hired an analyst who devoted the entirety of her time to Bedford and the Cannalysis deal, and brought on CIP’s own human resources advisor to consult on the project, which included extensive work on developing Cannalysis’ hiring requirements, organizational charts, and role descriptions for its work force. CIP’s human resources advisor also provided guidance on some critical new hires, including a new vice president of operations.

135. In a March 25, 2019 email to Hopkinson and Koplewicz, Marsh laid out a detailed schedule for how CIP would implement corporatization in each laboratory acquisition through tailored 100-day plans. CIP’s tailored corporatization strategy for laboratory acquisitions included, without limitation,

- Implementing laboratory operational and productivity transformation through tailored workflows from lab technicians and documented processes to increase throughput of samples;
- Implementing operational retooling of internal management systems to

double lab personnel and machinery within the same oversight team; and

- Negotiating with banks and capital leasing vendors to obtain favorable working lines specifically for the lab business model.

136. Following the initial 100 days, the part-time acquisition integration team staffed by CIP would give way to a full-time executive team that CIP would recruit and hire from outside of CIP. The new executive team would absorb corporatized operations from CIP over the course of several months.

137. As the business began to take shape and investor interest grew rapidly, the Partners decided that they should formalize their existing agreement into a more detailed written instrument that included more specific operational and governance terms, among others. The terms of the existing Partnership Agreement, including the equal distribution of equity interests and the responsibilities of each Partner in furtherance of the Partnership, were to remain the same.

138. The Partners began negotiating the terms of this new agreement, which they expressed and intended would supersede the existing Partnership Agreement when consummated. The equal distribution of equity would be made from approximately 30 percent of the holding company's equity, or approximately ten percent per Partner while the remainder of the holding company's equity would be split between investors and targets that were acquired. Other managerial and governance related terms were discussed amicably during the course of these discussions as the broader agreement began taking shape.¹

139. As provided, the Partners agreed that the acquisition holding companies would

¹ Hopkinson and Koplewicz intended to create entities, GHCLB I, LLC and 37 CFS Holdings, LLC, respectively, to enter into the new agreement on behalf of each of them.

include at least two classes of interests, Class A Interests and Class B Interests (in some cases, Class C Interests would be issued to the Partners). Class A Interests represented the investors and would include the Partners based on their individual investment of capital. Class B Interests would be issued to the Partners only and include not only economic rights with respect to the business but management rights and decision-making control as well.

140. The Partners worked diligently to solidify the terms as they moved forward with getting commitments from investors in advance of the Cannalysis acquisition.

141. In April 2019, however, Koplewicz introduced a new structure to the Partnership, suggesting that this new arrangement should replace the one already agreed to as part of the original Partnership Agreement. The new agreement introduced a new vesting concept, with equal ownership interests among the Partners but performance benchmarks that would lead to increased ownership rights for potentially one or more Partners but not others. Ironically, up to this point, it was clear that CIP had far outperformed the other Partners, particularly Koplewicz, as acknowledged by Hopkinson when he pitched to cut Koplewicz out. Under this new agreement, by any objective standard, if any Partner was entitled to a disproportionate amount of the equity in Bedford, it was CIP.

142. The introduction of these new terms, however, caused CIP to become skeptical of Koplewicz's motives, as it coincided closely with the company's rapidly expanding projections. Nevertheless, CIP agreed to negotiate this new agreement in good faith, making very clear throughout the negotiations that the existing Partnership Agreement and equity structure would remain in place.

143. Koplewicz provided a template for this new agreement, which the Partners negotiated intensely throughout April and May 2019, revising and modifying over a dozen

versions of the draft document, each containing the same, previously agreed upon material terms, including the equally distributed equity structure.

144. After several protracted weeks of negotiating this new agreement, with execution imminent, Koplewicz again introduced yet another new concept to the deal structure that was tied to raising capital, a responsibility that was not part of the Partnership Agreement for CIP. The new term proposed that any party that brought less than \$2 million of investor capital to the venture over the course of two rounds of investment would have no voting rights or governance, but any Partner that brought over \$2 million would have full blocks on all major corporate actions. This new term was entirely inconsistent with the Partnership Agreement and otherwise unconscionable given the respective agreements on each of the Partners role.

145. While still not clear at the time, the roadblocks being introduced and imposed by Koplewicz, and embraced by Hopkinson, were the foundation for a pretext to walk away from the Partnership. Indeed, raising investor capital was specifically the responsibility of Eastmore, and was the reason that Hopkinson would be receiving one-third of the equity interests in the Partnership in the first place. Koplewicz and Hopkinson appeared to be negotiating in bad faith.

146. Marsh and CIP rejected this deal term, but still endeavored to raise capital from their investment network, in the spirit of the Partnership, as they had with other non-CIP Partnership responsibilities, including origination of the acquisition targets, the negotiation of the legal terms of the Cannalysis deal, and the due diligence and underwriting of the business itself, among others.

147. CIP remained steadfast in getting the venture off the ground, still faithful in the Partnership, and hopeful that Koplewicz and Hopkinson would perform as agreed under the Partnership Agreement.

148. By late-May 2019, CIP was well on its way to raising the purported \$2 million threshold in just the first round alone, having raised \$1.8 million – ironically the same amount as Koplewicz – including \$350,000 of CIP’s own money (subscription agreements for Class A Interests were signed by both CIP as well as its own investors). But, beginning to sense that Koplewicz and Hopkinson may not be acting in good faith by, among other things, creating false justifications for terminating the Partnership Agreement, Marsh insisted that the parties execute a written agreement in advance of funding and closing.

As the Cannalysis Deal Formalizes Defendants Breach the Partnership Agreement

149. During the course of the negotiations of the written agreement, the Cannalysis acquisition was being finalized. The acquisition structure involved the creation of a new limited liability company, CLB I, based upon the structure that the Partners had already created.

150. As agreed, each Partner, and the investors that each Partner originated, would own equity in Cannalysis through this limited liability company.

151. In general terms, the investors would own Class A Interests of CLB I, the three partners (Eastmore, CIP, and Thayer Street (or their designated affiliates)) would own Class B Interests of CLB I (in equal one-third amounts), and Class C Interests would be available to the three partners (in equal one-third amounts) in connection with warrants issued by CLB I.

152. On information and belief, Subotic also was issued Class B Interests from the Partnership distribution in exchange for financially backstopping the acquisition.

153. In addition to certain economic benefits granted to owners of Class A Interests in CLB I, Class A Members also would be given voting rights, while Class B Members would be granted authority to certain management decisions on behalf of CLB I, including issues specifically tied to the issuance of equity and the acquisition of targets opportunities.

154. During April and May 2019, Bedford requested that its counsel obtain executed subscription agreements from investors, who, in turn, would wire money to fund the investment. Indeed, CIP, through its founders, subsequently collectively wired \$350,000 to Bedford – its financial commitment for Class A Interests and submitted the signed subscription agreements.²

155. On April 1, 2019, Perkins emailed Koplewicz, Hopkinson, and Marsh as well as Eastmore’s Erin Perreault (Subotic’s executive assistant) the final subscription agreements as well as a summary of the process for executing those agreements. He indicated that Perreault would send the agreements to the investors.

156. On March 29, 2019 Hopkinson sent an email introducing Perreault to Marsh and Koplewicz, describing Koplewicz as “one of *our* partners,” indicating that Perkins (of Thayer Street was also in his “group”) and describing Marsh as the “other partner.” (emphasis added). These emails were all exchanged from and to Eastmore and Thayer Street email accounts for Hopkinson/Perreault and Koplewicz/Perkins respectively.

157. Originally, CLB I was supposed to be funded on May 29, 2019. However, on the night before the planned funding, Koplewicz notified Marsh and Hopkinson that he would not sign the draft written agreement that he, Marsh, and Hopkinson had been drafting for months.

158. Rather, because the perceived market for the new holding company had increased since negotiations first began, Koplewicz demanded that the parties execute a different document governing ownership of the various transaction entities.

159. The new document was heavily imbalanced in favor of Koplewicz and Hopkinson

² CIP members Ashkan Marsh, Phillip Triebel, and Brian Froehling each signed subscription agreements for Class A Interests in CLB I - Marsh, through a single member limited liability company, Parthian Capital Partners LLC; Triebel through a single member limited liability company, UPP Capital LLC; and, Froehling individually. Each has assigned his interest in the subscription agreements to CIP.

and would severely dilute CIP's ownership interest, remove CIP's governance rights and control, and contained other terms that were materially contradictory to the concept of the Partnership Agreement (e.g., equal one-third rights).

160. For example, under the new structure proposed by Koplewicz, rather than the three-way partnership to which the parties had all agreed in the Partnership Agreement, the new structure going forward for future acquisitions would be one where CIP had no ownership or control of the acquisition company, but instead would participate through "interest agreements" and "distribution rights."

161. Koplewicz advised CIP that this agreement would be on a "take-it-or-leave-it" basis, meaning that CIP, after well over a year of pouring time and resources into a deal that provided for equal governance and distribution rights, would be getting nothing if it did not accept Koplewicz's unconscionable agreement.

162. On May 29, 2019, CLB I partially funded. Notwithstanding CIP's payment of the promised funds and entitlement to one-third of the Class B Interests CLB I, CLB I has failed to issue Marsh/CIP the appropriate Class A or Class B Interests.

163. To date, Hopkinson has also failed or refused to issue CIP share certificates for \$60,000 of shares purchased and documented in another related entity, Wealthcraft Capital, Inc.

164. On May 29, 2019, CIP's counsel drafted a letter to Bedford's counsel demanding that Bedford comply with the terms of the Partnership Agreement and not make any misstatements regarding the structure, ownership and status of the Partnership.

Despite the Bad Faith of Its Partners, CIP Attempts to Salvage the Partnership

165. On May 31, 2019, Marsh, Triebel and Froehling met with Hopkinson at Hopkinson's home in California to discuss the status of the Partnership. Hopkinson blamed the

impasse on Koplewicz and agreed that the Partners should return to their original Partnership Agreement they had been negotiating prior to Koplewicz's springing the new form of agreement on Marsh and Hopkinson in April 2019.

166. Notably, Hopkinson relayed to Marsh the precarious position in which he found himself. He had recruited investors through relationships that were extremely important to him, and the money they committed now sat in a bank account under Koplewicz's control.

167. Hopkinson expressed that he would put those relationships at serious risk if he caused any disruption in the status quo. As Hopkinson described to CIP, he was stuck, despite his shared concerns about Koplewicz. While he expressed regret about the direction of their Partnership and the treatment of CIP, he was left with no choice but to go along with Koplewicz who controlled Bedford and was in possession of money that his most important investors committed to the venture.

168. Over the course of six hours, CIP and Hopkinson labored over how to salvage the Partnership, and developed six key terms to memorialize the current agreement between the parties:

- CIP would receive 70 percent of CIP's one third stake in the shares of the holding company for Cannalysis, CLB I and the holding company for CW Analytical, QC CLB II, LLC ("CLB II") upfront (i.e. fully vested);
- CIP would invest \$1.8 million;
- CIP would submit to Hopkinson the scope for vesting the remaining 30 percent of Class B Interests matched to existing milestones;
- Hopkinson and Koplewicz would receive an exclusive carve-out for a laboratory opportunity in Florida to be split 50-50 between them if Koplewicz raised 100 percent of the required funding;
- CLB I's governance and any other holding company's governance would be split equally between Hopkinson and Koplewicz with each party having a block on all corporate decisions and matters;

- \$500,000 at closing would be split equally between Koplewicz, Hopkinson and Marsh. Each party would use funds solely for hiring of other persons to benefit laboratory opportunities.

169. Marsh requested that CIP's counsel urgently draft a full agreement memorializing these six terms. However, when Hopkinson reviewed the terms that he had helped draft just two days earlier, he rejected the them without explanation.

CIP's Suspicion of its Partners' Bad Faith and Malicious Conduct Is Confirmed

170. In June 2019, CIP learned for the first time of a "side letter" agreement between Thayer Street and Eastmore to cut CIP out of these and future deals.

171. Upon information, and belief, this side agreement provides for a pooling of Thayer Street's and Eastmore's (through Subotic and Shnaider) voting power (to be under Koplewicz's control) and other mechanisms to defeat any protections CIP would otherwise enjoy as a one-third partner. None of the Defendants informed CIP of the side agreement—and in fact acted to actively conceal it—during the tenure of the Partnership.

172. Upon information and belief, Koplewicz, Thayer Street, Hopkinson, and Eastmore circulated a private placement memorandum concerning the Cannalysis acquisition and other planned laboratory acquisitions that contained material misstatements regarding the structure, ownership, and status of the Partnership, including Bedford, as well as the planned management of Cannalysis post-acquisition.

173. These misstatements included representations about CIP's role in the various investment vehicles, when Defendants knew that they intended to reduce and/or eliminate CIP's function. Given the misstatements in the private placement memorandum, raising concerns that Bedford, under Koplewicz's direction, was actively committing securities violations, attorneys for CIP instructed Bedford's counsel and Koplewicz to cease all activities, including attempts to

close the funding for CLB II or to surrender any funds to Cannalysis.

174. CIP is presently unaware of the status of the CW Analytical deal. Like Cannalysis, CW Analytical would be owned by investors recruited by Marsh, Koplewicz and Hopkinson (owning Class A Interests) and Marsh, Koplewicz and Hopkinson (each owning one-third of the B shares or designating their respective shares to affiliates).

175. Defendants have wrongfully and without justification refused to issue either the Class A Interests or the Class B Interests in both CLB I and CLB II to which CIP and its investors are entitled. Defendants have unfairly and improperly used the issuance of these shares as a negotiating ploy.

176. CIP is presently aware that the Partnership has continued to pursue opportunities on behalf of the Partnership and has formed CLB II, CLB III, CLB III, Inc., CLB IV, CLB V, and CLB VI for that purpose. CIP has not been issued any interests in any of these entities either, in breach of the Partnership Agreement.

177. The process for pursuing these opportunities, and forming these entities, is exactly as the Partners had planned when they formed the Partnership and built off of the foundation laid by CIP and its corporatization strategies mapped out in the early days of the Partnership.

Damages to CIP Caused by the Tortious and Fraudulent Conduct of Defendants

178. For well over a year, CIP, and its principals Marsh, Triebel, and Froehling committed thousands of hours of their time and hundreds of thousands of dollars of their money in furtherance of the Partnership that had been formed under the Partnership Agreement.

179. In addition to its services and funds, CIP pursued opportunities on behalf of the Partnership which it could have pursued independently including both Cannalysis and CW Analytical, based on an understanding that an equal Partnership existed.

180. CIP committed its resources well in excess of the commitments of the other Partners based on its reliance on repeated representations by Defendants that they intended to perform under the Partnership Agreement.

181. During this time, as CIP worked tirelessly in pursuit of a business venture on behalf of the Partnership, Defendants were duplicitously circumventing the Partnership Agreement, secretly conspiring to undercut CIP while continuing to rely on its knowledge and experience to build the business, attract investors (through various misrepresentations by Defendants about the corporate structure and CIP's involvement), and find, negotiate, and close deals. Once Defendants determined that they no longer needed CIP (while continuing to misrepresent its involvement), Defendants implemented their plan by driving CIP out of the venture.

182. On September 18, 2019, Cannalysis announced that it had raised \$22.6 million in growth capital through Bedford (now doing business as CanLab). In the announcement, Hopkinson is listed as the Executive Chairman of CanLab. The announcement coincided with an aggressive marketing push, a strategy planned with CIP prior to the deterioration of the Partnership, which included appearances on CNBC and Bloomberg.

183. Upon information and belief, Defendants wrongfully misappropriated CIP's confidential best practices tools for professionalization of small, founder-led companies and are employing those tools in the management of Cannalysis.

184. The improper conduct committed by Defendants, including the tortious interference with business opportunities and the fraudulent inducement of CIP, among others, caused CIP substantial damages, including the loss of equity interests to which CIP is entitled for work performed, the value of services stolen from CIP under the guise of a Partnership, and any

lost profits generated from the business venture in the future.

Defendants Have Caused Irreparable Harm to CIP

185. For close to nine months, CLB I held the \$350,000 invested by CIP, through its members. On January 28, 2020, CIP received notice from counsel for Defendants that CLB I would not be issuing the Class A Interests to CIP and would be returning the money invested in those shares, by January 31, 2020.

186. CIP, through its members, is entitled to the Class A Interests, which includes not only the financial benefits of investment in those shares but voting rights. By the belated rejection of CIP's subscription in the Class A Interests, and the issuance of those shares to other investors, CIP will be irreparably harmed with the improper revocation of these rights.

187. Furthermore, the January 28, 2020 notice from Defendants' counsel demonstrates a management decision by CLB I to revoke the rights of its shareholders and to engage in fundamental changes of the company's ownership and governance structure.

188. CIP is a Class B Interest holder and an equal partner in the entity designated as the manager of CLB I. Accordingly, CIP was entitled to not only participate in the major or fundamental decisions of CLB I, but should have the power to vote on and even block any such decisions as a managing member of CLB I, including whether to revoke Class A Interests from Members and rescind their voting rights in the company.

189. By pursuing this fundamental business decision, without the participation of CIP, a managing member, CLB I has irreparably harmed CIP.

190. On information and belief, the developments on January 28, 2020, as well as others, signify that a substantial milestone in the company's development is forthcoming, and it is the intent of Defendants to forever foreclose CIP from participating in these developments,

financially and operationally. Among those developments, is the opportunity to acquire a substantial ownership interest in a large Florida cannabis testing lab called ACS Laboratory. Plaintiff is informed and believes that Defendants seek to finalize the destruction of CIP's interests before moving forward with these other opportunities.

FIRST CAUSE OF ACTION
(Declaratory Judgment)
(Against All Defendants)

191. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

192. For more than a year, CIP worked tirelessly to develop investment vehicles in the legal cannabis industry for the Partnership.

193. On behalf of CIP, Thayer Street, and Eastmore, Marsh, Koplewicz and Hopkinson formed the Partnership via the Partnership Agreement. They agreed that each of their respective representative groups would have a one-third interest in the Partnership

194. The Partners agreed to share in the profits and losses of the Partnership. In exchange for equal one-third interests in Partnership assets and opportunities, the Partners would perform designated roles within the Partnership.

195. The Partners agreed to combine their skills and knowledge and contribute to the management and operation of the Partnership.

196. In furtherance of the Partnership, the Partners created Bedford, a private holding company owned by the Partners through which the Partnership could acquire a portfolio of the cannabis assets across the United States.

197. After CIP's extraordinary efforts began to bear fruit and the parties had made significant progress toward deals for the acquisition of two California cannabis laboratories, Defendants, motivated by insatiable greed, wrongfully and maliciously sought to cut CIP out of

the fruits of the Partnership, interfering with CIP's legitimate expectations of economic opportunity and in blatant violation of the Partnership Agreement.

198. Defendants now deny the existence of a Partnership and have refused to issue the equity interests in the Partnership pursuant to the Partnership Agreement.

199. Based on the foregoing, an actual and justiciable controversy exists between Plaintiff and Defendants regarding the Partnership Agreement.

200. Pursuant to the New York Civil Practice Law & Rules § 3001, Plaintiff is entitled to a declaration that the Partnership Agreement is a valid and binding agreement on CIP, Eastmore and Thayer Street, as well as the entities that they control and/or represent.

SECOND CAUSE OF ACTION
(Breach of Partnership Agreement)
(Against Koplewicz, Hopkinson, Eastmore, and Thayer Street)

201. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

202. CIP, Eastmore (through Hopkinson), and Thayer Street (through Koplewicz) entered into the Partnership Agreement. Pursuant to the Partnership Agreement, the Partners formed Bedford and pursued investment opportunities in the cannabis industry.

203. The Partners agreed to share in the profits and losses of the Partnership. In exchange for equal one-third interests in Partnership assets and opportunities, the Partners would perform designated roles within the Partnership.

204. The Partners agreed to each combine their skills and knowledge and contribute to the management and operation of the Partnership.

205. Eastmore's role in the Partnership, through Hopkinson, would be to originate investors through its substantial network of fellow high-net-worth individuals and to help identify potential acquisition targets for the Partnership.

206. Thayer Street's role in the Partnership would be to negotiate acquisitions, perform due diligence and execute the investments.

207. CIP's role in the Partnership would be to execute investments and to have an operating team ready to drop in post-acquisition to corporatize and integrate acquisitions.

208. CIP performed all of its obligations under the Partnership Agreement and went above and beyond its contemplated duties including originating two acquisitions of cannabis laboratories and leading the negotiation and due diligence in those acquisitions.

209. Defendants breached the Partnership Agreement by entering into a side agreement providing for the pooling of Thayer Street's and Eastmore's voting power (to be under Koplewicz's control) and other mechanisms to defeat any protections CIP would otherwise enjoy as a one-third Partner.

210. Thayer Street further breached the Partnership Agreement when Koplewicz attempted to secretly secure other desirable cannabis testing laboratories for Thayer Street's own exclusive benefit including the cannabis lab that the Partnership pursued in Florida called ACS Laboratory.

211. Koplewicz and Thayer Street planned to strip this acquisition from the Partnership and pursue it unilaterally. Koplewicz and Thayer Street concealed these efforts from CIP.

212. Defendants further breached the Partnership Agreement by attempting to change the terms of the Partnership Agreement as the Partnership executed acquisition deals in a manner that deprived CIP of its rights and protections under the Partnership Agreement.

213. Defendants further breached the Partnership Agreement by refusing to issue shares of companies to which CIP was entitled.

214. Hopkinson's, Eastmore's, Koplewicz's and Thayer Street's breaches as described

herein have caused damages to CIP.

215. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

THIRD CAUSE OF ACTION
(Breach of Implied Covenant of Good Faith and Fair Dealing)
(Against Koplewicz, Hopkinson, Eastmore and Thayer Street)

216. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

217. CIP, Eastmore (through Hopkinson), and Thayer Street (through Koplewicz) entered into the Partnership Agreement. Pursuant to the Partnership Agreement, the Partners formed Bedford and pursued investment opportunities in the cannabis industry.

218. Under applicable law, the Partnership Agreement contained an implied covenant of good faith and fair dealing.

219. Eastmore and Thayer Street, acting through their principals including Koplewicz and Hopkinson, breached the implied covenant of good faith and fair dealing by, among other things, failing to perform their obligations under the Partnership Agreement and failing to act in good faith in the performance of their obligations under the Partnership Agreement.

220. Eastmore's and Thayer Street's breaches of the implied covenant of good faith and fair dealing have caused damages to CIP.

221. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

FOURTH CAUSE OF ACTION
(Breach of Fiduciary Duty)
(Against Koplewicz, Hopkinson, Eastmore, and Thayer Street)

222. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

223. As CIP's Partners in the Partnership, Defendants Eastmore and Thayer Street,

acting through their principals including Defendants Koplewicz and Hopkinson, owed CIP fiduciary duties of undivided loyalty and care in all matters related to the Partnership.

224. This duty of loyalty required Eastmore and Thayer Street to act with utmost good faith in all dealings with CIP.

225. Defendants Eastmore and Thayer Street breached their duty of loyalty to CIP by knowingly acting against CIP's interests in connection with the Partnership's business operations.

226. Thayer Street and Eastmore entered into a side agreement providing for the pooling of Thayer Street's and Eastmore's voting power (to be under Koplewicz's control) and other mechanisms to defeat any protections CIP would otherwise enjoy as a one-third Partner.

227. Thayer Street further breached its duty of loyalty to CIP by attempting to secretly secure other desirable cannabis testing laboratories for its own exclusive benefit including the cannabis lab that the Partnership pursued in Florida called ACS Laboratory.

228. Koplewicz and Thayer Street have plans to strip this acquisition from the Partnership and pursue it unilaterally. Koplewicz and Thayer Street have concealed these efforts from CIP.

229. Eastmore and Thayer Street further breached their duty of loyalty by refusing to sign the written partnership agreement memorializing the one-third ownership plan under which the Partners had operated pursuant to the Partnership Agreement, and by trying to change the structure, ownership, and governance plan of the partnership business at the eleventh hour of the first laboratory acquisition closing, after Plaintiff had already funded a substantial amount of money for the closing.

230. As a direct and proximate result of Eastmore's and Thayer Street's oppressive and

malicious conduct, CIP has suffered significant damages.

231. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

FIFTH CAUSE OF ACTION
(Conversion)
(Against All Defendants)

232. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

233. Koplewicz, Hopkinson, Eastmore, and Thayer Street each wrongfully exercised control over property and monies that rightfully belonged to Plaintiff.

234. Under the Partnership Agreement, CIP is entitled to a one-third of the Class B Interests in CLB I and any subsequent companies formed for subsequent acquisitions.

235. Defendants have to date refused to issue these shares which rightfully belong to CIP under the Partnership Agreement and due to CIP's work on the transactions and its actual capital contributions.

236. Furthermore, Defendants have refused to issue Class A Interests in CLB I to which CIP is entitled based on executed subscription agreements and attendant contributions by investors recruited by CIP and by CIP members themselves.

237. CIP raised approximately \$1.8 million through the investments of its own members and the investors recruited by CIP and is entitled to Class A shares under the Partnership Agreement.

238. Based on the first closing valuation of Cannalysis, such shares are now worth approximately 4.6 times the original amount, or approximately \$8.28 million.

239. Koplewicz, Hopkinson, Eastmore, and Thayer Street intentionally and substantially interfered with Plaintiff's property by preventing payments owed to Plaintiff as a

Partner of the Partnership and/or by misusing Partnership monies and assets to the detriment of Plaintiff.

240. Plaintiff was harmed by Koplewicz's, Hopkinson's, Eastmore's, and Thayer Street's conduct, and such conduct was a substantial factor in causing it harm.

241. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

SIXTH CAUSE OF ACTION
(Aiding and Abetting Conversion)
(Against All Defendants)

242. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

243. All Defendants had actual knowledge of their fellow Defendants' substantial and intentional interference with Plaintiff's property.

244. Defendants provided substantial assistance and encouragement to engage one another in their intentional interference with Plaintiff's property.

245. Defendants' assistance and encouragement was a substantial factor in causing harm to Plaintiff and was done with malice.

246. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

SEVENTH CAUSE OF ACTION
(Tortious Interference with Prospective Economic Relations)
(Against All Defendants)

247. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

248. Plaintiff and several third-party acquisition targets and investors were in an economic relationship that likely would have resulted in an economic benefit to Plaintiff.

249. As set forth herein, CIP was responsible for originating and negotiating the

acquisitions by Bedford of Cannalysis Labs and CW Analytical and CIP had a legitimate expectation to benefit from the development of those relationships.

250. As the Partners of CIP, Eastmore and Thayer Street, and their affiliated co-Defendants Koplewicz and Hopkinson, knew of Plaintiff's relationships with these acquisition targets.

251. Defendants have intentionally and maliciously deprived Plaintiffs of their legitimate economic expectations by inducing Plaintiff to transfer these opportunities to the Partnership, and then once under the Partnership's control, Defendants improperly refused to issue Plaintiff its stake in the Partnership by changing the financial structure of the acquisitions in a way that was detrimental to Plaintiff and by causing additional harm as set forth herein.

252. Defendants' conduct, as outlined above, was wrongful and malicious.

253. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

EIGHTH CAUSE OF ACTION
(Aiding and Abetting Intentional Interference with Prospective Economic Relations)
(Against All Defendants)

254. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

255. All Defendants had actual knowledge of their fellow Defendants' intentional and malicious interference of Plaintiffs' legitimate economic expectations.

256. Defendants provided substantial assistance and encouragement to one another in their intentional interference with Plaintiff's legitimate economic expectations.

257. Defendants' assistance and encouragement was a substantial factor in causing harm to Plaintiff and was done with malice.

258. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven

at trial.

NINTH CAUSE OF ACTION
(Fraud)
(Against All Defendants)

259. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

260. As alleged herein, Eastmore, Hopkinson, Koplewicz and Thayer Street misrepresented to CIP material information about the Partnership and those Defendants' conduct in connection with the Partnership's pursuit of investment opportunities within the cannabis industry.

261. Eastmore, Hopkinson, Koplewicz and Thayer Street made misrepresentations to CIP regarding their intention for the structure, ownership, and status of the Partnership, including that each Partner would have a one-third interest in the Partnership's assets and be issued shares owed to each Partner including CIP.

262. Defendants made misrepresentations to CIP with the specific intent to induce CIP to perform actions for Defendants' benefit even though Defendants never had any intention of honoring the Partnership Agreement.

263. On behalf of the Partnership and in reliance on the Partnership Agreement, CIP worked tirelessly to develop new business opportunities for the Partnership.

264. By way of example, and without limitation, CIP identified and originated the acquisitions of Cannalysis and CW Analytical.

265. CIP led the legal due diligence on the Cannalysis deal, even though such due diligence was the responsibility of Koplewicz and Thayer Street under the Partnership Agreement. Koplewicz informed Marsh that he was not comfortable taking the lead and requested that Marsh and CIP share the responsibility.

266. At Hopkinson's request, Marsh and CIP participated in meetings with potential investors in the Partnership.

267. CIP provided hundreds of thousands of dollars in furtherance of the Partnership and \$350,000 in the Cannalysis deal alone. Additionally, CIP paid \$26,667 for the Partnership's operational expenses.

268. CIP performed all of these actions and many others because Defendants fraudulently induced CIP to enter the Partnership Agreement and misrepresented to Plaintiff that they would honor the terms of the Partnership Agreement.

269. CIP justifiably relied on Defendants' misrepresentations that they would honor the Partnership Agreement.

270. During this time, Thayer Street and Eastmore executed a "side letter" agreement to cut CIP out of these and future deals.

271. In engaging in the acts complained of herein, Defendants acted with oppression, fraud, and malice, and in disregard of the rights of CIP.

272. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial, and Defendants are additionally liable to Plaintiff for punitive damages in an amount to be proven at trial.

TENTH CAUSE OF ACTION
(Aiding and Abetting Fraud)
(Against All Defendants)

273. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

274. All Defendants had actual knowledge of their fellow Defendants' fraudulent inducement of CIP to enter the Partnership Agreement and misrepresentation to Plaintiff that they would honor the terms of the Partnership Agreement.

275. Defendants provided substantial assistance and encouragement to one another in their fraudulent inducement of and misrepresentations to Plaintiff.

276. Defendants' assistance and encouragement was a substantial factor in causing harm to Plaintiff and was done with malice.

277. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

ELEVENTH CAUSE OF ACTION
(Unjust Enrichment)
(Against All Defendants)

278. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

279. Plaintiff provided Defendants the tireless efforts on behalf of the Partnership, as described herein.

280. Those efforts included investment related services, due diligence, operational experience, and deal execution services.

281. By way of example, and without limitation, CIP identified and originated the acquisitions of Cannalysis and CW Analytical.

282. CIP led the legal due diligence on the Cannalysis deal, even though such due diligence was the responsibility of Koplewicz and Thayer Street under the Partnership Agreement. Koplewicz informed Marsh that he was not comfortable taking the lead and requested that Marsh and CIP share the responsibility.

283. At Hopkinson's request, Marsh and CIP participated in meetings with potential investors in the Partnership.

284. CIP provided hundreds of thousands of dollars in furtherance of the Partnership and \$350,000 in the Cannalysis deal alone. Additionally, CIP paid \$26,667 for the Partnership's

operational expenses.

285. Defendants had knowledge that Plaintiff provided the services described herein.

286. Defendants retained the benefit of the services Plaintiff provided but failed and continue to fail to compensate Plaintiff for the same.

287. Plaintiff has suffered monetary damages as result of Defendants' failure or refusal to make payment to Plaintiff in an amount to be proven at trial.

288. The circumstances hereunder render Defendants' retention of the benefit inequitable unless Defendants pay to Plaintiff all amounts by which they have been unjustly enriched, which sum is to be proven at trial.

TWELVTH CAUSE OF ACTION
(Promissory Estoppel)
(Against All Defendants)

289. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

290. Eastmore, Hopkinson, Koplewicz and Thayer Street made clear and unambiguous promises to CIP regarding their intention for the structure, ownership, and status of the Partnership, including that each Partner would have a one-third interest in the Partnership's assets and be issued shares owed to each Partner including CIP.

291. On behalf of the Partnership and in reasonable and foreseeable reliance on Defendants' promises, CIP worked tirelessly to develop new business opportunities for the Partnership.

292. By way of example, and without limitation, CIP identified and originated the acquisitions of Cannalysis and CW Analytical.

293. CIP led the legal due diligence on the Cannalysis deal, even though such due diligence was the responsibility of Koplewicz and Thayer Street under the Partnership

Agreement. Koplewicz informed Marsh that he was not comfortable taking the lead and requested that Marsh and CIP share the responsibility.

294. At Hopkinson's request, Marsh and CIP participated in meetings with potential investors in the Partnership.

295. CIP provided hundreds of thousands of dollars in furtherance of the Partnership and \$350,000 in the Cannalysis deal alone. Additionally, CIP paid \$26,667 for the Partnership's operational expenses.

296. CIP performed all of these actions and many others in reasonable and foreseeable reliance on Defendants' clear and unambiguous promises to CIP regarding their intention for the structure, ownership, and status of the Partnership, including that each Partner would have a one-third interest in the Partnership's assets and be issued shares owed to each Partner including CIP.

297. CIP sustained injuries because of its reasonable and foreseeable reliance on Defendants' clear and unambiguous promises.

298. Based on the foregoing, Plaintiff has suffered damages in an amount to be proven at trial.

THIRTEENTH CAUSE OF ACTION
(Misappropriation of Trade Secrets and Confidential, Proprietary Information)
(Against All Defendants)

299. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

300. By their acts, conduct and omissions as described herein, Defendants have used and disclosed CIP's trade secrets and confidential proprietary business information for their own benefit.

301. CIP maintains as confidential its best practices tools for corporatization, or professionalization of small, founder-led companies. It does not share its strategies with anyone

outside of CIP.

302. CIP developed and refined its corporatization strategy over the course of the last decade through its work with numerous different companies.

303. CIP's corporatization strategy focuses on implementing proven methods for high functioning human resources, employee management and payroll systems.

304. Pursuant to the Partnership Agreement, CIP shared its corporatization strategies with its Partners with the belief and understanding that its best practices would be used for the benefit of the Partnership.

305. Upon information and belief, Defendants wrongfully misappropriated CIP's confidential best practices tools for professionalization of small, founder-led companies and are employing those tools in the management of Cannalysis.

306. Such misappropriation was in breach of the Partnership Agreement and the confidential relationship among the Partners.

307. The acts and conduct of Defendants constitute wrongful and malicious conduct undertaken without legal justification and with the knowledge and intent that their actions would cause substantial injury to CIP.

308. As a direct and proximate result of Defendants' misappropriation of trade secrets and confidential, proprietary information, Plaintiff has suffered damages in an amount to be proven at trial.

FOURTEENTH CAUSE OF ACTION
(Minority Oppression)
(Against All Defendants)

309. Plaintiff incorporates by reference the allegations in the preceding paragraphs.

310. CIP was an interest holder and beneficial owner in the Partnership.

311. Based on the promises and representations of Eastmore, Hopkinson, Koplewicz and Thayer Street, CIP had specific expectations regarding the structure, ownership, and status of Bedford, including that each Partner would have a one-third interest in the assets of Bedford and any subsequently formed holding companies.

312. CIP's specific expectations and rights have been violated by the oppressive and unfairly prejudicial conduct of Defendants, including, but not limited to, the "side letter" agreement between Thayer Street and Eastmore to cut CIP out of these and future deals and pool Thayer Street's and Eastmore's voting power (to be under Koplewicz's control) and other mechanisms to defeat any protections CIP would otherwise enjoy as a one-third partner. None of the Defendants informed CIP of the side agreement—and in fact acted to actively conceal it—during the tenure of the Partnership.

313. CIP also took all required steps in order to obtain an interest in CLB I, including the performance of all work and services in furtherance of CLB I and payment of its agreed portion of the capital.

314. Under Delaware law, majority interest holders of a limited liability company are prohibited from materially altering the interests of minority interest holders to benefit the majority holders at the minority's expense.

315. Defendants have held CIP's capital contribution to CLB I but refused to award CIP its interests based on the agreement of the Parties, including the subscription agreement.

316. Defendants have acted in bad faith to enlarge their ownership interest in CLB I at the expense of CIP, without CIP's consent.

317. Such oppressive conduct disregarded CIP's interests as an interest holder of the Partnership and as a rightful member of CLB I.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendants as follows:

- (1) For a declaratory judgment as provided by law;
- (2) For an award in favor of Plaintiff of damages in an amount to be proven at trial;
- (3) For an award in favor of Plaintiff of punitive damages in connection with

Defendants' willful, malicious, and fraudulent acts as provided by law;

- (4) For an award of statutory damages as provided by law;
- (5) For an award of attorneys' fees as provided by law;
- (6) For an award of Plaintiff's costs incurred in connection with this proceeding;
- (7) For injunctive relief as provided by law, including an order for the dissolution of

Bedford;

(8) For restitution, disgorgement, a constructive trust, equitable lien, and any other damages or relief available as provided by law and according to proof at trial; and

(9) For such other and further relief as the Court may consider equitable, just, and proper.

April 9, 2020

SPIRO HARRISON
119 West 24th Street, 4th Floor
New York, NY 10011

By: /s/ David B. Harrison
David B. Harrison
Jason C. Spiro
Thomas M. Kenny
Peter Demato, Jr.
Attorneys for Plaintiff
CIP GP 2018 LLC