

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM

Plaintiffs/Moving Parties

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, AND JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN
DOE 4 AND OTHER PERSONS UNKNOWN

Defendants/Responding Party

**MOTION RECORD OF THE PLAINTIFFS
(Refusals Motion Against Andrew Rudensky, returnable May 7, 2024)**

April 18, 2024

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Robert W. Staley (#27115J)
Email: staleyr@bennettjones.com

Douglas A. Fenton (#75001I)
Email: fentond@bennettjones.com

Dylan Yegendorf (#85016M)
Email: yegendorfd@bennettjones.com

Telephone: 416.863.1200

Lawyers for the Plaintiffs/Moving Parties

-2-

TO: **BLANEY MCMURTRY LLP**
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos
Tel: 416.593.2953
Email: jpolyzogopoulos@blaney.com

Steven Kelly
Tel: 416.593.3904
Email: skelly@blaney.com

Lawyers for the Defendant,
Andrew Rudensky

AND TO: **ROBERT DOXTATOR**
238 Ridge Road
Tyendinaga Mohawk Territory
Deseronto ON K0K 1X0

Email: harvestmoonresearch@gmail.com

AND TO: **KIM SPENCER MCPHEE**
1200 Bay Street
Suite 1203
Toronto, ON M5P 2A5

Megan B. McPhee
Email: mbm@complexlaw.ca

Won J. Kim
Email: wjk@complexlaw.ca

Tel: 416.596.1414

Lawyers for the Defendants,
James Stafford and Jacob Doxtator

Court File No. CV-20-00653410-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM

Plaintiffs/Moving Parties

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, AND JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN
DOE 4 AND OTHER PERSONS UNKNOWN

Defendants/Responding Party

TABLE OF CONTENTS

Tab	Description	Page No.
1.	Notice of Motion (Refusals Motion Against Rudensky) dated April 18, 2024	1
A.	Schedule A – Chart of Rudensky’s Outstanding Refusals, and Undertakings and Under Advisements Subsequently Refused	10
2.	Default Judgment Hearing Transcript, dated January 25, 2023	26
3.	Justice Osborne's Reasons for Default Judgment (<i>Anson Advisors Inc. et al. v. James Stafford et al.</i> , 2023 ONSC 5537) dated October 3, 2023	127
4.	Transcript of the Cross-Examination of Andrew Rudensky, held on December 18, 2023	158
5.	Affidavit of Documents of the Defendant Andrew Rudensky dated February 25, 2024	217
6.	Endorsement of Justice Osborne dated February 27, 2024	275
7.	Endorsement of Justice Osborne dated March 18, 2024	278

-4-

8.	Transcript of the Examination for Discovery of Andrew Rudensky, held March 26, 2024	281
9.	Answers to Undertakings, Under Advisements and Refusals from the Examination for Discovery of Andrew Rudensky, delivered on April 3, 2024	476
10.	Plaintiffs' Fresh as Amended Statement of Claim, issued May 27, 2022	495
11.	Amended Statement of Defence of Andrew Rudensky issued February 2, 2024	654
12.	<i>SEC v. Andrew DeFrancesco et al.</i> (Case 1:23-cv-00-131), dated January 6, 2023 [Production No. AAI00014721]	666
13.	WhatsApp chat between Robert and Moez Kassam, dated October 1, 2020 [Production No. AAI00010303]	717
14.	Third Call Transcript [Production No. AAI00000660]	724

TAB 1

Court File No. CV-20-00653410-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM

Plaintiffs/Moving Parties

and

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, AND JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN
DOE 4 AND OTHER PERSONS UNKNOWN

Defendants/Responding Party

NOTICE OF MOTION
(Refusals Motion Against Andrew Rudensky)

The Plaintiffs, Anson Advisors Inc., Anson Funds Management LP, Anson Investments Master Fund LP (collectively, “**Anson**”), and Moez Kassam (“**Kassam**”), will make a motion to Justice Osborne on the Commercial List on May 7, 2024, at 330 University Avenue, Toronto, Ontario, M5G 1R7.

PROPOSED METHOD OF HEARING: The motion is to be heard orally, in person.

THE MOTION IS FOR:

- (a) an Order compelling the Defendant, Andrew Rudensky (“**Rudensky**”) to answer his outstanding refusals, as well as the undertakings and under advisements given at his examination for discovery, held on March 26, 2024, and subsequently

refused, as set out in Schedule “A” to this Notice of Motion within thirty days of the date of the Order;

- (b) An Order compelling Rudensky to attend continued examinations for discovery;
- (c) the Plaintiffs' costs of this motion; and
- (d) such further and other relief as counsel may advise and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

- (a) The Plaintiffs Anson and Kassam are, respectively, a privately held alternative asset management firm and its founder/CEO.
- (b) The Plaintiffs are the targets of a sophisticated and coordinated conspiracy to damage their reputations and business (the “**Conspiracy**”), through the widespread and anonymous publication of false and defamatory statements (the “**Unlawful Statements**”).
- (c) The Plaintiffs commenced this action by way of statement of claim, originally issued on December 18, 2020. The Plaintiffs' Fresh as Amended Claim was issued on May 27, 2022 (the “**Amended Claim**”).
- (d) The Amended Claim alleges, among other things, that the named Defendants, including Rudensky, together with other co-conspirators still yet unknown, conspired to publish and broadly disseminate the Unlawful Statements, including

long-form Defamatory Manifestos, targeting the Plaintiffs on the Internet and through social media.

- (e) The Unlawful Statements falsely and maliciously assert that Kassam is a criminal and that he and Anson engage in a wide range of illegal and unethical conduct, including stock market manipulation, corruption, fraud, insider trading, cyber crimes, and other breaches of securities laws and regulations.
- (f) These allegations have harmed and continue to harm the Plaintiffs' business and reputations in the investment industry. As an investment firm and its principal, respectively, Anson and Kassam depend on investors' willingness to trust them with their capital. The Conspiracy waged against them deliberately strikes at the root of that trust.
- (g) As part of the Conspiracy, the defendants and their co-conspirators have published and shared the Unlawful Statements anonymously and/or pseudonymously, using email, social media, and other online accounts and platforms, in order to conceal their identities and further the Conspiracy with impunity.
- (h) Rudensky continues to deny any knowledge or involvement in preparing, publishing or disseminating the Unlawful Statements, as well as the larger Conspiracy, which are at the core of the Plaintiffs' claims.

Rudensky's Conduct During Discovery

- (i) Rudensky has refused to comply with his basic discovery obligations throughout the action. He has failed to make proper documentary productions both before (by affidavit of documents) and after (by answers to undertakings) oral discovery, has refused to or failed to adequately answer proper questions (both during and following oral discovery) without justification, and has otherwise deliberately sought to delay the proceedings at every stage of the action.
- (j) Rudensky was examined for discovery on March 26, 2024, after causing significant delay in setting a date.
- (k) During his examination, Rudensky gave undertakings and under advisements, and refused to answer numerous proper questions.

Rudensky's Answers to Undertakings, Refusals and Under Advisements

- (l) On April 3, 2024, Rudensky delivered a chart of his purported responses to undertakings and under advisements. The responses provided by Rudensky are inadequate.
- (m) Many of the answers to undertakings and under advisements are incomplete, inadequate, and the vast majority are unresponsive to the actual question posed.
- (n) In some instances, Rudensky misframed the questions posed to him during the examination.
- (o) Moreover, Rudensky has maintained virtually *all* of the improper refusals given during his examination for discovery. These include, but are not limited to,

questions going directly to his relationship and conduct taken with his co-conspirator, James Stafford, on matters relating to the Conspiracy.

- (p) Rudensky produced only one (1) additional relevant document with his purported answers to undertakings and under advisements.
- (q) Rudensky also provided a document purporting to be a detailed Schedule B disclosing his relevant communications over which he has asserted privilege. These include numerous relevant communications with his co-conspirator Stafford – but without counsel – over which he improperly claims privilege. Rudensky’s Schedule B also fails to list the email addresses used by Rudensky and Stafford in those disclosed communications.
- (r) Rudensky has wrongfully refused – or otherwise failed – to answer numerous proper questions that are relevant to the matters in issue in the action and are not covered by any form of privilege.
- (s) Virtually all of Rudensky’s refusals and non-answers that are the subject of this motion relate to directly to his participation in the Conspiracy, including his relationship with his co-conspirators and their shared/respective animus towards the Plaintiffs and motivations for the Conspiracy, as pleaded. In other words, they go directly to the core of the matters in dispute in this action.

- (t) By maintaining improper refusals, failing to provide relevant documents, and refusing to answer the Plaintiffs' proper questions, without justification, Rudensky is attempting to shield relevant documents and information that are unhelpful, if not fatal, to his position in the action.
- (u) Rules 30, 31, 34, 37, 39 and 57.03 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.
- (v) Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (w) The pleadings exchanged in this proceeding;
- (x) The Plaintiffs' motion records delivered (and to be filed) on this refusals motion, returnable May 7, 2024, including:
 - (i) The Motion Record of the Plaintiffs (Refusals Motion), dated November 30, 2023; and
 - (ii) The Motion Record of the Plaintiffs (Refusals Motion Against Rudensky), dated April 18, 2024;
- (y) Such further and other evidence as counsel may provide and this Honourable Court may permit.

April 18, 2024

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Robert W. Staley (#27115J)
Email: staleyr@bennettjones.com

Douglas A. Fenton (#75001I)
Email: fentond@bennettjones.com

Dylan Yegendorf (#85016M)
Email: yegendorfd@bennettjones.com

Tel: 416.863.1200

Lawyers for the Plaintiffs/Moving Parties,
Anson Advisors Inc., Anson Funds Management
LP, Anson Investments Master Fund LP and
Moez Kassam

TO: BLANEY MCMURTRY LLP
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos
Tel: 416.593.2953
Email: jpolyzogopoulos@blaney.com

Steven Kelly
Tel: 416.593.3904
Email: skelly@blaney.com

Lawyers for the Defendant,
Andrew Rudensky

AND TO: ROBERT DOXTATOR
238 Ridge Road
Tyendinaga Mohawk Territory
Deseronto ON K0K 1X0

Email: harvestmoonresearch@gmail.com

AND TO: KIM SPENCER MCPHEE
1200 Bay Street
Suite 1203
Toronto, ON M5P 2A5

Megan B. McPhee
Email: mbm@complexlaw.ca

Won J. Kim
Email: wjk@complexlaw.ca

Tel: 416.596.1414

Lawyers for the Defendants,
James Stafford and Jacob Doxtator

Schedule "A"

Court File No. CV-20-00653410-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
 ANSON INVESTMENTS MASTER FUND LP AND MOEZ KASSAM

Plaintiffs

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR, JACOB DOXTATOR, and
 JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN DOE 4 and
 OTHER PERSONS UNKNOWN

Defendants

**Undertakings, Under Advisements, and Refusals Chart from
 the Examination for Discovery of Andrew Rudensky held on March 26, 2024**

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
<i>Questions related to Rudensky's Trading Records</i>							
1.	UA	83	276	To the extent Rudensky had personally traded/invested in the companies in which Mr. DeFrancesco and Mr. Stafford were engaged in promotional or "awareness campaigns", to produce trading records to show Rudensky's trading/investments	Plaintiffs' Fresh as Amended Statement of Claim, dated May 27, 2022 (the " Amended Claim "), at paras. 33, 34-35, 37-40, 66, 68 96-100, 143(c), Appendix E. Statement of Defence of Andrew Rudensky dated January 29, 2024 (" Rudensky Defence "), at paras. 6, 7.	Regarding Cool Holdings, there is no pleading regarding this company, therefore any trading records regarding this company are irrelevant and will not be	

¹ In the Undertakings Chart delivered by the defendant Andrew Rudensky, several of the questions posed to Rudensky have been mischaracterized or misframed. This Chart correctly identifies the questions posed to Rudensky, based on the transcript of his examination for discovery.

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
				in those companies.	<p>The question is relevant to, among other things, (a) the nature of Rudensky's relationship with Stafford and the extent to which Stafford and Rudensky co-invested in particular companies, including companies promoted by Andy DeFrancesco; and (b) Rudensky's animus towards the Plaintiffs and motivation to participate in the Conspiracy.</p> <p>As set out in the Amended Claim, Rudensky previously worked for Andy DeFrancesco and was associated with DeFrancesco's merchant bank, the Delavaco Group. Rudensky worked as DeFrancesco's personal trader and was invited to co-invest in many of DeFrancesco's investments. (Transcript to the Examination for Discovery of Andrew Rudensky, held March 26, 2024 ("Rudensky Discovery Transcript") at [25:18 to 26:15] and [28:4 to 30:24])</p> <p>The Amended Claim pleads that Rudensky was introduced to Stafford through DeFrancesco, as DeFrancesco hired Stafford to promote certain of his investments, including a company called Cool Holdings Inc. (Amended Claim, at paras. 34-37, 66)</p> <p>DeFrancesco's conduct surrounding Cool Holdings – and the promotional activities organized by Stafford – were the subject of an SEC investigation and charges. (Rudensky Discovery Transcript at [63:6 to 69:21])</p> <p>The Amended Claim also specifically pleads that Stafford and Rudensky have an animus towards the Plaintiffs because the Plaintiffs took trading positions contrary to Stafford and Rudensky's positions in certain companies (see</p>	<p>produced.</p> <p>There is no allegation in the Amended Claim regarding Mr. Rudensky and FaceDrive.</p> <p>Therefore, these records are irrelevant and will not be produced.</p>	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					<p>e.g., Amended Claim, at paras. 30, 33, 34, 66, Appendix C). This includes Facedrive, one of several companies identified in the Defamatory Manifesto and in respect of which it is alleged that the Plaintiffs engaged in illegal and unethical conduct (see e.g., Amended Claim, at paras. 34-37).</p> <p>While Rudensky and Stafford have sought to downplay their relationship both have admitted that they have worked together on various “business dealings and co-invested in several companies together: Statement of Defence of James Stafford, dated June 28, 2022 (“Stafford Defence”), at para. 6; Rudensky Discovery Transcript at [88:9 to 93:25].</p> <p>Rudensky’s refusals is improper. <i>First</i>, Rudensky has failed to respond to the question as posed. The request was to produce trading records for all companies in which Rudensky had invested and Stafford and DeFrancesco were engaged in promotional or awareness campaigns, without limitation. Rudensky’s answer purports to restrict his refusal to FaceDrive and Cool Holdings Inc., without addressing other potential investments.</p> <p><i>Second</i>, the standard for relevance is not whether a specific allegation is made in respect of each individual defendant and each specific investment. The standard is whether the question posed is relevant to an issue raised in the litigation.</p> <p>In a conspiracy case, the relevant information and evidence will necessarily be in the possession of the co-conspirators. In a similar</p>		

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					<p>vein, Rudensky is the only practical source of information about his trading activity. It is circular and backwards to assert that the Plaintiffs must first plead that Rudensky held a position in a particular company, when Rudensky is the necessary source of that information.</p> <p>In the context of this conspiracy case, the Plaintiffs are plainly entitled to explore the nature and extent of Stafford and Rudensky's relationship – including the financial arrangement surrounding that relationship.</p>		
2.	UA	150-151	519	To produce records of Rudensky's trading in ReconAfrica during the period he was trading in that name.	<p>Amended Claim, at paras. 28(n), 34-35, 38, 37, 134, 143(c), and at Appendix C.</p> <p>The question is relevant to, among other things, (a) Rudensky's animus towards the Plaintiffs and motivation to participate in the Conspiracy; and; (b) the nature of Rudensky's relationship with Stafford and Andy DeFrancesco.</p> <p>The Second Defamatory Manifesto, and subsequent Unlawful Statements, make serious allegations of wrongdoing against the Plaintiffs in connection with Reconnaissance Africa ("ReconAfrica" or "RECO").</p> <p>As set out at length in the Amended Claim, Stafford was hired to promote ReconAfrica and part of his animus towards the Plaintiffs arises from his belief that the Plaintiffs contributed to negative research published about ReconAfrica (see e.g. Amended Claim, at paras. 37-40).</p> <p>During his examination for discovery, Rudensky admitted that he invested in ReconAfrica at Stafford's suggestion. Rudensky also confirmed</p>	<p>There is no allegation in the Amended Claim regarding Mr. Rudensky and Recon Africa.</p> <p>Therefore, these records are irrelevant and will not be produced.</p>	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					<p>that he understood Andy DeFrancesco – who Stafford worked for – to be an investor in ReconAfrica (see e.g., Rudensky Discovery Transcript, at [37:22 to 38:3]; [129:1 to 134:15]). The Plaintiffs allege that Rudensky acquired an animus towards the Plaintiffs, because he believed the Plaintiffs to be responsible.</p> <p>In light of these admissions, the Plaintiffs are entitled to production of sufficient information and documents to assess the nature of the Rudensky's financial interest in ReconAfrica, including whether he lost any money because of the negative research published about the company.</p>		
<i>Questions related to Rudensky's Involvement with Relevant Trading Companies</i>							
4.	R	29-30	91-92	To advise whether Rudensky is familiar with the company called Dark Horse Financial Corp. that then changed its name to Henry George Capital Inc.	<p>Amended Claim, at paras. 33, 66, 143.</p> <p>Rudensky Defence, at paras. 6, 7.</p> <p>Plaintiffs have obtained corporate profile searches that indicate that Rudensky is a director, officer, and/or shareholder of several corporate entities (Rudensky Discovery Transcript at [29:16 to 32:1]).</p> <p>In his Affidavit of Documents, Rudensky has produced partial trading records for certain entities (including Dark Horse Financial Corp. / Henry George Capital Inc.) in connection with his trades in Aphria Inc. (Affidavit of Documents of Andrew Rudensky, dated February 25, 2024, at pp. 21-56). However, the information produced is not sufficient to determine whether Rudensky held positions in other companies identified in the Defamatory</p>	Refusal maintained. The question is irrelevant.	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					<p>Manifesto and other Unlawful Statements.</p> <p>In this conspiracy claim, the Plaintiffs are entitled to explore Rudensky's corporate holdings and work history. Rudensky's evidence regarding his corporate holdings is relevant to, among other things, (a) the extent to which Rudensky traded in any companies relevant to the allegations made in the Defamatory Manifesto and Unlawful Statements through corporate entities (as he admittedly did for Aphria Inc.); (b) the extent to which Rudensky's corporate holdings reflect an ongoing relationship with any of the alleged co-conspirators (either because Rudensky has done work for the co-conspirators or co-invested business opportunities with his co-conspirators, as he has admittedly done with Stafford); and (c) whether any of Rudensky's corporations were used in the course of the Conspiracy.</p> <p>During the examination for discovery, Rudensky's counsel purported to refuse all questions about Rudensky's corporate holdings on the basis that the identified companies are "not parties to the litigation" (Rudensky Discovery Transcript at [29:16 to 30:16]).</p> <p>Relevance is determined by the pleadings (see, e.g. <i>Ontario v Rothmans Inc.</i>, 2011 ONSC 2504 at para. 129). The fact that Rudensky's companies are not formally parties to the action does not mean that Rudensky can refuse to answer relevant questions.</p> <p>That is not an adequate answer.</p>		

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
5.	R	31	95	To advise whether Dark Horse Financial Corp./Henry George Capital is a company through which Rudensky has invested his own capital and/or done advisory work.	See Item #4 above.	Refusal maintained. The question is irrelevant.	
6.	R	31	96	To advise whether Calhoun First Financial Inc. is a company through which Rudensky has invested his own capital and/or done advisory work.	See Item #4 above.	Refusal maintained. The question is irrelevant.	
7.	R	31	97	To advise whether FTB Capital Inc. is a company through which Rudensky has invested his own capital and/or done advisory work.	See Item #4 above.	Refusal maintained. The question is irrelevant.	
8.	R	31	98	To advise whether Koral Financial Inc. is a company through which Rudensky has invested his own capital and/or done advisory work.	See Item #4 above.	Refusal maintained. The question is irrelevant.	
9.	R	31	99	To advise whether Seawolf Advisors Inc. is a company through which Rudensky has invested his own capital and/or done advisory work.	See Item #4 above.	Refusal maintained. The question is irrelevant.	
Questions related to Rudensky's Relationship with James Stafford							
21.	R	85	284	With respect to the SEC Complaint against Mr. DeFrancesco and others in	Amended Claim, at paras. 26-30, 66-69, 96-100, 143(c), Appendix E.	Refusal maintained. The question is	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
				<p>relation to Cool Holdings (Case 1:23-cv-00131), there is the following reference at paragraph 128:</p> <p>“On June 22, 2018, DeFrancesco hired a known promoter of penny stocks (the “Promoter”) to conduct a promotional campaign for Cool [Holdings] for \$350,000 in cash plus 150,000 shares of Cool [Holdings]’s securities. DeFrancesco directed a Delavaco associate (“Associate A”) to coordinate with Diaz and Rezk on the promotion.”</p> <p>To confirm whether Rudensky is "Associate A" referenced in paragraph 128.</p>	<p>Rudensky Defence, at paras. 6, 7.</p> <p>Stafford Defence, at para. 6</p> <p>The question is relevant to, among other things, the nature of Rudensky’s relationship with Stafford and Rudensky’s motive for participating in the Conspiracy.</p> <p>In July 2023, the SEC settled charges against Andy DeFrancesco and several other individuals for a “pump and dump” scheme involving Cool Holdings Inc. The SEC alleged that Andrew DeFrancesco and others arranged for the publication of a series of fraudulent promotional articles about Cool Holdings that Andrew DeFrancesco secretly funded.</p> <p>During his examination for discovery, Stafford confirmed that he was the stock promoter hired to promote Cool Holdings Inc. (Transcript to the Examination for Discovery of James Stafford, held March 23, 2023 (“Stafford Discovery Transcript”), at [206:21 to 207:9])</p> <p>During his examination for discovery, Rudensky confirmed that he worked with Stafford (on behalf of DeFrancesco) in connection with the promotion of Cool Holdings Inc. and owned shares in the company. (Rudensky Discovery Transcript at [61:24 to 66:23] and [80:23 to 81:24])</p> <p>Rudensky further gave evidence that he shared a US lawyer with Stafford in the course of responding to the SEC investigation. (Rudensky Discovery Transcript at [86:4 to 87:6])</p> <p>Notwithstanding this evidence, Rudensky has</p>	irrelevant.	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					refused to confirm that he is “Associate A” in the SEC Complaint		
12.	R	89-90	301-302	To provide the names of the business dealings into which Mr. Stafford has invested.	<p>Amended Claim, at para. 33, 34-35, 37-40, 66-69, 96-100, 143(c), and at Appendix E.</p> <p>Rudensky Defence, at paras. 6, 7.</p> <p>Stafford Defence, at para. 6.</p> <p>The question is relevant to, among other things, (a) the nature of Rudensky’s relationship with Stafford and the extent to which Stafford and Rudensky co-invested in particular companies, including companies promoted by Andy DeFrancesco; and (b) Rudensky’s animus towards the Plaintiffs and motivation to participate in the Conspiracy.</p> <p>As described above, both Rudensky and Stafford have sought (at various points during this litigation) to downplay the nature and extent of their relationship: see Rudensky Discovery Transcript at [15:15-24], [61:8 to 63:5], [76:5 to 80:22], [84:9 to 85:6], [88:12 to 89:22], and [93:19 to 95:18]; Stafford Discovery Transcript at [95:11-22], [124:16 to 125:22] and [175:4-25].</p> <p>Notwithstanding this evidence, both Rudensky and Stafford have since confirmed that they have worked together on various “business dealings and co-invested in several companies together: Stafford Defence, at para. 6; Rudensky Discovery Transcript at [88:9 to 94:16].</p> <p>The Plaintiffs are entitled to Rudensky’s evidence about these “business dealings” and co-investments.</p>	Refusal maintained. The question is irrelevant.	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
13.	R	91-92	307-308	To check Rudensky's records and advise when Mr. Stafford's most recent investment was in Rudensky's business dealings, and what that investment was.	See Item #12, above.	Refusal maintained. The question is irrelevant.	
14.	R	92	309	To advise of the earliest investment that Mr. Stafford had made into Rudensky's business dealings.	See Item #12, above.	Refusal maintained. The question is irrelevant.	
15.	R	93-94	314	To advise of the nature of Rudensky's most recent communications with Mr. Stafford.	<p>Amended Claim, at paras. 26-30, 66-69, 96-100, 143(c), and at Appendix E.</p> <p>Rudensky Defence, at paras. 6, 7.</p> <p>The nature and extent of Rudensky's communications with Stafford are obviously relevant, given this is a conspiracy claim where Rudensky and Stafford are alleged to have conspired together and agreed to take steps to cause the Plaintiffs harm.</p> <p>During his examination for discovery, and during his cross-examination on the motion to set aside default judgment, Rudensky provided evidence about some of his discussion and conversations with Stafford. It is not open to Rudensky to selectively provide evidence about communications with Stafford that are perceived to be helpful to his defence, but to refuse to answer questions about other communications that are unhelpful to his defence.</p> <p>Notably, Rudensky does not assert that his most recent communication with Stafford is privileged.</p>	Refusal maintained. The question is irrelevant.	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
<i>Questions related to Contact Information and/or Identification of Rudensky</i>							
17.	R	49	183	In addition to the three email addresses known in this proceeding, to provide all other email addresses for all other email accounts that Rudensky has control over, including the corporate/advisory email address and the personal email address he identified.	<p>Amended Claim, at paras. 26-28, 30, 33-41, 66-69, 83-86, 90-92, 103-104.</p> <p>The question is relevant in (i) identifying and obtaining communications made in furtherance of the conspiracy; and (ii) determining whether any of Rudensky's telephone numbers, email address or other personal details are associated with any of the anonymous or pseudonymous statements posted online.</p> <p>As described throughout this action, the Plaintiffs have obtained Norwich Orders to produce account information from various social media providers. Production Rudensky's phone numbers and other contact information will allow the Plaintiffs to determine if Stafford and Robert's phone numbers are associated with any of the anonymous and/or pseudonymous online accounts.</p> <p>The Plaintiffs are also entitled to production of identifying phone numbers, email addresses and other account details to take steps to obtain copies of communications made in furtherance of the Conspiracy.</p>	Refusal maintained. The question is irrelevant.	
18.	R	51	193	To identify all telephone numbers that Rudensky has used from July 2020 to the present.	<p>Amended Claim, at paras. 26-28, 30, 33-41, 66-69, 83-86, 90-92, 103-104.</p> <p>In his answer to U/T #1, Rudensky identified one Canadian phone number (416-666-9788) which he says was used to communicate with DeFrancesco in September 2021. However, Rudensky has refused to identify any other phone numbers that he has used from July 2020</p>	<p>See answer to U/T #1, above.</p> <p>The balance of the question is refused on the basis of relevance.</p>	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					<p>to present.</p> <p>The question is relevant in identifying the individuals responsible for the hundreds/thousands of Unlawful Statements published and/or disseminated on the Internet using anonymous and/or pseudonymous online accounts and platforms.</p> <p>Among other investigatory efforts, the Plaintiffs have obtained Norwich Orders to produce account information from various social media providers. Production of Stafford's phone numbers will allow the Plaintiffs to determine if Rudensky's contact information is associated with any of the numerous anonymous and/or pseudonymous online accounts that were (and continue to be) used to carry out the Conspiracy.</p> <p>Moreover, Rudensky takes the position that all of his WhatsApp messages with Stafford and other relevant persons are not available to him because he had his WhatsApp set to "auto-delete": Rudensky Discovery Transcript at [87:8 to 88:8]. Notably, however, in his Schedule "C", Rudensky only suggests that he no longer has possession of his WhatsApp messages from 2022. The Plaintiffs may consider bringing a further Norwich order for production of Stafford's phone records.</p>		
19.	R	51-52	194	To identify the IP addresses of all mobile devices, including mobile phones, iPads, and similar devices, and any computers that Rudensky has used from July 2020 to the	<p>Amended Claim, at paras. 26-28, 54-55, 61, 83-86, 90-92, 103-106, and at Appendix C, para. 12.</p> <p>The question is relevant to identify the participants in the Conspiracy, including those responsible for publishing and/or disseminating</p>	Refusal maintained. The question is irrelevant.	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
				present.	the Unlawful Statements. The Plaintiffs' efforts at investigating the Conspiracy largely involve identifying anonymous and/or pseudonymous online accounts (through which the vast majority of Unlawful Statement have been published and disseminated), including by identifying the phone numbers, email addresses, IP addresses, and/or residential addresses linked to those accounts. Among other things, the Plaintiffs have obtained Norwich Orders to produce account information from various social media providers. Production of Rudensky's IP addresses will allow the Plaintiffs to determine if Rudensky's IP addresses are associated with any of the anonymous and/or pseudonymous online accounts.		
20.	R	52	195	To identify all of the devices that Rudensky has used from July 2020 to the present to access the Internet.	See Item #19, above.	Refusal maintained. The question is irrelevant.	
Questions Related to Rudensky's Production Obligations							
10.	U/A	53	199	To provide a detailed Schedule B to the Rudensky Affidavit of Documents that lists all documents for which privilege is claimed.	The <i>Rules of Civil Procedure</i> require a party to an action to <u>list</u> and <u>describe</u> all relevant documents for which the party claims privilege, with the grounds for the claim. The information provided in the Schedule B must be sufficient to allow the other parties to evaluate the assertion of privilege: <i>Segnitz v. Royal & SunAlliance Insurance Co of Canada</i> , [2003] O.J. No 78 at para. 44; <i>Waxman v. Waxman</i> , [1990] O.J. No. 87. This requirement was reflected in the	See Supplementary Affidavit of Documents of Andrew Rudensky sworn April 3, 2024 at Tab 1.	

No.	UT/ UA/ R	Page No.	Question No.	Specific Question ¹	The Plaintiffs' Position and Relationship to Pleadings	Answer or Precise Basis for Refusal	Disposition by the Court
					<p>Discovery Plan circulated by the Plaintiffs.</p> <p>The Schedule B produced by Rudensky does not contain the information and details required by the <i>Rules</i> and applicable case law. Rudensky's Schedule B does not identify (a) the email address in the correspondence; (b) the time of the email, among other identifying details.</p> <p>Notably, Rudensky has previously taken the position that he did not have access to or review emails sent to his ar@delavaco.com and andrew.rudensky@gmail.com. Rudensky also took the position that he did not use email extensively. It was on this basis, in part, that Rudensky asked the Court to set aside default judgment granted by Justice Osborne.</p> <p>However, Rudensky's Schedule B demonstrates that he emailed with Stafford in September 2021, as soon as he became aware of this lawsuit. Rudensky is obliged to provide full details of those communications – including the email accounts used – so the Plaintiffs can test the truthfulness of his prior sworn evidence.</p>		

ANSON ADVISORS INC. et al.
Plaintiffs

-and-

JAMES STAFFORD et al.
Defendants

Court File No. CV-20-00653410-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

**NOTICE OF MOTION OF THE
PLAINTIFFS/MOVING PARTIES**

BENNETT JONES LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Robert W. Staley (#27115J)
Email: staleyr@bennettjones.com

Douglas A. Fenton (#75001I)
Email: fentond@bennettjones.com

Dylan Yegendorf (#85016M)
Email: yegendorfd@bennettjones.com

Tel: 416.863.1200

Fax: 416.863.1716

Lawyers for the Plaintiffs/Moving Parties,
Anson Advisors Inc., Anson Funds Management LP,
Anson Investments Master Fund LP and Moez Kassam

TAB 2

Court File No. CV-20-00653410-00CL

SUPERIOR COURT OF JUSTICE

B E T W E E N :

ANSON ADVISORS INC., ANSON FUNDS MANagements LP,
ANSON INVESTMENTS MASTER FUND, and MOEZ KASSAM

Plaintiffs

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOE DOE 3,
JOHN DOE 4, and OTHER PERSONS UNKNOWN

Defendants

P R O C E E D I N G S

BEFORE THE HONOURABLE JUSTICE P. OSBORNE
on January 25, 2023, at TORONTO, Ontario

APPEARANCES:

R. Staley

Counsel for the Plaintiff

A. Carlson

Counsel for the Plaintiff

D. Fenton

Counsel for the Plaintiff

M. O'Sullivan

Counsel for the Plaintiff

M. McPhee

Counsel for J. Stafford and R. Doxtator

A. Rudensky

In Person

SUPERIOR COURT OF JUSTICE

T A B L E O F C O N T E N T S

Legend
[sic] - Indicates preceding word has been reproduced verbatim and is not a transcription error.
(ph) - Indicates preceding word has been spelled phonetically.

Transcript Ordered:	November 8, 2023
Transcript Completed:	November 8, 2023
Ordering Party Notified:	November 8, 2023

WEDNESDAY, JANUARY 25, 2023

CLERK REGISTRAR: Kindly ensure your electronic devices and notifications, other than the one you're using for Zoom, are off and on silent. This prevents feedback. If you are not addressing the court, kindly click the mute option.

Under s. 136 of the *Courts of Justice Act*, it's an offence for anyone to copy, record, publish, broadcast or disseminate a court hearing, or any portion of it, including a hearing conducted over video conference or teleconference, without the leave of the court. This prohibition includes screenshots. Furthermore, members of the public and other persons in the courtroom must comply with the terms of the court's protocol on the use of electronic devices in the courtroom which is available on the Superior Court of Justice website. Court is now in session. Please be seated. You may now proceed.

THE COURT: Thank you, Madam Registrar. Just give me a moment here if you would, counsel. I'm sorry, my and among others is not muted.

COURT REPORTER: *[Indiscernible]*.

THE COURT: And it says it's muted. So hold on. There. That did not fix it. Have a seat, counsel. Just give me one second here. Is that better? Good. Thank you.

COURT REPORTER: Is anyone in this room joining with audio? No. Okay. Because this creates a technical issue. We all should be connected without audio and *[indiscernible]* in order to

[indiscernible].

THE COURT: All right. Mr. Reporter, are you good to go there or no?

COURT REPORTER: We're just trying to make sure that it's not possible to record. I'm not able to [indiscernible] the recording. [Indiscernible].

Okay. It looks like we have [indiscernible] microphone here that creates the feedback situation. I'm not sure what will happen.

THE COURT: Let me just understand, as you're - as you're getting set there, where we're at. We have the applicants, the moving parties today, Mr. Carlson, Mr. Fenton, Mr. Yegendorf (ph)? Ms. Yegendorf? Mr. Yegendorf. Thank you. Ms.

O'Sullivan and Mr. Staley. Ms. McPhee, Ms. Kelly. You are here for the other defendants, is that right, Mr. Stafford, Mr. Doxtator?

MS. MCPHEE: Yes, that's correct.

THE COURT: Are you taking a position on this motion?

MS. MCPHEE: We don't anticipate taking a position.

THE COURT: All right. And then on Zoom here I see a number of people. And maybe, Mr. Carlson, too, you can give me the landscape as to where we're at. I see - I see Mr. Rudensky, can you hear me, sir?

ANDREW RUDENSKY: I can.

THE COURT: All right. Do you have Zoom capability on your laptops there on the monitors on the tables? Can you...

MR. CARLSON: We do.

THE COURT: ...see the participants on Zoom?

MR. CARLSON: Thank you, Your Honour.

THE COURT: All right. Mr. Rudensky, you're representing yourself this morning, sir?

ANDREW RUDENSKY: This morning, I am.

THE COURT: I see. All right. And are you taking a position on this motion, sir?

ANDREW RUDENSKY: I found out about this several days ago, so I really haven't had time to engage counsel for this. So, I wanted to surface and try to, you know, answer questions the best I could at the moment.

THE COURT: I see. All right. Is anyone else on the screen attending by Zoom today taking a position on this motion?

MR. CARLSON: No, Your Honour. I believe the only other attendees are our clients who are observing.

THE COURT: All right. Very well. Thank you. So, Mr. Reporter, how are you making out there?

R E C E S S

U P O N R E S U M I N G:

COURT REPORTER: Sorry, Your Honour, I had to [indiscernible]. I can see that is recording [indiscernible]. Sorry, my indulgence. [Indiscernible].

R E C E S S

U P O N R E S U M I N G:

... Transcription Note: Recording cuts in

THE COURT: ...Rudensky at all.

MR. CARLSON: No.

THE COURT: In the materials, he hadn't responded, I took it, at all to the action, right?

MR. CARLSON: That's right. So, Mr. Rudensky reached out to us for the first time yesterday

5 afternoon to advise that his position is he wasn't properly served with the claim. We would like to proceed with today's motion on an unopposed basis and Mr. Rudensky is free to bring a motion to set aside his noting in default and his - and any default judgment we obtain today.

10 Upon receiving Mr. Rudensky's email, we forwarded it to the court, ensured that he had today's motion materials, ensured that we set - had the court set up the link so he could observe. But, in fairness to him, I think it makes more sense to not proceed as though today is opposed, as he says he hasn't had a chance to prepare materials, and just allow us to proceed unopposed. And then he can bring the motion that he would have to bring, in any event, to move to set his noting in default aside.

15 THE COURT: Mr. Rudensky, what's your position today, sir, with respect to what you think should happen? Mr. Rudensky, can you hear me, sir?

20 ANDREW RUDENSKY: I can't - I couldn't hear you guys speaking there if you guys were...

 THE COURT: All right.

 ANDREW RUDENSKY: ...engaging.

25 THE COURT: What --

 ANDREW RUDENSKY: I can now.

30 THE COURT: All right. The moving parties are of the view that we should proceed today as if it were unopposed and you can move to set judgment aside in the event that judgment is granted following today's motion. What's your position as to what should happen today, sir?

5
ANDREW RUDENSKY: Well, I discovered that, you know, there was this default hearing several days ago. I understand through an email that the plaintiff claims that I was personally served in Canada, which is inaccurate. I've been in the United States since early 2022. I believe they cited July as when I was personally served at an address which I've never lived at. I --

10
THE COURT: So, what are you asking for today, sir? What --

15
ANDREW RUDENSKY: I'd like to have time to retain counsel and form a defence. I had nothing to do with any of - any of the claims as I understand have been made. I plan to defend myself. And, you know, the position that, you know, I was served is inaccurate, and I'd like the opportunity to defend myself.

20
THE COURT: All right. Are you functional here, Mr. Reporter, or it's still no?

COURT REPORTER: Yes. Yes, we're [indiscernible].

25
THE COURT: Okay. All right. Very well. So, just so we're clear for the purposes of the record today on this motion, counsel for the moving parties, plaintiffs are here; counsel for the defendants, Mr. Stafford and Mr. Doxtator are here in person.

On Zoom is the defendant, Mr. Rudensky, as well as a number of observers. Am I forgetting anybody?

30
MR. CARLSON: There - Mr. Greenspoon is attending from the Groia firm on behalf of Mr. Jacob Doxtator.

THE COURT: Very well. And I take it, sir, are you here monitoring? Do you intend to make any

submissions?

MR. GREENSPOON: Yeah, I'm not authorized to speak.
I'm just monitoring.

THE COURT: Very well. All right. So, as I
understand it, just so we're clear on what we're
doing here, Mr. Carlson, Mr. Rudensky is seeking an
adjournment of this motion. Just before we think
about submissions on the merits, can you just
remind me of the chronology in terms of when he was
served with the claim, the originating process,
which I take it for him is the fresh as amended
statement of claim?

MR. CARLSON: That's correct.

THE COURT: Is that right? Because he was added in
the spring, earlier this year, is that right?

MR. CARLSON: That's right, Your Honour. And I
have - I have ample submissions on this point and
can walk you through the complete procedural
history including with,...

THE COURT: Would you? Thank you.

MR. CARLSON: ...including with evidence in the
record that should demonstrate to you that you can
proceed today.

THE COURT: All right.

MR. CARLSON: And I also have other submissions on
why we shouldn't adjourn. So, I'm happy to do
those in whatever order you like, Your Honour.

THE COURT: Well, I suppose I need to hear both of
those, just so I'm clear, given the nature of the
relief you're seeking today. So, why don't we do
the second one first, though? The - Mr. Rudensky
says he just became aware of this recently and

wants an adjournment. You're opposing that adjournment, I appreciate. What's your view on that?

MR. CARLSON: Okay, great. So, we submit that there's at least five reasons to not make an adjournment today. First, adjourning today's hearing will simply result in wasted resources for the parties and for the court. We began preparing these motion materials in early November, and we filed a two volume motion record, a further brief supplemental record, a 25 page factum and a book of authorities. The motion materials are fully baked and briefed from our perspective. And, importantly, Mr. Fenton and I have just spent the last few days preparing oral submissions. So, we're fully ready to go and all of this work will be wasted if we simply adjourn today's hearing, particularly the efforts we've spent preparing for oral arguments.

Second, this court's time would be wasted. We're here for three hours this morning. The motion has been booked since December 8th. And while I'm sure Your Honour and counsel would find other things to do, no other motion will take this motion's place. It's simply a waste of the court's already strained resources.

Third, in our submission there's no prejudice to Mr. Rudensky from us proceeding with the motion today. And, in fact, I would submit he's precluded from participating. One of the consequences, as

5 you know, Your Honour, of being noted in default is
that Mr. Rudensky is precluded from taking any step
in the proceeding other than to bring a motion to
set aside the noting in default or any default
judgment obtained. That's explicitly set out in
Rule 19.02(1)(b). Attending this hearing to ask
the court to adjourn this hearing is a step in the
proceeding. It's a step he's precluded from
taking.

10 In any event, as I mentioned earlier, he's fully at
liberty to bring a motion to set aside his noting
in default and any default judgment obtained today
as contemplated by the rules.

15 THE COURT: Is it your position that the test is
different on setting that aside than if he had not
been noted in default and were opposing the relief
today on the merits?

20 MR. CARLSON: So, that's an excellent question,
Your Honour, because the test is not different. It
is the - it is - the test is based on what's - what
are called the *Mountainview* factors based on the
2014 decision of the Ontario Court of Appeal of the
same name. And so, Mr. Rudensky - Rudensky is
25 going to be obliged to bring that motion in any
event, because of he was noted in default. And so,
put simply, if this motion proceeds, even if
default judgment is granted today, it does
virtually nothing to expand the scope of the motion
30 he already must bring in order to participate in
this proceeding and file a statement of defence.
So, there's no prejudice to him.

5 If Mr. Rudensky brings his motion to set aside and wins then fine, he can file a statement of defence and we'll proceed. Although we may seek wasted costs in any event. If he brings those motions and loses, then at least we won't have to repeat today's motion. We won't have to reschedule it and come back and re-argue.

10 Fourth, as I mentioned, I have about 10 minutes of submissions to take you through regarding the procedural history of this case, and I'll get to that shortly, and they establish that Mr. Rudensky was properly served in accordance with the *Rules of Civil Procedure*. We certainly don't accept his

15 allegations coming as they are on an unsworn basis.

THE COURT: Properly served both with originating process and with these motion materials?

MR. CARLSON: We have attempted to properly serve him in accordance with these motion materials. We couldn't find him at the same address at which we had previously served him with the statement of claim.

20

THE COURT: Okay. You'll take me through that. All right.

MR. CARLSON: I will take you through that. Thank you, Your Honour. Finally, in our submission, Your Honour, if all a defaulted defendant had to do to avoid default judgment is wait until the day before the hearing of the default judgment to advise that he intends to deliver a defence, then defendants would be incentivized to engage in that conduct, including to achieve maximum possible delay. Our

25

30

courts do not allow that to happen.

To give credit to my friend and colleague, Mr. Fenton, after we received Mr. Rudensky's email of yesterday at 12:20, he quickly found a precedent of the court refusing to grant an adjournment in the very same circumstances. And so, Your Honour, I will hand up this morning a decision of Justice Dunphy in *Ying v. Lemine Investments*, and I have a copy for counsel for Mr. Stafford if she would like. Perhaps I can hand this up to the registrar. And it's a very brief decision of only five pages in length, Your Honour, but you really need only read paragraph 1 for the purposes of my point.

In that case the plaintiff moved for judgment against an individual and two corporate defendants, all three of which had been noted in default. Prior to the day of the hearing none of the defendants had participated in the proceeding. They had not taken any steps to set aside the noting in default or otherwise place sworn evidence before the court. And at the hearing, the individual default defendant appeared in person without counsel and asked for an adjournment, a 30 day adjournment so that he could present evidence. And Justice Dunphy declined that request and proceeded with the motion. And in fact he ended up granting default judgment against certain of the defendants. And so, that's what we submit should happen today. So, those are my direct submissions on the issue of why we say there should be no

adjournment, and I'm happy now to turn to the procedural history of this case so that you can see the efforts we've made to bring this to Mr. Rudensky's attention.

THE COURT: Please.

MR. CARLSON: So, by way of background, Your Honour, the claim was served on - or, sorry, the initial statement of claim was issued in December of 2020. Mr. Rudensky was not named as a defendant at that time, as you've already - as you've already noted. However, by the fall of 2021 the plaintiffs had determined Rudensky's involvement and sought to amend the claim to make allegations against him and add him as a party. And so, that evidence is in Mr. Kassam's affidavit at paragraph 45. And, Your Honour, you should have a supplemental motion record.

THE COURT: I do.

MR. CARLSON: That's the skinny one. If you could just please turn to tab 1 of that record. So, I'll just be taking you through the chronology here, Your Honour.

THE COURT: So, this is an email from Mr. DiMatteo, is that right?

MR. CARLSON: That's right. That's right. So, you may - you may recall, Your Honour, that the plaintiffs were formerly represented by counsel at the Blakes firm. Mr. DiMatteo is a lawyer at Blakes. On October 6th, he emailed a draft copy of the fresh as amended statement of claim to Mr. Rudensky at two email addresses: andrew.rudensky@gmail.com and A-R - which is his

personal email address, and ar@delavaco.com, which is work email address at the Delavaco Merchant Bank. Both of these emails, as I will explain, are known active email addresses belonging to Mr. Rudensky. In paragraph 46 of Mr. Kassam's affidavit, he deposes that he was aware of Mr. Rudensky using these email addresses, including because Anson has had prior dealings with Mr. Rudensky at the Delavaco bank. And I'll get to emails of him using that email in a moment.

Mr. Rudensky never responded to Mr. DiMatteo's email and otherwise never granted his consent to the proposed amendments. Counsel for Mr. Stafford, who was also proposed to be added, advised that he would not consent to the proposed amendments, and so the plaintiffs proceeded with an opposed motion for leave to amend the statement of claim.

If I could ask you to turn to tab 2 of the supplemental brief. And this is simply an email from me, Your Honour, November 23rd, 2021, attaching the plaintiff's notice of motion, commencing our motion to amend the statement of claim. And, again, we sent it to Mr. Rudensky at his Gmail address and his Delavaco email address.

THE COURT: So, your firm replaced Blakes in that month, is that right?

MR. CARLSON: That's right.

THE COURT: October, November? Okay.

MR. CARLSON: That's right. We replaced Blakes on November 12th because Mr. Stafford had made

allegations of conflict against the Blakes firm.

THE COURT: Okay.

MR. CARLSON: So, in order to just render that issue moot, plaintiffs retained new counsel.

THE COURT: So, this is sent to the same two email addresses?

MR. CARLSON: Same two email addresses of which we were aware. And these are not the only two emails in the record, Your Honour. These are just two that I'm going to take you to. So, Mr. Rudensky was also copied on numerous other emails relating to this matter since the fall of 2021, and some of those emails are at tab O of the plaintiff's original motion record, for your notes. I won't take you there.

THE COURT: No response to this either, I assume.

MR. CARLSON: No response to any of them. And as noted by Mr. Kassam in paragraph 49 of his affidavit, we have never received any bounce backs, message delivery notification failures, anything along those lines that would indicate that the email addresses were - did not exist or were not active.

THE COURT: Were there any attempts at personal service made of the claim initially?

MR. CARLSON: Not at this time period, Your Honour. But I'd like to show you - I'd like to take you to a crucial piece of evidence we have. And, again, this is all before the claim had actually been amended, right? So, Rudensky is - Mr. Rudensky is not a party to the proceeding. He's, you know,...

THE COURT: A proposed party.

MR. CARLSON: ...potentially a responding party to a motion. But I'm going to ask you to turn to volume 2 of the plaintiff's original motion record, tab P. And, Your Honour, would you - would you like the CaseLines pagination or the motion record pagination?

THE COURT: I can work with either. I find master easier just to keep it consistent...

MR. CARLSON: Okay.

THE COURT: ...but whatever works for you.

MR. CARLSON: Okay. I'll just use the motion record pagination if that's okay.

THE COURT: Yeah.

MR. CARLSON: And the - and the tab numbers should be bookmarked in the PDF.

THE COURT: Okay.

MR. CARLSON: All right. So, tab P of our - of our initial motion record at page 449-450. So, as I showed you, our motion for leave to amend had commenced - we commenced it in November 2021 because by that time we knew we weren't going to get the defendant's consents.

THE COURT: So, this is Justice Conway's endorsement is where you're at?

MR. CARLSON: This is Justice Conway's email endorsement of January 19th. And so, there was a case conference that day. By that time she was case managing these proceeding. And so there were multiple case conferences with Madam Justice Conway over the winter of 2022, but there was one on the 19th. And so, this is her email endorsement reflecting what was discussed at that day's case

conference. She says, "This CC," this case conference, "proceeded before me today by Zoom. Ms. McPhee's firm has now been retained by Mr. Stafford. Mr. Richard," that's Mr. Kevin Richard of the Groia firm, "anticipates being retained by Mr. Rudensky shortly. Mr. Richard advised us and the court that he had been in contact with Mr. Rudensky and anticipated being retained." And as an officer of the court, I expect Mr. Richard was telling the truth.

He advised us, as reflected in Madam Justice Conway's endorsement, "Mr. Richard does not have firm instructions on whether Mr. Rudensky will or will not be opposing the motion to add him as a defendant." We were going to wait and see what was going to happen there, but there's no doubt that Mr. Rudensky by this time, over a year ago, was aware we were seeking to add him as a defendant to the claim.

And just for your notes, Your Honour, Mr. Rudensky and Mr. Richard are not strangers. Mr. Kevin Richard had represented Mr. Rudensky in disciplinary proceedings that proceeded before the Investment Industry regulation - Regulatory Organization of Canada and the OSC. And so, the decisions regarding those proceedings are at tab 13 of the plaintiff's book of authorities. And so, Your Honour, if you - if you turn to tab 13, there's actually three decisions behind this time. THE COURT: This is in your authorities brief?

MR. CARLSON: This is in the authorities brief. And if you just look at the first page of the first decision, this was the merits - there's a merits decision of the - of IIROC, a sanction decision, then an OSC decision, and all three of them show Kevin Richard for Andrew Paul Rudensky. So, this was his lawyer. He was talking to his - or at least his former lawyer. He was talking to his former lawyer last January about potentially retaining him to defend him on this action or otherwise respond to the plaintiff's motion to add him.

Furthermore, Mr. Rudensky, at the two email addresses that were known for him, is CC'd on this email.

THE COURT: That's on Justice Conway's endorsement.

MR. CARLSON: Justice Conway's email...

THE COURT: Yeah.

MR. CARLSON: ...at his Rudensky at Gmail and his Delavaco address. And, of course, at no point does anyone, including Mr. Richard object to say those aren't valid email addresses or - nor does of course he object to say that Madam Justice Conway's email was inaccurate or that she had misinterpreted what he said at the case conference. And that's, of course, because Justice Conway's email accurately represented what Mr. Richard had conveyed at that case conference to us and to the court.

THE COURT: Where did Justice Conway get those email addresses? Do you know? Was there a

counsellor slip as is typical for those? I mean,...

MR. CARLSON: I do --

THE COURT: ...was he there? Was Mr. Rudensky present at that case conference?

MR. CARLSON: no, no, he was not present.

THE COURT: Right. Mr. Richard was.

MR. CARLSON: We had been - because Mr. Rudensky had not been represented and wasn't formerly retained by Mr. Richard up until that time, we had been CCing Mr. Rudensky on virtually all communications...

THE COURT: I just wonder...

MR. CARLSON: ...with other counsel and with the court.

THE COURT: ...who gave those email addresses to the court that day.

MR. CARLSON: That's right.

THE COURT: Who, do you know?

MR. CARLSON: At some - at some point she had them.

THE COURT: But who gave them to her, do you know?

MR. CARLSON: I don't recall,...

THE COURT: Okay.

MR. CARLSON: ...Your Honour. I apologize.

THE COURT: All right.

MR. CARLSON: As I - I believe Mr. Rudensky had been CC'd on emails with the court, including Justice McEwen earlier when we were initially scheduling matters and seeking to obtain Justice Conway as our case management judge and so on.

THE COURT: Okay.

MR. CARLSON: So he'd - he'd been copied for some

time by that point. Mr. Rudensky never ended up formally retaining Mr. Richard or any other lawyer to represent him on the plaintiff's motion to add him as a defendant.

5 THE COURT: What's the next you hear from Mr. Richard? Is there an email or something to the effect that he's not retained and won't be acting in the matter?

10 MR. CARLSON: At some point over the winter they advised us that they wouldn't be acting for him.

15 THE COURT: All right. So, we repeatedly - as I recall, and this is not in the record, Your Honour, so I apologize if - I apologize for this. But my - I'm not eager to proceed, I don't like giving evidence from counsel's table, Your Honour, but my recollection is that we followed up with them repeatedly to ask whether he was going to be retained and whether they could agree to a schedule, and ultimately he was never retained. 20 And so, we just proceeded as though Mr. Rudensky was not opposing the motion, although Mr. Stafford was. And Mr. Stafford was retained of course by Ms. McPhee's firm. Sorry, had engaged Ms. McPhee's firm.

25 So, the motion proceeded on a contested basis and was heard by Justice Conway on May 3rd, and she granted - she granted our motion allowing us to file the amended claim. Her endorsement is at tab 30 2N of our motion record. And we formally issued the amended claim on May 27th, and that's at - the claim is at tab 2A of the motion record.

So, if we can now turn, Your Honour, to Mr. Kassam's affidavit, which is at tab 2 of our initial motion record. Because Mr. Kassam explains what happens next after we obtained the issued version of the amended claim. And I will turn to -

THE COURT: So, just so I'm clear, Mr. Carlson, with the - Mr. Richard advised at some point over the winter he's not retained. You don't hear further from him or Mr. Rudensky. The claim - fresh as amended claim is issued in May.

MR. CARLSON: Correct.

THE COURT: All right.

MR. CARLSON: Correct. And just to be clear, Your Honour, the first time we've ever received contact from Mr. Rudensky directly was yesterday.

THE COURT: Have you heard from him or on his behalf at all since the events we just talked about? Since the case conference of Justice Conway and Mr. Richard...

MR. CARLSON: No, Your Honour.

THE COURT: ...potentially but ultimately not retained?

MR. CARLSON: There were other conversations where counsel to the defendants mentioned that they were in touch with Mr. Rudensky, but we have never heard from him or by a lawyer purporting to act on his behalf since that case conference.

THE COURT: All right. So, I interrupted there. You want to be in the affidavit of Mr. Kassam.

MR. CARLSON: That's correct. And in paragraph 51, please, which is at page 27.

THE COURT: Okay. Just give me one second, if you would. All right. Thank you. Paragraph 51.

MR. CARLSON: Fifty-one. So, Mr. Kassam explains what happens after we obtained the issued copy of the amended claim. He deposes:

In July of 2022, following numerous attempts to personally serve the amended claim on Rudensky, we hired a licensed private investigator to locate Rudensky. A copy of the investigator's report is attached hereto as Exhibit Q. We then attempted service again based on the information provided by the investigator. I am informed by our counsel and verily believe that service of the amended claim on Rudensky was successful and effective as of July 31st of 2022. A copy of an affidavit sworn by the process service who carried out the service is attached hereto as Exhibit R.

So, we can please turn to the first of those two exhibits referenced by Mr. Kassam in that paragraph, Exhibit Q.

THE COURT: Okay. Just before you even get there, with respect to the first sentence, is there any evidence in the record with respect to the numerous attempts to personally serve the claim?

MR. CARLSON: No. Just this, Your Honour. But we'll get - we'll get to the - I mean, we were attempting to locate him. We served him by email, but we don't have any --

THE COURT: I mean, in a motor vehicle search, a process server at a home or --

MR. CARLSON: Well, we'll get to the - we'll get to the...

THE COURT: You're going to get that. All right.

MR. CARLSON: ...investigator's report, Your Honour. So, yeah, I won't take you through our unsuccessful attempts, and we didn't - we didn't put all of those in the record, but I'll take you to the successful attempts. So, the investigator's report is - starts at, sorry, page 453, tab Q of our motion record. So, this was - this was the report that we received from Integra Investigation Services. It's addressed to my colleague, Ms. O'Sullivan, regarding Mr. Rudensky. The report is dated July 21st, 2022:

As requested, an investigation was conducted to locate Mr. Rudensky. Our investigator advised that he uses 4328 Clubview Drive, Burlington, Ontario as his registered address in Canada. The address is associated with his vehicle insurance information.

The rest of the page goes on to note that in March - so earlier - earlier last year, during the very time period that we were proceeding with our motion to add him as a defendant, and after of course Mr. Richard had made those representations at the January 19th case conference, Mr. Rudensky sold his home in Oakville at 1107 Melvin Avenue for over \$4 million and bought a property in Florida for over \$5 million. But upon the sale of the property - and so this is - this is the penultimate paragraph on the page, the last sentence of the - of the

second last paragraph: "Upon the sale of the property, Andrew Rudensky's address for service was 4328 Clubview Drive, Burlington, Ontario. Supporting documentation is attached." So, it's associated with his vehicle insurance information as set out in the second paragraph.

And now I'll just take you to what the supporting documentation is that our process - that our investigators gave us. If you turn to page 465 of the record. It's kind of midway through the supporting documentation package. Let me know when you're there, Your Honour.

THE COURT: Sorry, I'm just catching up with you here. I just want to understand this. The Clubview property.

MR. CARLSON: So, we --

THE COURT: You don't - you don't have an affidavit from Integra, right? You've got this --

MR. CARLSON: We don't have an affidavit. We received this report. But I'll get to an affidavit of service.

THE COURT: And then this report says Mr. Rudensky and his spouse, Caitlin Plunkett, are believed to be renting at this location.

MR. CARLSON: Correct.

THE COURT: Is - are you going to take me to any basis for that?

MR. CARLSON: I'm going to show you a document showing that they've used that address for service. And then I'm going to take you to an affidavit of service...

THE COURT: Okay.

MR. CARLSON: ...where an adult member of that same household confirmed that Mr. Rudensky lives there.

THE COURT: Okay. All right. So, sorry, I interrupted you.

MR. CARLSON: No --

THE COURT: I have that paragraph.

MR. CARLSON: No problem. So, if we turn to - let me - you were going to let me know when you were at...

THE COURT: Yeah.

MR. CARLSON: ...page 465. Excellent. Okay. So, this is the - this is the transfer instrument that was made by Mr. Rudensky and his partner when they sold their property in Oakville in March. So, this is the transfer of the 1107 Melvin Avenue property. And that's shown at the top. And then under transfers, it shows the names of the two transfers, Mr. Rudensky and Caitlin Plunkett. Address for service, 4328 Clubview Drive, Burlington, Ontario. And so we have so many --

THE COURT: And where is that? Sorry.

MR. CARLSON: It's under the transfers section.

THE COURT: I'm at 465 of your motion record.

MR. CARLSON: Yes, Your Honour. Under the - do you see the - kind of the transfer instrument?

THE COURT: Yeah.

MR. CARLSON: With the transferors...

THE COURT: Oh, I see.

MR. CARLSON: ...heading.

THE COURT: Behind the abstract. I got you.

MR. CARLSON: Address. And it says name and then

address for service. So, when Mr. Rudensky ultimately brings his motion to set aside the default, we're going to cross-examine on why he would use that address for service if he never lived there. We're going to cross-examine him on all of these things. But this - so this is the report that our investigators came back with. So, obviously we attempted to serve him at the Clubview Drive address where he was believed to be living. And if you turn to the next tab, Your Honour, tab R, this is the affidavit of service. And the affiant explains that on Friday, July 22nd - sorry, I'm just getting ahead of myself, Your Honour:

On Friday, 22nd [sic], the affidavit served the defendant, Andrew Rudensky, with a true copy of the fresh as amended statement of claim by leaving a true copy of same in a sealed envelope addressed to the said defendant with Bruce Chapman. He's the registered owner of the property. An adult male who appeared to be a member of the same household in which Andrew Rudensky resides at 4328 Clubview, Burlington, and by sending a copy of the above-mentioned document to the said defendant by mail.

Paragraph 2, this is all important:

I ascertained that the person served was an adult member of the same household in which the defendant is residing by means of verbal admission. Mr. Chapman confirmed that Mr. Rudensky resided there.

And so, serving in that manner, where you leave a copy of the claim in a sealed envelope addressed to the person you're serving at the place of residence with an adult member of the same household and then mailing it that day or the following day is effective service pursuant to Rule 16.03(5). So, because Mr. Rudensky wasn't responding to any of our emails, that's what we had to do. It is effective. There are multiple ways to --

THE COURT: Without an order for alternative - for personal service in respect of originating process?

MR. CARLSON: That's right.

THE COURT: Okay.

MR. CARLSON: So, that was formal service. It's effective under the rules. Mr. Rudensky is free to bring his motion to set aside the default. But for today's purposes, it's effective and you can proceed.

THE COURT: All right. This is...

MR. CARLSON: We then noted --

THE COURT: ...July?

MR. CARLSON: We then noted him in default after he failed to deliver the statement of defence. And, Your Honour, I have - I have more of events that have happened since then. And you'll recall, Your Honour, that you asked us - we had a case conference on December 8th, and despite the fact that defendants who have been noted in default are not entitled to notice of any step in the proceeding, and are in fact not entitled to participate, it is best practice to attempt to give them notice of any motions for default judgment.

And so, you followed that best practice and you -
and you told us to do so. We could not effect
service on him at the Clubview Drive address
because no one would answer the door. And so, by
January 5th - if we can turn tab 3 of the
supplemental motion record?

THE COURT: Did you send it to those two email
addresses as well?

MR. CARLSON: We did, Your Honour. We attempt - we
attempted to do that. And I'll just take you first
to tab 3. And this go - this goes directly to the
validity of those email addresses. So, tab 3 of
the supplemental record. By January 5th, we knew
this motion date was approaching and we had not yet
made effective service in accordance with your
endorsement. But we knew that counsel to the
defendants had been in touch with Mr. Rudensky
because they had told us so. So, my partner, Mr.
Milne-Smith, emailed counsel to the defendants,
reminded them that you had directed us to serve Mr.
Rudensky with the endorsement, directing that the
motion proceed today. Mr. Milne-Smith advised them
that we had made a number of attempts to do so but
that Mr. Rudensky had eluded us.

We pointed out that as noted by the previous
endorsement of Justice Conway we knew that Mr.
Richard had been previously in contact with Mr.
Rudensky. We also understood that Mr. Kim had been
in touch with him. And so, we asked:

In the spirit of giving effect to Justice
Osborne's direction, I would ask that you both

5 please forward Justice Osborne's endorsement in
our letter to Mr. Rudensky through whatever
means you have used to contact him in the past.
Please also feel free to use the link below to
our motion record for default judgment which
has already been served on Mr. Rudensky. I
thank you in advance for your assistance as
court officers in giving effect to Justice
Osborne's directions.

10 And Mr. Richard responded that same day, shortly
thereafter, saying:

15 Thank you. From your correspondence, I believe
you have sent everything to
andrew.rudensky@gmail.com already. This is the
address we had for Mr. Rudensky and we have had
no contact with him for more than eight months.
But it's a valid email address that he used to
communicate with someone who was actually his
20 former counsel.

25 If you could just flip, please, two more tabs over
to tab 5. And I had mentioned that Anson had had
previous dealings with Mr. Rudensky because they
had previously had dealings with the Delavaco Group
where he works. And so this is just one example of
an email that Mr. Rudensky sent to Ms. Salvatori,
who is general counsel at Anson, from his Delavaco
email address, "Hi Laura. Could you please give me
30 a call?" And we have no reason to believe that
this email has ever become, you know, deactivated,
not in use. The plaintiffs have emailed with Mr.

Rudensky at that address and Mr. Richard confirmed the Gmail address. So, we intend to test him on all of those allegations that he had no knowledge of this case.

And to be clear, Your Honour, that is not how I understood his email of yesterday to say. His email of yesterday doesn't indicate that he had no notice. It just claims that he wasn't properly served, but he was in accordance with Rule 16.05.

So, those, Your Honour, are my submissions. There's certainly no sworn evidence with a plausible explanation as to how the claim could possibly have failed to come to his attention. He was properly served with the amended claim in accordance with the *Rules of Civil Procedure*. He was properly noted in default. He's fully entitled to bring a motion to set aside if he can meet the test. But for all of those reasons, Your Honour, we say we should proceed today.

THE COURT: All right. Thank you, Mr. Carlson. I know you've got other submissions obviously on the merits. But Mr. Rudensky, can I hear from you, sir, in response to Mr. Carlson's submissions. I'm not asking about the merits of the motion, to be clear. I want - I want to understand the basis upon which you're seeking, as I understood what you said earlier, an adjournment of the motion today.

ANDREW RUDENSKY: Yes. Thank you. I guess I'll probably begin with - excuse me - the email addresses. I stopped working at Delavaco in

5 early/mid-2020. I had requested early that year, sometime in January, that the account be deactivated. As I understood, that email account was deactivated. [Indiscernible] I certainly stopped using it from January 2020 going forward. So, I no longer work with that firm and I haven't for many years now. As I understand, you know, that plays into, you know, the overall picture of - I guess what, you know, I'm potentially accused of is working with that group, but I stopped working with them in that time period.

15 The Gmail account was an old legacy Gmail account. So, I wouldn't have been receiving, you know, emails that they said that they were sending. You know, particularly, you know, the employment which, you know, I think is probably - even the statements made today that, you know, everyone's under the impression I still work there. That ended a very long time ago.

20 THE COURT: Sorry. What do you mean, sir, the Gmail account was a legacy account? You still use that account, do you?

25 ANDREW RUDENSKY: No. It was an old personal account that I did use, you know, I want to say a time period of maybe 2017 to, you know, maybe sometime in 2021. And so, the email service - again, they're sending to one account that, you know, I had requested in January 2020 to be cancelled. My employment shortly thereafter - or working relationship ended before any of, you know, this stuff, you know, came about, and my other

30

email address wasn't one that I used.

You know, to touch upon some of the service comments, as I sold my house I was transitioning, moving to Florida immediately. I think probably I used that address - it was, you know, my wife's mother's house - until I could transfer all my car insurance and so on to the United States which, you know, I bought my vehicles down south.

THE COURT: Sorry. Just to be clear, what was the address of your wife's mother's house?

ANDREW RUDENSKY: It was the Clubview Drive asset.

THE COURT: All right.

ANDREW RUDENSKY: House.

THE COURT: Are the - are the Chapmans your wife's parents?

ANDREW RUDENSKY: No. Bruce is my wife's stepfather.

THE COURT: All right.

ANDREW RUDENSKY: But Bruce used to be the head of the police union. He would - he would never have said I lived there. I never have. If the investigator said that so that he made service, you know - you know, that's, you know, I think kind of on him. There was a second encounter which the gentleman who was speaking said when they tried to deliver, you know, some document to the house, had an encounter with my wife's mother where she engaged in a conversation and said, "He doesn't live here any - doesn't live here; you know, stop coming, hanging outside the front of my house. I've been watching you for days." And he said,

5 "I'm not harassing you." She said, "I'm going to
call the police on you." And then she called Bruce
with his, you know, policing background and
supposedly he calmed down, but that conversation,
as I understood it, said, "Stop showing up to my
house, he doesn't - he doesn't live here." And,
you know, that that was that encounter which I
don't think was - or the conversation was relayed
to the court. But I've been in the United States
10 since early in 2022. I have a son who was born
down here in May. I had major shoulder surgery in
July, actually days before the delivery in Oakville
or Burlington. I got married here in August and I
didn't come back to Canada till - December 23rd I
15 believe is when I came back. So, the whole window
of delivery to that house, I wasn't in the country.
THE COURT: Where are you staying now, sir, in
Canada?

ANDREW RUDENSKY: I'm in the United States.

20 THE COURT: I see.

ANDREW RUDENSKY: I'm not in Canada.

THE COURT: I see. So, if I understood Mr.
Carlson, the claim was left with Mr. Chapman at the
Clubview Drive address and Mr. Chapman indicated
25 you lived there. You just told me you object to
the fact that you lived there, but did he not bring
the claim to your attention?

ANDREW RUDENSKY: I - my wife's mother contacted
her and said someone tried to deliver a package to
Andrew, and that was kind of, you know, the extent
30 of it. You know, my understanding is that I - I
was waiting for them to serve me in Florida. They

5 knew that I moved in Florida, clearly, by the
statements that the gentleman referenced that I
bought a house in Florida. I was expecting that I
was going to be, you know, properly served. Not --
THE COURT: So, you were aware of the claim, sir?
Right?

10 ANDREW RUDENSKY: I was aware that, you know, I was
trying to be served to be added, and, you know, on
the media - social media, you know, as I was told,
people were talking that I was, you know, being
added or trying to be added, but I expected to be
served and not just, you know, have it go to my
wife's relative which is - and, you know, family
members. They knew where my parents were. They
15 had my address. They could have given it easily,
severed me in Florida.

20 THE COURT: Just to be very clear, Mr. Rudensky, if
I understand what you're saying, you had a copy of
the claim, right? Your position today is you were
not properly served in Florida, right?

ANDREW RUDENSKY: I don't - I don't have a copy of
it. I --

THE COURT: You've seen it, though, sir, right?

25 ANDREW RUDENSKY: I - online, I've seen bits and
pieces of it. I haven't, you know, gone through
the entire document.

THE COURT: But --

ANDREW RUDENSKY: But, yeah, I haven't been served
properly. I...

30 THE COURT: But --

ANDREW RUDENSKY: ...know there - yeah.

THE COURT: But I understand your position that you

weren't served properly but, Mr. Chapman, did he give you a copy of it, the package that was left...

ANDREW RUDENSKY: No.

THE COURT: ...at the house? I see. All right.

And what about Mr. Richard, Mr. Kevin Richard, I don't want - I don't want to ask you about - about advice you sought or received,...

ANDREW RUDENSKY: So I --

THE COURT: ...but did you receive the claim is all I want to know.

ANDREW RUDENSKY: I don't recall if they ever sent it to me, but...

THE COURT: I see.

ANDREW RUDENSKY: ...the conversation with him was - predates me being added, because I was given a phone call by Mr. Kassam prior to being added, and at that point, you know, "I took it as somewhat of a threatening email, that I don't really need to have you in this but I will. Tell me everything and who was all - I know Andy was in this." And, you know, I was pretty shocked. And then he said, "Oh, by the way, you know, you'll fit really well into a nice Globe and Mail story and, you know, they like to follow our stuff closely." So, he gave me, I think, several days to think about it and tell him what I knew about whatever was going on, and then I reached out to the Groia group as I just got this phone call, like, what do you make of that? And then, you know, we kind of had discussions and said, "Well, you know - you know, let's see if anything comes of it." But that's kind of how - and the original discussions with the

Groia started was on that phone call before I was [indiscernible] for some of the dates that were outlined....

THE COURT: All right.

ANDREW RUDENSKY: You know, be added or --

THE COURT: When did you first - when did you first become aware of the claim, then, sir? I take it it was in the spring of last year? Is that right? I don't want to put words in your mouth, but is that right? May or June, shortly after the amended claim adding you was issued?

ANDREW RUDENSKY: I actually never knew when it was actually - outside of the conversation with my wife saying a document was being - you know, trying to be delivered to the house, I made the assumption that, you know, they were trying to serve me with something at that address, and I hadn't been in the country. So, I said, okay, any day it's going to show up here. And I would - hadn't been back in the country, as I said, in that window at all but, you know, I assumed that they were trying to serve me in that window.

THE COURT: All right. And today, you have the claim, right, sir? You know what the allegations are against you?

ANDREW RUDENSKY: I have - I have a rough idea of what - what it is.

THE COURT: Do you - have you - I thought - just to be clear, I thought you said you'd seen a copy of the claim?

ANDREW RUDENSKY: I believe people were forwarding me stuff online saying this was posted. I think it

was excerpts from it and...

THE COURT: I see.

ANDREW RUDENSKY: ...I don't know if it posted -
and I kind of was waiting for - you know, when I
was told by my wife that, you know, an investigator
was at the house and trying to get - give a
document, I said, "Okay, well I imagine I'll be
seeing that shortly here in Florida." And, you
know, they - as the plaintiff's lawyer outlined,
they knew I bought a house in Florida, they likely
knew my exact address because they put
investigators on my parents and, you know, my mom
thought people were outside her house, and these
people are 70 years old and, you know, being
followed around by people with cameras.

THE COURT: Mr. Rudensky, what do you say, sir,
with respect to Mr. Carlson's submission that the
address for service on the property transfer
indicates the - your in-laws' address in Oakville?

ANDREW RUDENSKY: I don't know if during the sales
process, you know, if, you know, the lawyer who was
handling the transfer said, "Oh, we need an
address." You know, did - I don't know if that was
the back story on it. You know, the house was sold
and, you know, I was down - all our furniture was
shipped before our house sold down south and, you
know, it was basically an immediate transfer down.
I had - but particularly the window where they
claim they made service, you know, I hadn't been in
the country, you know, since this recent Christmas.
THE COURT: I see. And since you became aware of
the claim, however that was, have you taken any

steps to contact the plaintiffs or retain counsel
or do anything in response to this action, sir?

ANDREW RUDENSKY: Well, I was made aware over the
weekend that there was a default hearing, you know,
this - today, and basically I thought, like, well I
need to, you know, appear; you know, start looking
for representation. Still, you know, the service
element, you know, handing it to, you know, my
wife's mother's father or my wife's mother's
husband, like I never got it. You're giving it to
someone and I haven't - I wasn't anywhere in the
country during that window.

THE COURT: All right. Mr. Rudensky, how did you
become over the weekend, sir, of this hearing
today?

ANDREW RUDENSKY: I received a call from a person
saying, like, there's a hearing on the 25th, you
should - probably should do something, you know,
immediately.

THE COURT: All right. I don't want to - I want to
be very clear that I don't want to ask you about
legal advice, but was it - was it a counsel you
heard from or was it someone else?

ANDREW RUDENSKY: It was - it was someone else.

THE COURT: All right. And I take it - I'm
inviting you to tell me how you became aware of
this. I take it you don't wish to identify that
person or tell me when or how you became aware of
this hearing today, is that right?

ANDREW RUDENSKY: I would prefer to - that I have
proper representation to cover any of those
details.

THE COURT: I see. All right. And - all right, that's fine. Any other submissions, sir? I didn't mean to cut you off. That you want to make in respect of the request for an adjournment. Mr. Rudensky, is there anything else you want to say, sir? I didn't mean to cut you off.

ANDREW RUDENSKY: Oh, I - okay. Sorry. No, I think, you know, ultimately I was anticipating to be served. You know, I did think it was strange that they were going to, you know, particularly my wife's family, you know, trying to bring legal documents to them when, you know, they likely knew exactly where I was. They, you know, likely - they knew where my parents lived and they chose to go that way and, you know, harass her mother at that second encounter, I was told. You know, I was expecting that I would have been served here in the United States. I hadn't been in the country any time in that window. As I told you some of the major events: my son's birth in May, major surgery July 25th, major rehab, got married down here sometime in August. So, all of those main events which, you know, I have documentation showing that I was not in the country during those attempted - attempts to try and provide any of those documents to me.

I no long - no longer work at Delavaco. I know everyone was under the impression that I still acted there; as counsel said, that's my place of employment. Hasn't been since 2020. So, I think that's a big issue. You know, I had requested that

email be disconnected, January, and the other email just wasn't an email that I used. And...

THE COURT: All right.

ANDREW RUDENSKY: ...previously I - going forward, I didn't.

THE COURT: Anything else, sir, on that?

ANDREW RUDENSKY: I think that - you know, were kind of the main points that - you know, that I wanted to address. I intend to, you know, defend myself. I think I - I really don't understand how I fit into this outside of just being a small person thrown in, you know, and as I kind of got the sense with that first phone call from one of the partners at the fund at - "Tell me what you know and I'll - you know, essentially I can leave you out of this," and threatening me with, you know, media stories about me and, you know, whoever else in the lawsuit. You know, I plan to, you know, defend myself and try to move on.

THE COURT: Very well. All right. Thank you. In the circumstances, I'm not going to adjourn this matter. We're going to proceed today on the matter. I appreciate your position, Mr. Rudensky. I urge you in the strongest possible terms to get counsel in respect to this matter to assist you with your - with your rights, but I'm satisfied that the court has jurisdiction to proceed today. We're going to proceed.

Madam Registrar, Mr. Reporter, are you all right to carry on for a bit? I know we were late starting today. Are you okay? All right. Thank you. You

good to go? I'm just conscious of time. We have until one o'clock, and that may be more than you need in any event, but are you okay to proceed now on the - on the motion?

MR. CARLSON: Yes, sir. Yes, Your Honour.

THE COURT: All right. I will hear from you, obviously. And I want to hear on the way through, as I suspect may be part of your submissions anyway, just about why judgment should be granted now in these circumstances where it's in respect of one but not other defendants, and in respect of one but not other causes of action against this defendant. So, it's neither all defendants nor all claims. And I just want to understand why we're doing this now as opposed to later on the way through. I just wanted to flag that for you as one of the things that occurred to me when I reviewed the materials, but I realize the test on default judgment is not the same as the test for partial summary judgment for example. You know, as opposed to whether or not it finally disposes of some or all of the claims but, particularly here where you're moving on the defamation claims only, as I understand it,...

MR. CARLSON: Yes.

THE COURT: ...which is fine, but if I understood the claim, the claims against Mr. Rudensky also include claims of conspiracy which relate to what I think is referred to as the manifesto but the allegedly defamatory statements, and postings, and communications. So, I just want to understand what we're doing and what effect judgment today, as

5 you're seeking, would have on those remaining
 claims since it's getting pretty close there in
 terms of the claims of conspiracy and what claims
 you're going to advance at trial in any event to
 this.

 MR. CARLSON: Understood.

 THE COURT: All right.

 MR. CARLSON: We will certainly address those
 questions today, Your Honour.

10 THE COURT: Okay.

 MR. CARLSON: So - and I'll proceed actually with
 an overview of the law of default judgment
 proceedings generally, and then I'll get into why a
 default judgment for defamation is appropriate.
15 And Mr. Fenton and I have divided up this morning's
 submissions in a way that we believe makes good
 sense. So, I will - I will address the rules
 governing default judgment motions and the
 principles applying to them, which will provide a
20 kind of a partial answer to --

 THE COURT: Sure. I'm familiar with the rules, I'm
 familiar with 19.07. I understand that. I just
 want to understand in the context of this claim,
 given the conspiracy claims and others.

25 MR. CARLSON: Right. Okay, okay. Thank you. So,
 I'll address that and then I will go through the
 deemed allegations of fact flowing from the
 plaintiffs' fresh as amended statement of claim,
 and then the elements of the tort of defamation.
30 And then by the end of my submissions I hope to
 have established that the plaintiffs are factually
 and legally entitled to default judgment at this

time on the tort of defamation against Rudensky.
And then I will be seated and Mr. Fenton will
address the appropriate quantum of the general
damages award, as well as our request for a
permanent injunction.

THE COURT: Okay.

MR. CARLSON: And so with that, I will begin. And,
Your Honour, it may be helpful to pull up - I know
you said you were familiar with the Rules, I'm
going to pull them up. In the factum at Schedule B
we have the entirety of Rule 19, which governs
default proceedings. And so, as you know, Rule
19.02(1)(a) is the most important in this context.
That's the rule that provides that a defendant who
has been noted in default is deemed to admit the
truth of the allegations of fact made in the
statement of claim. So, that's Rule 19.02(1)(a).

Rule 19.05 provides that where the defendant has
been noted in default, the plaintiff may bring a
motion for default judgment, including supporting
by evidence.

Rule 19.06 provides that a plaintiff is not
entitled to judgment merely because the facts
alleged in the statement of claim are deemed to be
admitted, unless the facts entitle the plaintiff to
judgment.

And so, read together, I want to make three points
about these rules. First, the deemed admissions
apply only to the defendant noted in default and

not to any other party. We fully accept - the plaintiffs fully accept that the deemed admissions do not apply to Mr. Stafford, they do not apply to Mr. Robert Doxtator or Mr. Jacob Doxtator. And so that principle is confirmed in two decisions found in the plaintiffs' book of authorities. There's Justice Ganz's decision in the *Coldmatic* case at tab 4. And he makes that point at paragraph 18. And his decision was upheld at the Divisional Court. And then the second decision is Justice Lauwers' decision in the *Van v. Qureshi* case at tab 18, and he cites *Coldmatic* and upholds the principle at paragraphs 13 to 15.

And so, in essence what this means is that when this case goes to trial as against the participating defendants, the plaintiffs will have to prove the allegations of fact made against them on a balance of probabilities as in the normal course. And so, we fully accept this limitation, and so submit that there's no prejudice whatsoever to any other party in our - in us proceeding against Mr. Rudensky in this fashion today.

And just as a - as a policy rationale, Your Honour, the policy rationale behind the default judgment proceedings is less about the fact-finding process and more about upholding the integrity of the administration of justice. It's about causing defendants to actually participate in the court process, and it needs to impose kind of draconian consequences on those defendants otherwise

defendants would just shirk their obligations as citizens and as tortfeasors and wrongdoers.

5 So - but the plaintiffs fully accept that, you know, we can't - down the road you will not hear us cry out, oh, this was deemed, therefore it can't be litigated or, therefore, you know, the court - the trial judge is in any way - you know, hands are tied. And so, we say there's nothing - there's nothing abnormal about proceeding or nothing unusual about proceeding against one defendant who has defaulted. And particularly in a conspiracy case, Your Honour.

10 THE COURT: Are findings against one co-conspirators or admissions by one co-conspirator - what effect, if any, do they have on other co-conspirators?

15 MR. CARLSON: So, the only - the only - the only effect, Your Honour, is that, you know, even in this case, even if Mr. Rudensky never seeks or never sought to move to set aside his default, he would still be entitled to participate in trial as a witness. Either side could call him. The defendants could --

20 THE COURT: Well, he's still going to be a defendant, isn't he, because of the other causes of action?

25 MR. CARLSON: He - well, he's - he would be a defaulted defendant. And, again, we could move at trial, or could seek at trial a judgment against him.

30 THE COURT: He'd be a default defendant. You're

seeking judgment, though, only in respect of
defamation.

MR. CARLSON: Today we're only - only seeking it in
respect to defamation. But vis-à-vis - vis-à-vis
the other defendants, Your Honour --

THE COURT: That's what I mean, I just don't want
to inadvertently walk into a situation where you
say there was an admitted fact by Mr. Rudensky and
that has some effect on others in respect to the
conspiracy claim.

MR. CARLSON: The only effect it has, and this is -
this is set out in the *Coldmatic* and *Van v. Qureshi*
decisions, is it might impact, you know, a
witness's credibility at trial, but that's a matter
for the trial judge, right? So, if Mr. Rudensky
shows up at trial as a witness, whether called by
us or called by the other parties, and starts
testifying to facts that are contrary to the
allegations in the claim, he's fully capable and
entitled to do so. He will be a witness at trial.
Either party can seek to elicit evidence from him
that is contrary to the deemed admissions, and the
court can take that into account in deciding, you
know, what the facts are as the trier of fact on
the balance of probabilities.

THE COURT: And before then...

MR. CARLSON: The court may have cred--

THE COURT: ...he may or may not seek to set aside
default judgment if it were granted today, and he
may seek to set aside the noting in default in
respect to the other claims, right?

MR. CARLSON: Pardon me? Can you ask the question

again, Your Honour? I missed it.

THE COURT: He may or may not, before trial, seek to set aside default judgment if that were granted.

MR. CARLSON: Correct.

THE COURT: And then he's noted in default but there's no judgment in respect of the other claims against him, right? For example, conspiracy. So, he could theoretically seek to set aside the noting in default and whatever happens with that happens, right?

MR. CARLSON: Yes.

THE COURT: I'm just saying we don't know what, if any, capacity he'll be in at trial, if he's there as a - as a defendant, as a defaulted defendant, or as a witness as you say.

MR. CARLSON: That's right, Your Honour. I mean, I would submit there's no - you know, assuming, as he's said he intends to do today, that he seeks to set aside the noting in default and default judgment, that if he's successful then he's just like any other defendant.

THE COURT: Right.

MR. CARLSON: If he's not successful, then he's just like any other defaulted defendant. There's not - there's not a world where, you know, he's kind of in default with respect to some torts and not in others. We're only seeking judgment today with respect to defamation but...

THE COURT: Understood.

MR. CARLSON: ...we're not going to have this - an odd kind of split fact scenario. And in - and in either case, whether as a party or not, he can

attend at trial, give evidence. His evidence can be inconsistent with the deemed allegations, and that will - and the trier of fact will have to determine what the facts are, and then pronounce judgment vis-à-vis the other defendants or not.

The second thing I was going to say about the - about Rule 19, or the rules in Rule 19, are that the deemed facts need only withstand a very rudimentary level of scrutiny in order to be accepted by the court. So, this is a very low bar. One colourful example given in the case law was that if the plaintiff pleaded he'd suffered the growth of a second head, then the court would not be obliged to accept it. Justice Strathy gives that example in the *Salimijazi* case at paragraph 26. But basically any other factual allegation that has any kind of air of reality is to be accepted as true for the purposes of today's motion. And so, in our submission, Your Honour, there's not a single allegation of fact in the plaintiff's fresh as amended claim that you should not accept. They're all deemed to be admitted by Rudensky.

And so, the third - the third deemed admission - or, sorry, the third point I wanted to make is that the deemed admissions apply only to allegations of fact, not to conclusions of law or mixed fact in law. There was formally uncertainty in this area but it was clarified last year. So, for example, in a medical malpractice case, a pleading that the

defendant was negligent need not be automatically accepted as true. What would be accepted are the pleaded facts relating to the plaintiff's injury and the medical care that was given to the police. The court would still have to determine at the motion, you know, whether - whether a duty of care was owed and whether that breached the standard of care. But every allegation of fact is deemed to be admitted.

So, in light of these principles, the relevant inquiry on this motion is what deemed admissions of fact flow from the plaintiffs' fresh as amended statement of claim, and do those deemed admissions of fact, whether alone or combined with the evidence, entitle the plaintiffs to judgment for defamation? And so, for the remainder of my submissions I'm going to focus on that two step inquiry.

And so, Your Honour, I'd ask you to turn to the plaintiffs' fresh as amended statement of claim. And actually, Your Honour, maybe before I move on, did you have any other questions arising from - I mean, your point about a conspiracy case is a good one, but I think that works in our favour, because imagine the situation where there is a conspiracy and there's a whole bunch of co-conspirators. They can achieve a huge tactical advantage by just having one of the conspirators default, and then that conspirator's, you know, documents aren't available on documentary discovery, maybe they're

difficult to track down to get oral discovery from them, and you'd lose - you lose the co-conspirator's participation in the case and it ends up protecting all of the co-conspirators. And in the meantime the plaintiffs can do nothing about it because they - you know, if they were precluded from moving for a default judgment. In every case involving a bunch of conspirators, if the court declined to grant default judgment, it would be to their advantage to have some of them default. And so, we say that would be kind of a perverse outcome.

So, with that, Your Honour, I will - I will turned to the deemed allegations of fact in the fresh as amended - fresh as amended claim. And so, we attach the claim to our motion record at tab 2A. And, Your Honour, we could - we could spend all morning reading this, but we won't. It's 158 pages in length. We cannot cover all the allegations of fact contained in the pleading.

THE COURT: Or the appendices.

MR. CARLSON: Or the appendices. And, Your Honour, you'll know that, you know, we understand this is lengthy, defamation claims, along with conspiracy claims in some of the other torts that we've alleged are required to be pled with particularity. For defamation claims, you are supposed to plead the alleged defamatory words, hence the length of the pleading. The length of the pleading, we say, is a result of all of the tortious conduct, as opposed to us being overly verbose.

If we can turn to paragraph 2, Your Honour. This of course is just in the very - the very outset of the claim after we've claimed the relief. This is an overview of the factual allegations that are spread out over the remaining 186 - or 158 pages. These are all pleaded facts. Paragraph 2, since at least the summer of 2019, and intensifying to the present - to the present - and I'll - Your Honour, when I'm reading this today, I'll skip over the other defendants and I'll focus on Rudensky because I acknowledge that these aren't deemed to be admitted by them, but otherwise these are facts applicable to Rudensky. Since at least the summer of 2019, and intensifying to the present, the defendant, Andrew Rudensky, engaged in a scheme with other persons to damage the business and reputations of the successful securities business, Anson and its founder, Moez Kassam. Specifically, Andrew Rudensky conspired to falsely and repeatedly claim that Kassam is a criminal and that he and his businesses are engaged in conduct that is illegal, unethical, and contrary to Canadian and United States securities regulations.

This next part is key to the defamation tort. The defendant, you can read Andrew Rudensky in there, has, for example, published or encouraged the publication of the following false and defamatory statements. And then they go on for paragraphs (a) to (k). Moez Kassam and his Anson funds have systematically engaged in capital markets crimes, including insider trading and fraud, to rob North

American shareholders of countless millions. Anson Funds and Moez Kassam have been destroying companies through illegal means. Kassam is a corrupted and criminal chief investment officer at Anson. If you are an Anson fund investor - so now they're targeting their actual clients - be prepared to have your funds locked up because there's a lot of information floating out there that paints a picture of scams to benefit none other than Moez Kassam. In his attempt to destroy small cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Kassam has pursued questionable and illegal activities in an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way, even those who've helped him and ended up being disposable. Moez Kassam and Sunny Puri of Anson put out the report to manipulate the market - that's a serious securities law crime, Your Honour, market manipulation - so they could cover an already short position.

Dirty Moez hurt his business partner and lied to the founders of the - that's the tagline for the Aphria company, a cannabis company. Kassam and Anson just used people and don't pay anyone but themselves. Moez has even threatened all Anson employees with lawsuits and installed draconian measures to stop leaks. The OSC and SSC have begun a full investigation into Anson Funds' practices.

That's in the overview, Your Honour. Paragraphs 4 to 6 of the claim, and I'll just flip through these --

THE COURT: So, do you say that (a) to (k), though, are all allegations made specifically against Mr. Rudensky, right?

MR. CARLSON: It is - for the purpose of today's hearing, it is a deemed fact that Rudensky published these statements.

THE COURT: All right. Each of the ones you just took me to?

MR. CARLSON: Each of the ones we just took you through. And --

THE COURT: So, for example, (h) --

MR. CARLSON: And thousands more, which I'll get to but --

THE COURT: Yeah, thousands more, but (h) in particular Mr. Rudensky, you say?

MR. CARLSON: That's correct.

THE COURT: Okay.

MR. CARLSON: He's lumped in with the definition of defendants. For today's motion, that definition doesn't capture any other defendant, but it certainly captures him. So, whenever there's a pleading that says the defendants did something, for today's purposes Andrew Rudensky is deemed to have admitted that.

THE COURT: Even if, for example, he didn't send or post the statement at (h)? Is that what you're telling me?

MR. CARLSON: Well, what he's deemed to have done is - well, you have to read the opening line of...

THE COURT: Yeah.

MR. CARLSON: ...paragraph 2, but he's deemed to have admitted that he published or encouraged the publication of every statement I read out. So, that's - I can't -

THE COURT: I understand your submission.

MR. CARLSON: I can't now change the amended claim, but that's the deemed fact.

THE COURT: I understand your submission.

MR. CARLSON: So, paragraphs 4 to 6, these all allege facts. They plead facts regarding the corporate plaintiff's identity, so those are all true for today's purposes. Paragraphs 7 to 12 plead facts regarding the nature of Anson's business and the capital markets within which it operates. Paragraphs 13 and 14 plead facts about Mr. Kassam, Anson's founder and CEO and chief investment officer. Many of these facts in paragraph 13 and 14 are also in Mr. Kassam's affidavit. So they're both in evidence and they're deemed admissions about, you know, who Mr. Kassam is, that he's an extremely successful businessman, has a very good reputation in the - in the Canadian financial markets and in the charitable community. He serves on a number of charitable boards. He won Canada's top 40 under 40 for extraordinary achievement in business and philanthropy. All of these are deemed to be admitted, which of course goes to the defamation claim because it's the plaintiff's existing standing and reputation.

Paragraph 15 pleads that Kassam is the face of

Anson and is well known in the industry as such.
That's a deemed fact.

5 Moving on. So, the next section of the claim
discusses the defendants. Paragraphs 16 to 24
plead facts about the defendants. Rudensky is
deemed to admit all of those facts. In particular,
the facts pleaded about himself. That he resides
10 in Toronto; that he's a partner of the Delavaco
Group, a small merchant bank with a historical
working relationship with James Stafford, and that
he previously worked as an advisor at Richardson
GMP, and that he was disciplined in proceedings
15 before IIROC. All of those are deemed facts, and
of course we have the disciplinary proceedings in
the book of authorities.

20 If we turn to paragraph 27, Your Honour. For the
purposes of the defamation claim, the deemed facts
in this paragraph that are most important are that
the conspiracy plot - but, again, we're not seeking
conspiracy - damages for conspiracy today, or
seeking to prove it today. That's - we accept
that. But for the purposes of the defamation tort,
25 it's a deemed fact that they entered a plot that
included fabricating, spreading, and publicizing a
series of unlawful, abusive, false, malicious,
harassing, and defamatory statements about Anson,
Kassam, and other individuals connected with Anson,
30 and those are defined as the unlawful statements.
The unlawful statements definition captures
everything. And these are all deemed to be

admitted facts.

Including by first publishing defamatory comments on the web house [sic] Stockhouse, and then on a series of websites generated by the defendants, as set out below, in an attempt to manufacture a narrative to harm Anson and Kassam, hiring freelance web developers based in Bosnia and Herzegovina to register the websites on which unlawful statements were posted for the purpose of concealing their identities. Taking other sophisticated steps to obscure their identities while disseminating the unlawful statements, including hiring Bosnian developers, using VPNs, burner email addresses, and false identities, sending targeted communications containing the unlawful statements via email, including to reporters, as well as disseminating the unlawful statements on Twitter, Reddit, and other platforms, and attempting to improperly attract media attention to the unlawful statements.

Moreover, Andrew Rudensky has sought to disseminate the unlawful statements internationally to individuals in at least the United States, where the plaintiffs do business, as well as in Canada with the intention of causing maximum widespread harm to the defendants.

And then paragraph 28, including its subparagraphs, sets out - pleads a number of facts of the steps taken by the defendants including Mr. Rudensky,

including, if you go to paragraph 28(b), that in July and August, 2020, in a further concerted and coordinated effort, the defendants increased their efforts to conspire to post unlawful statements on message boards on the website Stockhouse. These unlawful statements were viewed by many thousands. That's a deemed fact.

Beginning on or around September 27th, after the plaintiffs took steps to have the unlawful statements on Stockhouse removed, the defendants conspired to anonymously write, publish, and disseminate a lengthy internet post containing unlawful statements about the plaintiffs, called the defamatory manifesto, on a series of websites. Those are all deemed facts. And a copy of the first defamatory manifesto, Your Honour, is in evidence in our motion record at tab B, I believe. Yes. And then a copy of the second defamatory manifesto is tab C, and part three of the defamatory manifesto is tab D.

I'd like to skip ahead to paragraph 53 of the claim. That was all during the overview. Paragraph 28 is all kind of part of the overview. And the claim goes on to further particularize all of the defamatory statements. So, around paragraph 53 there's more particularization of certain posts made on the Stockhouse website in 2020. And, again, those posts call Kassam a criminal, they accuse him of engaging in illegal, unethical, and corrupt business practices, as well as egregious

personal attacks. They call him - they say he - his practices including treading on people, lying, and using every trick in the book to bring companies down that he bet against. Those are at paragraphs 58 and 59. And these are all pleaded facts.

Paragraphs 63 to 70 of the claim plead facts surrounding the publication of the defamatory manifesto. Those are all deemed to be true.

Paragraph 73 is the beginning of a section of - a whole section on the defamatory manifesto.

Let's turn to paragraph 80. The heading above paragraph 80 is titled the defendant procured at least eight internet domains to facilitate widespread publication of their defamatory manifesto. So, these are all pleaded allegations of fact. None of this is - this is an allegation of law.

The following communications with the third party host of www.moezkassam.com domain, that was the first website on which the defamatory manifesto was published. The plaintiffs were able to have the defamatory manifesto removed from that website. Since that time, the defendants acquired multiple internet domain names to publish the defamatory manifesto online. To date, the websites acquired and used by the defendants to publish the defamatory manifesto include the following, and

then there's a list.

Paragraph 82, whenever the plaintiffs have taken steps to have a website containing the defamatory manifesto taken down, the defendants have republished the defamatory manifesto on a new website forcing the plaintiffs to seek to have that new post of the defamatory manifesto taken down.

So, Your Honour, I'm not even halfway through the claim. The claim goes on for pages. Beginning at paragraph 127 for your notes, the claim pleads why the various Stockhouse statements and defamatory manifestos are defamatory.

And then ultimately at paragraph 146, which I will read, it is pleaded that the unlawful statements have been widely distributed and publicized and have been viewed by thousands of people to date. Versions of the defamatory manifesto and the second defamatory manifesto remain widely available on the internet. The unlawful statements have significantly interfered with and disrupted the plaintiff's business and affairs and their relationship with clients, counterparties and potential investors, leading to a loss of business opportunities. And those are all facts for the purposes of today's motion.

So, we've now covered at a high level what deemed allegations or admissions of fact flow from the amended claim in the operation of the rules

relating to default.

5 So, the next question, the next step of the inquiry is whether these admissions of fact entitled the plaintiff to judgment for defamation. And the answer is yes. The tort of defamation is very well suited for default judgment. And that's why this motion is so carefully tailored. The tort of - the elements of the tort of defamation are fairly straightforward to establish. And I would submit that in most defended defamation lawsuits the key battleground is whether the defendant can make out one of the various defences. As Your Honour is aware, there's a number of highly technical, you know, historic defences to defamation, many of which have been developed over hundreds of years, including truth and justification, fair comment, responsible communication, reportage. There can be privileged, you know, circumstances defences. And, of course, in recent years defendants also have the availability of the anti-SLAPP regime.

25 But for the purposes of today's motion, none of those are - defences are at play. And as a result, the plaintiffs are entitled to judgment upon satisfaction of the elements of the tort. And the elements of the tort are well-settled. They are that the words were published, that the words referred to the plaintiff, and that the words were defamatory in the sense that they would tend to lower the plaintiff's reputation in the eyes of a reasonable person.

5 All three elements of the cause of action are easily met on the face of the amended claim. The unlawful statements were widely published online and many of them remain available on the internet to this day. There's no doubt that publication occurred. They specifically target Anson and Kassam. They name them. This isn't a case where, you know, someone makes a comment and doesn't name the target of the comment and then - and then the defence is about, you know, whether the comment referred to them or whether the impugned statement referred to them. There's no doubt that the defamatory statements, the unlawful statements in this case referred to Anson and Kassam. And they're unquestionably defamatory in nature.

20 And, Your Honour, I - one does not need to look back more than a few months to find a reasonable precedent for this case. And so I'd like to take you to - briefly to the *Mirzadegan* decision.

THE COURT: Justice Centa.

25 MR. CARLSON: That's right, Your Honour. So, this was a motion for default judgment that was heard in October in writing by Justice Centa. The plaintiffs were an immigration consultant and his business. After a falling out between the plaintiffs and the defendants, a series of negative reviews and complaints appeared about the plaintiff and his company online on multiple sites on the internet. There were apparently over 60 such posts. In our case there's thousands.

At paragraphs 11 and 12 Justice Centa notes that the posts in question accuse the plaintiffs of being guilty of criminal misconduct. He notes that, "The subjects of such unproven posts suffer great harm," and he cites a number of cases. And actually, if you look at the previous paragraph, Your Honour, which we - which we hadn't highlighted, he specifically says, "I find that the posts would tend to lower the plaintiffs' reputation in the eyes of a reasonable person".

And so, statements like the unlawful statements that accuse people of criminal behaviour, market manipulation, securities law crimes, regulatory breaches, general allegations of dishonesty, deceit, you know, betraying friends, all of those are obviously defamatory. And judges - and there's numerous decisions, you know, quickly finding that.

And so, all three elements of the tort of defamation in this case are met. The impugned words were published, they were about the plaintiffs, and are defamatory in nature.

And notably, Your Honour, damages are - is not an element of the tort of defamation. That's another reason why it's so well-suited for default judgment proceedings. Once the three elements of the tort of defamation are established, general damages are presumed from the fact of publication and awarded at large. And so, of course that principle was set out in a very famous decision of the Supreme Court

of Canada in *Hill v. Scientology* and is now considered trite law, which is that - those were the words used by the Ontario Court of Appeal in the *Rutman* case just a few years ago.

Where the defendant chooses not to put any of the potentially applicable defences in play, it's very straightforward for a plaintiff to establish the elements of the claim. Any - frankly any properly pleaded claim would plead all of the elements of the tort and, of course, we just went through a contested motion to amend the claim. So there's no question that our claim is properly pleaded. It pleads all the facts necessary to make out the tort. In a sense, we've been through this.

And so, in hindsight, it's unsurprising that, you know, while preparing for this motion we were able to identify numerous cases where the plaintiff obtained default judgment for defamation. And so, we have given you in our book of authorities the *Barrick Gold v. Lopehandia* decision of the Ontario Court of Appeal from 2004. And that was an early case of internet defamation. There's Justice Centa's decision which we just looked at in *Mirzadegan*, that's at tab 11. There's the *Manson v. John Doe* case at tab 10. And there's the *Sommer v. Goldi* decision at tab 16. And these are all cases where the court had little hesitation in finding that - in granting default judgment.

So, unless you have further questions for me, Your

Honour, I was going to, you know, go into the issue of liability. I was going to sit down and allow Mr. Fenton to address the factors that you need to consider in determining the appropriate quantum of the general damages award, and also the plaintiffs' request for an injunction.

THE COURT: All right. Do any of those other cases where default judgment was granted for defamation and internet defamation - or many obviously include circumstances where the defamatory statements were made in concert or further to a conspiracy as is alleged here? Do you know? Or can you give that some thought for a minute maybe?

MR. CARLSON: In *Sommer v. Goldi* there were multiple defendants. I believe they were all defaulted. Let me just quickly look at the *John Doe* --

THE COURT: That's fine.

MR. CARLSON: At the *Manson v. Doe* case, Your Honour.

THE COURT: No, that's fine. Why don't we - and I appreciate, subject to that, you're done and your colleague will be up. Why don't we take 10 minutes if we could? I'm conscious of time, but can we do that? Just take a quick break. Is that enough for everybody? And we'll be back at 10 past 12:00.

MR. CARLSON: Thank you, Your Honour.

THE COURT: All right. Thank you.

R E C E S S

U P O N R E S U M I N G:

COURT OFFICER: Order. All rise.

THE COURT: Thank you. All right.

MR. CARLSON: Thank you, Your Honour. So, you can see I'm still standing up here, not Mr. Fenton, but it's because I think I can better answer the question that you asked just before the break.

THE COURT: Okay.

MR. CARLSON: So, you were asking about a case that was similar to this case - is there a case similar to this case where a motion - or, sorry, where default judgment was granted against some defendants and not all, and the answer is yes. It's the *Theralase* decision of Justice Myers at tab 17 of our book of authorities. It's quite an interesting case and it has - certainly has some similarities to this one, so it might be beneficial for you to actually turn to the - to the decision, Your Honour.

The facts of this case were that the plaintiff was a pharmaceutical company and its principal. So, Theralase was a pharmaceutical company involved in research and development, and its shares were listed for trading on the TSX Venture. And the other plaintiff, Roger Dumoulin-White was a professional engineer and a founder and initial president and CEO Theralase. And there was another plaintiff as well who was a certified general accountant, and she had served as the CFO of Theralase. So, similar plaintiffs to our - to our situation in the sense that you've got kind of the principals of the company and the company itself.

The defendants were alleged to have posted a large

number of defamatory postings on the Stockhouse website, as in our case. And if you turn to the front cover of the decision, you can see the style of cause is interesting, because you've got the names of the plaintiffs and then the defendants are actually identified by the pseudonyms that they were using on Stockhouse. This was - this was an anonymous defamation campaign where a number of, you know, users of Stockhouse had Stockhouse usernames such as Cashflow, Pinkocapitalist2, Lazerr00, Pennyoilking, Bluebomber, et cetera. And so, they were - they were - under these aliases they were posting defamatory statements about the plaintiffs on Stockhouse. The plaintiffs got orders enabling them to serve the - couldn't identify the defendants, so we did better, I guess - I suppose than the plaintiffs in this case. We believe we've identified some of them. We still may find some John Does. In this case the plaintiffs couldn't identify them, but got orders entitling them to serve the materials on the defendants at their emails associated with the Stockhouse website and also through the direct message system on the Stockhouse website. And so that is how they ended up serving the defendants with the claim.

Only one of the defendants responded, a fellow named Mr. Lanter. And that's why at the - on the style of cause it says Charles Lanter also known as Cashflow. There was another - there was another defendant that they knew, a guy named Michael

Borovec, but the rest of the defendants they did not know. All of the defendants other than Mr. Lanter were noted in default and didn't file defences. Their strategy was run and hide. And so, this was a motion for default judgment against everyone who had defaulted other than Mr. Lanter. Paragraph 1:

The plaintiffs move for default judgment against all of the defendants other than Mr. Lanter. All of the defendants other than Mr. Lanter have been noted in default. The action is proceeding against Mr. Lanter. And Justice Myers proceeds to grant default judgment for defamation against all of the defendants.

And there's three other reasons why we say default judgment against one defendant for one tort is perfectly appropriate. First of all, I don't think the plaintiffs should be, you know, criticized for not bringing our full case against Mr. Rudensky at this time. We took a proportionate tailored approach for an easy to establish tort and are seeking the damages flowing from that tort. We reserve the right, as contemplated by the rules, to bring the rest of our claims against him and the other defendants at a later date, including after discoveries when we have more information, when we've fleshed out our damages, and so on. But it would seem odd to, in a sense, penalize the plaintiffs for taking a well-tailored approach.

Two is another reason why this type of motion should be allowed is it - you know, we have to remember this is a case of ongoing defamation. Defamatory posts continue to be made. These purpose-built smear sites haven't been taken down off the internet. And so, we hope that by some measure today's judgment will help curb the conduct between now and trial. And if motions like this are dismissed, then defendants know they can get away with it for years until a trial comes. This motion would also allow us to recoup some of the costs of proceeding with an expensive case against multiple people.

And finally, Your Honour, at the outset of today's motion you asked my friends, counsel to the other defendants, whether they intended on making any submissions, and their answer is no. They don't oppose this motion. They have never filed responding materials. And so, if they had serious concerns, I would have expected them to oppose, and then we would have had notice of their arguments and could have addressed them.

THE COURT: All right. I see Ms. McPhee rising.

MS. MCPHEE: I don't intend to make them now, but based on what I've heard today I believe we will have brief submissions we'll need to make, Your Honour.

THE COURT: Very well.

MR. CARLSON: But those, Your Honour, are our submissions, or my submissions, and I will leave it to Mr. Fenton to address the appropriate quantum of

the general damages award.

THE COURT: All right. Thank you very much, Mr. Carlson. Mr. Fenton.

MS. O'SULLIVAN: If I may just while Mr. Fenton's getting set up, I believe the court is on mute and the Zoom participants are not currently able to hear us.

THE COURT: Thank you. Let me know when we're good to go there, Mr. Reporter.

COURT REPORTER: Yes, we're good to go, Your Honour.

THE COURT: All right. Thank you so much.

MR. FENTON: Ready to go?

THE COURT: Mr. Fenton.

MR. FENTON: Excellent. So, thank you very much, Justice Osborne, and good afternoon. As Mr. Carlson noted, I'm going to speak to the issue of the remedy that we say should flow from granting default judgment, and the ask that we're making of you today is that you order general damages in the amount of \$500,000 and that you issue an injunction enjoining Mr. Rudensky from making further defamatory comments about Mr. Kassam, Anson, and its employees.

And I'm going to try to be efficient given the time that we have left and the little delay in getting going this morning, but as a - as a preview to where I hope to go, I'm going to have two broad submissions that I'll develop with you over the next few minutes. And, first, building on the submissions that Mr. Carlson's made, I say that the

evidence filed and the deemed admissions that flow from the statement of claim indicate, and when considered alongside the governing legal principles, that a significant damages award is necessary here to vindicate the plaintiffs' reputation.

As you've heard from Mr. Carlson, Mr. Rudensky is deemed to have participated in a sophisticated plan to impugn Mr. Kassam and Anson's reputations and cause significant harm to their business. I'm going to take you to some of the allegations that have been made and contained in the defamatory manifesto, and, in my submission, when you look at that document, which is - which contains allegations that have been repeated in thousands of different forms in other forums, it's really a form of targeted character assassination, and it's quite remarkable in the scope and scale.

Again, as you heard from Mr. Carlson, Mr. Rudensky is deemed to have published thousands of defamatory statements across platforms such as Stockhouse, Reddit, and Yahoo Finance, all of which are popular with investors and participants in the business community, and he is also deemed to have participated in publishing similar defamatory statements on purpose-built websites that have proved very resistant to the plaintiffs' attempts to have them taken down. Some of the statements, I'll suggest to you, when I take you to the defamatory manifesto in particular, are designed to

imitate somewhat of a style of investigative journalism and also to give the false impression of somewhat of a grassroots uprising against Anson. And I'll show you how they use the statements that they posted to Reddit, Stockhouse and other forums and refer to those in the defamatory manifesto. It creates a bit of a - what you might think of an ecosystem of defamation where everything's self-referential and gives the impression of being well-founded and legitimate.

And finally, the themes advanced and repeated in the unlawful statements are incredibly damaging. As you have heard, and as I'll develop with you, Mr. Kassam and Anson are depicted as criminals engaged in systematic market fraud; they are accused of destroying companies and ruining retail investors' livelihoods and savings. It's suggested that they cheat and defraud their own client. And notably, the unlawful statements repeatedly invite increased regulatory scrutiny and suggest that Anson and Mr. Kassam in particular are emblematic of everything that is wrong in the capital markets.

In short, these are defamatory statements of the most damaging variety for an individual such as Mr. Kassam and a hedge fund such as Anson. They strike at the very heart of Mr. Kassam and Anson's professional reputations and, in our submission, Mr. Rudensky's admitted conduct, his conduct that's deemed to be admitted on this motion, necessitates a significant damages award.

And then finally, after I have covered that I'll be a little bit more brief in dealing with the permanent injunction issue, and our submission there is that an injunction enjoining Mr. Rudensky from making further defamatory statements is necessary and appropriate relief. And, most critically, Mr. Rudensky is deemed for the purposes of this motion to have continued in publishing these defamatory statements after he was aware of these proceedings, after we say he was properly served with the statement of claim, and indeed I'll take you to some evidence that suggests that the defamatory statements have continued up until very recently. So, in that context, a permanent injunction is an appropriate remedy and consistent with the approach that other courts have taken on similar default judgment motions.

So, that's the overview in a brief compass. And I want, then, to turn to our request for a general damages award of \$500,000. And I'll - and I'll be very brief in my initial submissions about the general principles that apply here because I know you'll be well familiar with them, but crucially general damages in defamation are awarded at large. There's no need to prove specific harm. And the case law really directs that you have to evaluate each case on its own merits, on its own facts.

We have excerpted in our factum at paragraph 29 a really nice passage from the *Mirzadegan* case which Mr. Carlson and you had an exchange about earlier.

5 It's the case from Justice Centa dealing with
internet defamation. And I think he quite
helpfully distils there some of the principles that
you should have in mind when you're fixing a
general damages award. And what I hope to do in
the course of my submissions for the next little
while is develop some of the factors that are
identified in that passage and explain to you why
those militate in favour of the damages award we're
10 asking for. And in particular, if I could just
read to you the one sentence in particular Justice
Centa says summarizing from *Hill v. Church of
Scientology*, that's Court of Appeal case law:

15 In determining the appropriate amount of
general damages, the court should consider the
conduct of the plaintiff, the plaintiff's
position and standing, the nature of the libel,
the mode and extent of publication...

20 And I'm going to pause there because I'm sure you
won't be surprised to hear that we say that's a
factor in particular that militates in favour of a
very significant damage award here, continuing:

25 ...the absence or refusal of any retraction or
apology, and the whole conduct of the defendant
from the time when the libel was published to
the moment of judgment.

30 And then the passage goes on to note that the use
of social media to disseminate defamatory
statements also is a factor that favours a more
significant award.

So, with that, I want to pick up, then, with the

factors and develop the factors that are set out in our factum that we say mandate a significant damages award here. And I want to start logically with Mr. Kassam and Anson's pre-existing reputations, which the evidence in front of you today, which of course is uncontradicted, establishes was pristine prior to this wave of defamatory attacks that have been perpetrated by Mr. Rudensky and others.

You have before you an affidavit from Mr. Kassam, and I'm going to suggest to you that Mr. Kassam is somewhat of a remarkable individual. He explains to you in his affidavit, which is at tab 2 of our motion record, that he founded Anson when he was 26 years old, and has since built the firm into a multi-billion dollar investment firm with a national and international reputation, which is far more than I had accomplished by the time I was 26. Beginning at paragraph 21 of his affidavit, and I - and I might just have you turn it up. I won't read the entirety of it to you. It's at page 18 in our motion record, and the CaseLines reference is A1736.

THE COURT: Thank you.

MR. FENTON: And beginning at that paragraph, Mr. Kassam explains the importance of a reputation for integrity in the investment community. And I'm sure this evidence won't be surprising to the court, but he says at paragraph 21:

Like most investment managers, the foundation of Anson's business is its reputation, not just

for investment acumen but also integrity. We ask our investors to entrust us with their capital and, in my experience, investors will not entrust their funds to someone who may have engaged in illegal, unethical, or immoral conduct. Personal and professional integrity is therefore essential to the business of Anson.

He goes in paragraph 22 to describe how his business, or Anson's business, relies upon relationships with other financial institutions, brokerages, banks that are willing to give credit and financing. And, again, the last sentence of that paragraph says, "A reputation for personal and professional integrity is critical to maintaining these relationships."

And then in paragraph 23 he explains that Anson operates in a regulatory environment. And, again, towards the end of that paragraph makes the I think somewhat obvious observation that a reputation for professional integrity is an important component of maintain productive relationships with securities regulators.

Now, Mr. Kassam's personal reputation, while intertwined with that of Anson, was also pristine prior to the publication of the unlawful statements. And, in particular, he's developed a reputation not only for his business acumen but for his philanthropy and charitable work. And he

describes his work to build his personal reputation beginning at paragraph 24 of his affidavit, and he explains that he has received awards, he sits on boards of a number of charities, has established a foundation that does charitable work. And then in paragraph 26 explains that his personal ability to engage in these philanthropic endeavours depends on maintaining a strong reputation as an honest, trustworthy, and capable businessperson.

And, in my submission, this evidence is - which is uncontroversial, I would think, confirms what the case law already recognizes, which is that professionals, such as lawyers, investments managers, are particularly susceptible to attacks on their integrity and reputation. And so, in my submission, the nature of Anson and Mr. Kassam's business and individual reputations makes these attacks all the more pernicious. Investors are not going to want to entrust their funds to a criminal enterprise. Other participants in the capital markets are not going to work with Anson if it's believed to have been working to "destroy small cap Canadian companies," et cetera.

So, taking that as the starting point for your analysis, I want to briefly take you to some of the defamatory statements that have been made. And as Mr. Carlson has said on a number of occasions, it would be impossible to do that in their entirety. There are quite literally thousands and thousands of statements posted to a variety of different

forums. Mr. Carlson took you to an overview section in the amended statement of claim which provides a nice summary of some of the themes that are developed across those thousands of defamatory statements, but you also heard from Mr. Carlson that Mr. Rudensky is deemed to have participated in this three-part defamatory manifesto which had been published to a variety of purpose-built websites, which in some cases imitate Mr. Kassam's name, for example www.moezkassam.com, or by themselves have titles that are defamatory by implication in and of themselves. You know, for example, stockmanipulators.com, marketfrauds.to. And I would commend to you in the course of your deliberations taking a read through each of the defamatory manifestos, even at a high level. They're again at tabs B through D.

I do, if I could, and I'll be brief because I'm mindful of the time, want to take you just to one or two of the - one or two excerpts, pardon me, of the first defamatory manifesto, and this is at tab 2(b) of our motion record. It's CaseLines number A1907. And just to give you some context before I go into it, this defamatory manifesto was first published in September 2020 and - on a particular website, and it was then subsequently reposted to the website I'm taking you to now, which remains available today. This is an example of one of the websites that our clients have been able to, you know, contact websites hosts and have taken down. So, this still - if you went back to your office

and typed in marketfraud.to [sic], you could find this. And I want to just start with the opening thrust because I think it nicely gives you a sense of what is set out in the more than 20 pages that follow. It says:

Never has there been a bigger scourge of the Canadian capital markets. Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions. In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Now, the other shoe is about to drop as Kassam's funds run out and a string of failed attempts at illegal destruction leave this naked short seller truly naked.

That's the opening thrust and it continues in that vein for some 20 pages.

I'd note at the bottom of that same page that you're on there's a - well, first there's an unflattering picture of a toad, and later in the document Mr. Kassam is repeatedly referred to as the "Toad of Bay Street," which is an allegation you would have seen in the overview of the statement of claim that Mr. Carlson took you to. But underneath that photo there is a note to readers that encourages them to share and copy the report, encourages its dissemination by other

means. It also, in the second sentence of that paragraph, invites readers if they have information on Mr. Kassam and Anson to send that info to an email address that's been created for that purpose.

And if you were to go to the second defamatory manifesto, which I likely won't have time to take you to but I'd ask you to look at, you'll see that they then purport to - in advancing defamatory and false statements, rely upon evidence or information that other people have sent to them on these tip lines. Of course we say that's entirely false, but they're giving it the trappings of legitimacy and the trappings of, you know, ordinary people, ordinary participants in the capital markets coming forward to address, in their words, Mr. Kassam and Anson's significant market crimes.

If you turned over the page, so now I'm on 190 in the motion record, A1908 in the CaseLines reference, there's a paragraph where they describe the information received to date and thank people for giving information to date. And they say:

We will ensure it all ends up in the right hands. Please keep on sending. The more we present to the authorities, the quicker we can get this toad out of the markets and into a cell where he belongs.

Underneath again another picture of Mr. Kassam that they've sourced from somewhere, they say, for example:

He's lost all his friends, too - almost all of whom he betrayed in underhanded and illegal short-selling schemes, including the best man at his wedding whom he threw [under the bus] - under a speeding short-selling bus.

It continues down the page, "In the meantime, Moez Kassam has become the symbol of everything that is wrong with capital markets."

It goes on later in the document, and I'll just summarize for now, to accuse him of engaging in insider trading. It describes him as a sociopath. It invites regulatory attention and it purports to identify practices that they falsely say are illegal and violate securities law. And then it again ends on the final thrust of the document, which just for your notes is in motion record 208, A1926, by describing everything that I've explained to you as "disgusting stuff." They again implore people to "please do share and re-publish wherever you can - always good to get news out far and wide." And then again encourage people to send in information to this hotline.

And as I said, if you were to turn over the next tab in the motion record, which is the second defamatory manifesto, you would see if you went through that document - and, again, I'll just summarize now. I don't - I don't want to belabour the point. But they claim to have received information from people through their tip line. They purport to rely on sources close to Mr. Kassam

5 and close to Anson. Most notably, and this I will
just flag for you, if you were to go to page 212
and 213 of our motion record, they have linked to
just some of the thousands of defamatory statements
that were posted on Stockhouse, and Reddit, and
other forums. So, they're directing readers to go
to those sources, those other sources of defamatory
material, to read them, and they're also purporting
to rely upon it as somewhat of a source for the
10 statements they're setting out. So, again, this
gives an entirely false impression of a grassroots
sort of uprising against Anson and Mr. Kassam when,
in fact, Mr. Rudensky is deemed to have published
all of these and is deemed to have done so knowing
15 they were false.

With that, I'm going to move on to the next factor
and perhaps the most important factor that we say
justifies the award we're seeking here, and that's
20 the mode and extent of publication. And, in my
submission, it's staggering.

25 The unlawful statements began, as is set out in the
statement of claim, in the summer of 2019 and, as
you heard from Mr. Carlson, they continue to today.
You know, for example, I took you to the first
defamatory manifesto and briefly referred you to
the second defamatory manifesto, but the third
defamatory manifesto was published on March 8th,
30 2022, which is more than a year and a half after
the action had been commenced, and of course after
we say Mr. Rudensky was first on notice that

proceedings were outstanding. Mr. Kassam also describes in his affidavit that a further defamatory article was published on the marketfrauds.to website, which is one of the websites that our clients haven't been able to take down as recently as November 2022. So, it's continuing to today.

We have included in an exhibit to Mr. Kassam's affidavit an index of some of the articles that are available on the marketfrauds.to website, and I won't take you through them but if you were to look at them, and look at the dates that each article is published, you'll see a steady drip of articles released, many of which come after the statement of claim and the action is commenced, and in some cases refer to developments in this litigation. And you would have heard Mr. Rudensky, although unsworn, suggest to you that he had been forwarded from unidentified people some of the allegations, and it may very well be that that's the source of at least that suggestion.

So, in short, this campaign, which Mr. Rudensky has now admitted to have participated in, has been ongoing in some form for the better part of three and a half years. And again - and I don't want to belabour the point but important to emphasize the scale of this attack. Like, literally thousands upon thousands of defamatory statements published to different forums, and that's just what our clients can put their hands around and identify as

being out there in the internet ether.

5 We've referenced for you in our factum the *Barrick* case which deals with internet defamation, and it says, you know, quite clearly that the mode and extent of publication is a particularly significant consideration in assessing damages in internet defamation cases. And, you know, Justice Blair in that case was writing in 2004, and I think it would be fair to say that our case demonstrates sort of the natural evolution of what he was concerned about at that time, right? You have instantaneous dissemination of thousands of statements to an undeterminable readership, with very little practical ability to have these statements taken down and eliminated from the internet, and our clients have tried very hard. It's described in this affidavit that they've gone to significant lengths to get in contact with website hosts, to encourage them to take it down, and they have succeeded in some instances but not in others. So, these statements, again, are out there until today.

25 Briefly, another factor that's identified in the case law as an - as an aggravating factor going to general damages awards is whether the defendant acts with malice or fails to issue any sort of apology or retraction. I won't take you to it but I'll give you the reference. The plaintiffs have
30 pled, and Mr. Rudensky is deemed to accept for these purposes, that he acted with malice in publishing these defamatory statements. At

paragraph 33 of the amended claim, we describe the factual basis for that allegation, and, in short, it's that Mr. Rudensky wrongly blames Anson and Kassam - Mr. Kassam for a report that was released by Hindenburg Research about Aphria Inc. This is a publicly traded cannabis company. And Mr. Rudensky mentioned to you that he was formerly at the Delavaco Group. It's pled that he's still there. And the critical research findings that were in issue in the Hindenburg case related to, in effect, Mr. Rudensky's boss, Andy DeFrancesco, who had a significant personal stake in the company. The stock dropped by 40 percent and Mr. Rudensky blames the plaintiffs for that conduct.

I'm mindful of my time so I won't belabour this because I think Mr. Carlson's addressed it in his submissions, but another factor identified in the case law is anonymous internet posting. Right? Making defamatory statements under a pseudonym or hiding behind false emails, false accounts. And as Mr. Carlson developed with you, Mr. Rudensky's deemed to have taken pretty elaborate steps to conceal his identity and make the posts more resistant to being taken down by Anson and Mr. Kassam. You know, going so far, right? As to engage web developers in Bosnia and Herzegovina to create a maximum degree of separation. You know, using specially created email accounts to create anonymous accounts on the platforms to publish these statements. And all of that increases the sting of the defamation and makes it far more

difficult to get the defamatory content taken down.

5 So, those, in brief, are the factors that I say
would support a significant damages award. The
case law indicates that there's no precise formula
or methodology in fixing a general damages award,
and instead you have to have regard to all of the
relevant facts which are deemed to be admitted
here, and the aggravating factors that I took you
10 to. And, in my submission, you know, the award of
\$500,000 for general damages is entirely defensible
when measured against those principles.

15 We set out in our factum at paragraph 46 a number
of cases that might serve as rough proxies, rough
guidelines for an award. Again, each case turns on
its facts. And I won't take you through those
cases unless you have questions about them, but the
- and, again, at the expense of repeating myself,
20 the single distinguishing factor in our case is the
mode and extent of publication and the reach, and
the fact that it remains ongoing. So, when you see
in the case law, for example the *Mirzadegan* case
where Justice Centa granted \$200,000 in general
25 damages to what I understand to the - from the case
to be, you know, an individual that owned an
immigration consulting business, it looks like a
sort one-man immigration consulting business,
Justice Centa granted \$200,000 on that case when we
30 were dealing with in the neighbourhood of 60
defamatory reviews. You know, here we have a
billion dollar hedge fund and its principal, so two

plaintiffs, with pristine reputations who have been subject to thousands upon thousands of defamatory posts.

5 And, again, I say to you that when you look at the content of what's being alleged against Mr. Kassam and Anson, which really targets every possible that they might have business dealings with, and you look at the scale and the mode, the anonymity, the efforts to defeat having these taken down, it justifies award of \$500,000.

10 So, unless you have any questions, Justice Osborne, I might just briefly address the issue of the injunction. And --

15 THE COURT: Thank you, Mr. Fenton.

MR. FENTON: And again I'll be brief. We say that this follows from the deemed admissions and is entirely defensible in light of other default judgment cases which have granted similar relief. The applicable test is at paragraph 49 of our factum, and that says it's appropriate to order a permanent injunction where there is a likelihood the defendant will continue to publish defamatory statements, or - and these are disjunctive, or there is a real possibility that a damages award will not be satisfied. And we would satisfy both, but I'll focus on the first for the moment.

20
25
30 In my submission, there's a clear basis upon which to conclude that Mr. Rudensky continued to defame Anson and Mr. Kassam. You know, until recently he

has refused to engage with this court's process, despite, in our submission, being on notice of the claim and having been properly served. And, instead, despite having notice of the claim, is deemed, based on the deemed admissions in the statement of claim, to have continued to post defamatory content. As Mr. Carlson said to you, our clients want this to end, and they want to be in a position to enforce against Mr. Rudensky if it's determined that he continues to participate in this defamatory conduct after a judgment is entered against him. And we've given you reference in our factum to a few other cases in which permanent injunction has been granted in the default judgment setting and, again, Justice Centa granted that very same relief in the case I referred you to earlier.

And, finally, Mr. Carlson took you to the evidence about Mr. Rudensky selling his home, and you've heard that he now resides in Florida. That gives rise, at the very least, to the possibility that he's attempting to move his assets out of the jurisdiction, and it could be much more difficult for our clients to enforce a monetary judgment against him in that context. It would very likely require us to commence separate proceedings in the - in another jurisdiction in order to do so. So, that too favours the granting of a permanent injunction. Subject to any questions, Justice Osborne, those were my submissions, and I don't believe Mr. Carlson has any concluding submissions, unless there are questions from the court.

THE COURT: Thank you, Mr. Fenton.

MR. FENTON: Thank you very much.

THE COURT: Appreciate that. Ms. McPhee, brief submissions.

MS. MCPHEE: So, I - Your Honour, we were reluctant to make submissions. Obviously we are not a party on the motion. Relief was not being sought against our clients. I had been inclined to seek an adjournment until after the lunch break, but I can address briefly why we would oppose it now.

In listening to my friends this morning and in looking at their materials, they represented - or they indicated in their submissions that relief was being sought on a limited so as not to cause any prejudice to the other defendants, and so that would include our clients, Mr. Robert Doxtator and Mr. Stafford. And so we had anticipated that we would not be participating or opposing on that basis. However, listening to my friends' submissions today, in particular to Mr. Carlson who, in reference to some of his answers to you and the effect that it would have on our clients, has given us cause for concern, as well as listening to the submissions you just heard now about the appropriate damages and the actions that were taken. Throughout that time, Mr. Fulton *[sic]* referenced "they" and that gives us a real cause for concern regarding the allegations before you.

As you noted, Your Honour, this motion before you involves defamation in the context of a conspiracy

claim. Our clients have filed defences. They deny all allegations against them. I'd note that the claim that Mr. Carlson took you to insofar as - most of the actions are not particularized. So, the defendants are referred to collection as "the defendants." So, my clients, Mr. Stafford and Mr. Doxtator, as well as Mr. Rudensky and Mr. Jacob Doxtator, collectively are referred to as "the defendants."

THE COURT: I understood them to say, though, notwithstanding those - and they may have referred to defendants in submissions as well as the factum, but they were seeking the default judgment only on the facts as against Mr. Rudensky, right? Even though they're pleaded as against "they," referring to the defendants and your - including your clients.

MS. MCPHEE: That's correct, Your Honour. However, my friend took the position this morning that if default judgment was granted that could cause - at trial that could mean our client could be facing credibility issues. So, if those facts are deemed as against Mr. Rudensky that he participated in a conspiracy with my clients to engage in defamation with my clients, my clients are potentially starting a trial already behind the eight ball. There are findings against them that may affect their credibility. If these statements are deemed defamatory, we also risk inconsistent results at trial where our clients are going to be trying to argue that that the plaintiffs have not met their burden that those statements have been proved to be

defamatory. So, we'd be facing - already starting behind the eight ball in an uphill battle on credibility in the context of having filed defences, denying everything.

We have seen documentary productions. I can - I'm concerned that we don't have any productions that would implicate our clients individually. The - Mr. Carlson this morning I believe took you to the *Theralase* action in support of granting default judgment in this context. I would note that in that case the court noted at paragraph 3 that the pleadings were made on defamatory statements as against each of the defendants, and then starting at paragraph 51 the particularized statements are indicated. So, each defendant is said to have made certain statements, those were viewed, and then defend - damages were allocated accordingly.

In this case it's done on a collective basis. Our clients are concerned about what the implications of that would be for them in defending this case if default judgment is granted.

We're similarly concerned, given the collective nature of this, about the effects of any - if there is some sort of an injunction that my friends may somehow seek to enforce anything against our clients that might prejudice their rights. Obviously they deny any kind of participation, but we simply raise that concern because, again, this is said to have been done on a collective basis, we

deny the existence of everything, but our clients are concerned given the collective non-particularized allegations as to what that was going to mean for them when they believe they have a strong defence on the merits and moving forward this action.

THE COURT: All right. Just to deal with that second part first, though, they are seeking an injunction against further publication of the statements as against Mr. Rudensky.

MS. MCPHEE: Yes.

THE COURT: That doesn't - that doesn't - tell me again how that affects your clients?

MS. MCPHEE: It shouldn't affect our clients. Our clients deny making any of those statements.

THE COURT: Right.

MS. MCPHEE: We're only concerned - I don't know what then they're going to try to do in terms of presumptions that have made - or, again, with these collective, particularized statements. So, really our focus is on the default judgment. There's the lack of particularization, and our clients, we say, have a strong defence.

THE COURT: All right. And on that, just help me with that. If facts are deemed to have been found as against Mr. Rudensky, you're obviously free to fully defend and deny all elements of the tort against your clients, as I'm sure you will. Tell me again how you are prejudiced by the deemed admissions by him.

MS. MCPHEE: Well, he's deemed to have participated in a conspiracy to publish certain documents, to

collect information, essentially to be colluding with our clients. Everything - the allegations are not particularized. It's collective "the defendants" did this. And my friend said this morning that those presumptions can then present - and they acknowledged this, that that can present a credibility hurdle for my clients at trial, because those findings have been made. Our clients deny that they participated in any of this. And so, there's a real risk that our clients, in having a meritorious defence, are starting - potentially starting behind the eight ball before the court from a credibility perspective.

There's also a risk, if there's a denial or a risk of findings that - sorry, that these defamatory - that these statements are found to be defamatory. If somehow it is found that our clients are - participated at trial, which of course we'd strongly deny, it then goes on to the burden of proof on whether the statements are defamatory. So, again, there's a lot of risk for inconsistent statements. But I think our clients are most concerned about the implications that this is an allegation of a defamation within the context of a conspiracy and that in accepting that Mr. Rudensky participated with our clients, that that implicates our clients. These are not particularized allegations.

THE COURT: But are --

MS. MCPHEE: And you heard that again from --

THE COURT: But are those admissions admissible

against your client at trial?

MS. MCPHEE: You heard from Mr. Carlson this morning that they would take the position that it would - could affect credibility at trial.

THE COURT: Of your client as well as Mr. Rudensky in the event he testified at trial?

MS. MCPHEE: We would argue that it wouldn't and shouldn't, but given the collective nature of the allegations, we say that he simply can't be separated out.

THE COURT: Okay. All right. Fair enough. Thank you, Ms. McPhee. I understand your point. Very briefly.

MR. CARLSON: Yes, Your Honour. Thank you. So, I think I can address my friend's submissions very quickly, and I think - I think part of it may just be based on a misunderstanding. You know, maybe I'll just say, we commenced this motion three months ago. We served our motion materials in November. We scheduled the hearing in early December. We never received any responding affidavits or even a responding factum. There wasn't one peep from the defendants that they viewed this - what we were trying to achieve today, the result that we're trying to achieve today as inappropriate. And even this morning, you know, my friend advised that she did not anticipate making submissions. So, I view this as kind of a late breaking and, frankly, opportunistic submission made in reaction to some of the court's questions, but I don't - I don't think you need to give much weight for it because, like I said, I think it is

based on a misunderstanding.

5 The case law that I referred to you in the
Coldmatic and *Van v. Qureshi* decisions, when they
talk about the credibility issues, they're saying
it may affect - may - it's always up to the trial
judge to determine credibility - may affect the
credibility of the defendant who defaulted. So, if
10 Rudensky shows up to trial as a witness and starts
- assuming he's still in default by then. If he
shows up to trial and testifies in a manner
contrary to the deemed admissions, it may affect
his credibility. It's up to the trial judge. Will
the trial judge put much weight on that? I mean,
15 the trial judge will know what happened here, that
they're deemed allegations. And also - so that I
think should address that concern.

THE COURT: So, that goes to the credibility of Mr.
Rudensky, which may or may not be an issue, but I
20 took your friend's concern to be they didn't want
to face an argument at trial that there should be a
finding that a conspiracy took place because one of
the other co-conspirators admitted it.

MR. CARLSON: Right. But I - so, they're fully -
25 they're fully entitled to combat that allegation at
trial with all of the evidence that they may lead.
I mean, they haven't admitted that. We recognize
that. And, again, even if Mr. Rudensky is deemed
to be - deemed to have admitted it, that's all it
30 is. It's a deemed admission. The trial judge
isn't going to let the deemed admission of one
defaulted defendant, you know, outweigh all of the

evidence that my friends are going to put forward that they didn't participate in the conspiracy. It's a totally theoretical concern.

THE COURT: Right.

MR. CARLSON: And, Your Honour, it's not --

THE COURT: Well, it's not - it's not completely theoretical, though, is it?

MR. CARLSON: Well --

THE COURT: You're alleging a conspiracy which is, you know, an agreement to act in concert, right?

MR. CARLSON: Yeah.

THE COURT: By one of the two branches. So, they don't want to say - as I understand it, they don't want to face an argument at trial that, aside from what other evidence there may or may not be, that there should be a finding that a conspiracy - I'm repeating myself, a conspiracy in fact existed because one of the other participants, a co-conspirator, has admitted it.

MR. CARLSON: Yeah. I understand. For today, well --

THE COURT: But that's not an admission...

MR. CARLSON: For --

THE COURT: ...that can an admission as such against them, right?

MR. CARLSON: That's correct. It's not - it's not an admission that applies against them. And, also, for today's purposes, we don't need to rely on any of the allegations, and we haven't, of conspiracy. What we want to rely on for the purpose of today's motion are the pleaded facts that Rudensky published the unlawful statements.

THE COURT: Okay.

MR. CARLSON: And so there's --

THE COURT: All right.

MR. CARLSON: I'm sure you'll carefully craft your
5 decision, Your Honour, to make it clear what your
decision is based on, in a - in a manner that won't
unduly prejudice my friends or prejudice them at
all. And the idea that, you know, they only -
again, as I said, we had no notice that there was
10 any concerns about this. I....

THE COURT: I understand.

MR. CARLSON: I find it hard to believe that, you
know, it's only now they - it's up to me to tell
them the possible effect of the order we're seeing,
15 and then for them to oppose.

THE COURT: All right.

MR. CARLSON: So, there's no reason that my friends
have raised that I would say prevents you from
making the award that we've asked for.

THE COURT: Okay.

MR. CARLSON: And as for the issue about the
judgment on the - on the injunction, that's a
drafting issue. Your Honour pointed that out. We
can draft the order we receive today so that it
25 doesn't impact my friends. Those are my reply
submissions. Thank you, Your Honour.

THE COURT: All right. Thank you. What do you
have to say about costs today?

MR. CARLSON: Your Honour, in our - in our factum
30 we asked for substantial indemnity costs of
\$50,000. We have a costs outline setting out that
number. And, in fact, in creating this costs

outline we only used and only relied on costs incurred by myself and Ms. O'Sullivan at the Davies firm. We didn't include any of Mr. Fenton's costs, any of Mr. Staley's costs, Mr. Yegendorf's costs, my partner Mr. Milne-Smith, articling students who have - who assisted us, clerks who helped put the records together. We've been extremely fair and reasonable, and...

THE COURT: All right.

MR. CARLSON: ...I have grossly underestimated it, and we get to substantial costs of \$50,000. So, I'm happy to hand this up, Your Honour.

THE COURT: Please.

MR. CARLSON: And I'll ask Mr. Fenton to do so.

THE COURT: Ms. McPhee, I take it you don't have a position on costs? You're neither - so long as costs are not sought against you, obviously, which they're not. You have no position, fair?

MS. MCPHEE: Yes. I assume costs are not being sought against my client.

MR. CARLSON: That's correct.

THE COURT: Yeah.

MR. CARLSON: Yeah.

THE COURT: Yeah.

MR. CARLSON: That's right.

THE COURT: Thank you. All right. Thank you.

Thank you, Mr. Carlson.

MR. CARLSON: Thank you.

THE COURT: It probably won't surprise you I want to reflect on this. I want to go back and read a couple of cases you've given me and think about the facts of this case. It's a little unusual, as

5 we've talked about this morning, just in terms of
the application which it arises. There are lots of
authorities, as you've drawn many to my attention
in terms of default judgment, and particularly
default judgment for defamation. It's a little
unusual circumstance here. I just want to reflect
on this. But I appreciate your submissions this
morning.

10 Mr. Rudensky, just for the purposes, sir, of the
record today, can the registrar send you a copy of
my decision at that email address, sir, the Gmail
address?

15 ANDREW RUDENSKY: The rudensky.arr@gmail?

THE COURT: So, rudensky.ar@gmail.com?

ANDREW RUDENSKY: Double R. I think there was
communication on that the other day.

THE COURT: I just - I just want to be clear so the
registrar has it. You may have talked to others.

20 Sorry. Just do you have it, Mr. Carl--

MR. CARLSON: I do have it, Your Honour. I can be
of - I can be of assistance. I have Mr. Rudensky's
email to us of yesterday which has his email
address on it. So, I can hand that up.

25 THE COURT: Please. All right. Thank you all very
much. As I say, I want to give this some thought.

I understand in terms of the balance of this
action, just so I know - thank you, Madam
Registrar. Where - are there any other steps or
next steps pending in that, or a timetable? Just
to orient me as to where that's at.

30 MR. CARLSON: Yes, Your Honour. So, pursuant to a

5 previous endorsement, oral examinations for
discovery are to be completed by March 15th of this
year. And so, we and the other participating
parties have exchanged affidavits of documents and
we're coordinating regarding dates for examinations
of witnesses.

THE COURT: All right. Fair enough.

10 MR. CARLSON: And, Your Honour, to that point, if
Mr. Rudensky intends to bring a motion to set aside
the default, and any default judgment obtained
today, you know, it's actually his duty to bring it
promptly, and we would - we would ask that he be
directed to bring it promptly. We would - we would
litigate that on as quick a timetable as the - as
15 the court will allow and the court has time for.
But that may allow discoveries to proceed against
him around the same time, or at least to not hold
up the action unduly. Thank you.

20 THE COURT: I understand the position. All right.
Thank you. Thank you all very much. I appreciate
this this morning.

COURT OFFICER: All rise.

FORM 3

ELECTRONIC CERTIFICATE OF TRANSCRIPT (SUBSECTION 5(2))

Evidence Act

I, Cale Harper, certify that this document is a true and accurate transcript of the recording of Anson Advisors Inc., et al v. Andrew Rudensky, et al in the Superior Court of Justice held at 330 University Avenue, taken from Recording 4899 8-1 20230125 091721 10 OSBORNPE.dcr, which has been certified in Form 1.

November 8, 2023
(Date)



(Electronic Signature of Authorized Person)

1704361580

(Authorized court transcriptionist's ID number)

Ontario, Canada.

(Province of signing)

TAB 3

CITATION: Anson Advisors Inc. et al. v. James Stafford et al., 2023 ONSC 5537

COURT FILE NO.: CV-20-00653410-00CL

DATE: 20231003

ONTARIO - SUPERIOR COURT OF JUSTICE – COMMERCIAL LIST

RE: Anson Advisors Inc. et al., Plaintiffs

AND:

James Stafford and Jacob Doxtator et al., Defendants

BEFORE: Peter J. Osborne J.

COUNSEL: *Robert William Staley, Doug Fenton, Dylan Yegendorf, Andrew Carlson and Maura O'Sullivan*, for the Plaintiffs

Megan B. McPhee and Nicole J. Kelly, for the Defendants James Stafford and Robert Lee Doxtator (also Plaintiff by Counterclaim)

Andrew Rudensky, on his own behalf

HEARD: January 25, 2023

REASONS FOR DECISION

1. Anson Advisors Inc., Anson Funds Management LP, Anson Investments Master Fund LP (together, “Anson”) and Moez Kassam (“Kassam”) (collectively, the “Plaintiffs”), move for default judgment against the Defendant, Andrew Rudensky (“Rudensky”), including:
 - a. judgment for \$500,000 representing general damages for defamation;
 - b. a permanent injunction restraining Rudensky from republishing the publications complained of in this action or the Unlawful Statements (defined below), or publishing further unlawful and defamatory statements about the Plaintiffs Kassam or Anson, including Anson’s current or past personnel;
 - c. an order that default judgment, if granted, is without prejudice to the right of Anson and/or Kassam to seek further relief against Rudensky in respect of defamation and other tort claims asserted in the action;
 - d. pre and post-judgment interest; and
 - e. costs of this motion.¹

¹ Notice of Motion, para. (a).

2. The other named Defendants have defended the action. Rudensky has not defended the action, moved to set aside his noting in default, or responded to this motion for judgment. Indeed, he has not responded at all, until the day before the hearing of this motion. He contacted counsel for the plaintiffs the afternoon before, and then appeared on this motion to request an adjournment.
3. This continuing action has a long and challenging history. Some background and context for this motion is in order.

Background and Context

4. Anson is an alternative asset management firm. Kassam is a principal of Anson and is its founder.
5. The Plaintiffs allege in this action that they are the targets of a sophisticated, coordinated and ongoing conspiracy to damage their reputations and business through the publication of unlawful and defamatory statements (the “Unlawful Statements”), as a result of which they have suffered and continue to suffer significant harm.
6. The Statement of Claim was issued on December 18, 2020. Rudensky was not, initially, a named defendant. The ongoing investigation of the plaintiffs following commencement of the action revealed the names of two additional alleged co-conspirators, one of whom is Rudensky. The Plaintiff therefore proposed to add both as defendants.
7. The Plaintiffs prepared a proposed Fresh as Amended Statement of Claim (the “Amended Claim”), which added Rudensky as a party and set out the particulars of the allegations of his involvement in the conspiracy. Claims against him include defamation and conspiracy.
8. On October 6, 2021, the Plaintiffs sent the Amended Claim to two email addresses that, to their knowledge, had been used by Rudensky. (As discussed further below, one of these email addresses had been used by Rudensky as recently as the month preceding delivery of the Amended Claim). The cover email under which the Amended Claim was sent specifically referenced the fact that it named Rudensky as a defendant. He was asked to confirm receipt and that he would accept service as well as consent to the amendments including his addition as a party.²
9. The Plaintiffs also sent the Amended Claim to the Defendants (directly or, in respect of those that had by that time retained counsel, through their counsel) and requested consent to amend the pleading.
10. That consent was not forthcoming, with the result that the Plaintiffs brought a motion for leave to issue the Amended Claim. Those motion materials were delivered to Rudensky (as well as to counsel for the other Defendants) via email on November 23, 2021.³ Rudensky did not respond, and the other Defendants (as well as the other proposed new Defendant, Stafford) declined to consent.

² Plaintiffs’ Supplementary Motion Record, Tab 1

³ Plaintiffs’ Supplementary Motion record, Tab 2

11. The Plaintiffs then requested a case conference to schedule their motion for leave. That case conference was conducted by Conway, J. on January 19, 2022. The Endorsement from that case conference reflects that counsel for one of the existing Defendants attended and advised that his client opposed the motion. However, that counsel also advised that he anticipated being retained shortly by Rudensky, although as of the date of the case conference did not have instructions as to whether Rudensky would oppose the motion to add him as a defendant or not. Conway, J. scheduled the motion to be heard approximately four months later on May 3, 2022.
12. The motion for leave then proceeded before Conway, J. as scheduled on May 3, 2022. As reflected in the Endorsement of that date, Rudensky did not appear (in person or represented by counsel) to oppose the motion. Leave was granted by Conway, J. the same day.
13. The Amended Claim was issued and filed on May 27, 2022.
14. After multiple attempts, service of the Amended Claim was finally effected on Rudensky pursuant to Rule 16.03(5) on July 22, 2022.
15. Rudensky was noted in default on August 23, 2022.
16. The Noting of Default has not been set aside pursuant to Rule 19.03, nor has any effort or attempt by or on behalf of Rudensky to do so been made.
17. Accordingly, Rudensky has failed to:
 - a. deliver a Notice of Intent to Defend, within the prescribed time or at all;
 - b. deliver a Statement of Defence within the prescribed time or at all;
 - c. make any effort to set aside the noting in default; or
 - d. respond in any way, either directly or through counsel, formally or even informally by communicating with counsel for the Plaintiffs, to the Amended Claim against him.
18. The Plaintiffs therefore seek judgment against him.

Adjournment Request

19. As stated at the outset of this Endorsement, Rudensky appeared at the hearing of this motion to seek an adjournment. He and counsel for the Plaintiffs are agreed that he contacted them for the first time the day before the hearing at approximately 12:20 PM to request an adjournment of the hearing scheduled for the next day, and when that request was denied, he attended at the hearing to make the same request of the Court.
20. The Plaintiffs opposed the adjournment request. They submitted that the last-minute request for an adjournment amounted to a waste of judicial resources and court time as well as costs to the parties, and an abuse of process since Rudensky demonstrably had no regard for this proceeding unless and until it suited him.

21. Most fundamentally, however, the Plaintiffs submitted that, having been noted in default, Rudensky had no right to participate in or make submissions on this motion pursuant to Rule 19.02(b), which provides that a defendant who has been noted in default shall not deliver a statement of defence or take any step in the action, other than a motion to set aside the noting of default or any judgment obtained by reason of the default, except with leave of the court or consent of the plaintiffs.
22. The Plaintiffs submit that the test that ought to be applied when considering the request for an adjournment is substantially the same as the test to be applied on a motion for setting aside a noting in default. They submit that Rudensky was properly served with the Amended Claim well over one year prior to this motion, and has chosen to simply ignore this action in its entirety, and it would be unjust and inequitable to allow him to simply elect until literally the day before the hearing of a motion for judgment to decide to participate.
23. Counsel for the Defendants, James Stafford and Robert Doxtator, were present but took no position on the request for an adjournment of the motion. Counsel for remaining named Defendant, Jacob Doxtator, did not appear. That is the counsel who had appeared at the case conference before Justice Conway referred to above to advise that he anticipated that he might be retained by Rudensky. To be clear, that counsel did not appear on this motion for Rudensky either.
24. In the circumstances, and notwithstanding Rule 19.02(b), I agreed to hear Mr. Rudensky on his adjournment request. I note for clarity that Mr. Rudensky did not file any materials.
25. Rudensky submitted that, while the Amended Claim and the motion materials may have been served on him via email, he has not used the email addresses to which the materials were sent for “some time”. He submitted that one of the email addresses, ar@delavaco.com, was used by him during his employment at a previous job that he had not held since early 2020.
26. Rudensky submitted that he has been in the United States since early 2022 and underwent shoulder surgery last year. He did not return to Canada, he submitted, until December, 2022, and he became aware of the hearing of this motion over the weekend prior to this hearing.
27. The evidence in the record, including the Affidavit of Kassam sworn November 17, 2022 and Exhibits thereto, reflects that the Plaintiffs sent a copy of the (then draft) Amended Claim to Rudensky on October 6, 2021 at two email addresses: andrew.rudensky@gmail.com and ar@delavaco.com. The evidence of Kassam is that he is aware of Rudensky using both of those email addresses, including because of prior correspondence with Rudensky at those email addresses (copies of which are attached as exhibits to Kassam’s affidavit) as recently as September, 2021.⁴
28. September, 2021 is more than a year after the date at which Rudensky submitted in his adjournment request that that email address no longer worked.

⁴ Kassam Affidavit, para. 46 and Ex. “M”

29. Kassam states that it is in part because he corresponded with Rudensky at that email address as recently as September, 2021 that he is confident that Rudensky received the Amended Claim at that time. It was only after the Amended Claim was emailed to Rudensky in October, 2021 that he ceased correspondence with Kassam.
30. Kassam's Affidavit attaches as exhibits numerous electronic mail messages between his (Kassam's) counsel and Rudensky sent to the two email addresses noted above through which Rudensky has communicated in the past. Kassam's counsel received neither any replies nor any "undeliverable" or "bounce back" messages to suggest that the emails had not been received or were undeliverable.
31. Those emails advised the Defendants (including Rudensky) of various matters, including the case conference before Conway, J. on January 19, 2022 and the fact that the Amended Claim would be accepted for filing on the basis that it was unopposed, unless the Defendants sought to oppose the Amended Claim. One of those emails (dated November 15, 2021) requested the self-represented parties to advise if they had retained counsel.
32. The January 19, 2022 case conference proceeded before Conway, J. Also as stated above, counsel for one of the other Defendants (Doxtator) advised the Court at that case conference that not only did he anticipate being retained by Rudensky, but that he did not then have instructions as to whether Rudensky would oppose the Amended Claim. I pause to observe that that same counsel had previously represented Rudensky in proceedings before securities regulators, as reflected in the record before me.
33. While there is of course nothing improper about that counsel subsequently not being retained and not appearing on this motion, there is no doubt that Rudensky was well aware of the Amended Claim and the fact that it proposed to add him as a Defendant. Conway, J. granted leave and thereafter the Amended Claim was issued and served.
34. However, the Plaintiffs were unsuccessful in numerous attempts to personally serve Rudensky. The Kassam Affidavit states that after these failed attempts, the Plaintiffs hired a licenced private investigator in July, 2022 to locate Rudensky. The report of that investigator is attached to the Kassam Affidavit as an Exhibit.⁵
35. The report of the investigator reflects the efforts undertaken to locate Rudensky, including:
- a. through his registered address in Canada used with vehicle insurance information, being 4328 Clubview Dr., Burlington, ON, L7M 4R3;
 - b. title searches related to that registered address;
 - c. efforts to locate Rudensky at previous residential addresses and related title searches;
 - d. investigations involving a residential property located in Naples, Florida owned (currently) by Rudensky together with his spouse (and where Rudensky advised the Court today he lives);

⁵ Ex. "Q".

- e. U.S. corporate searches listing Rudensky as a corporate director for certain companies, one of which has a mailing address in Toronto which address is a property owned by Rudensky's mother; and
 - f. extensive social media searches for Rudensky.⁶
36. The report of the investigator states that the registered address referred to above of 4328 Clubview Drive, Burlington, Ontario was purchased by Karen Ann Clahane and subsequently transferred to joint ownership between that individual and Bruce Chapman. The report states that Rudensky and his spouse are believed to be renting at that location.
37. An Oakville Ontario property previously owned by Rudensky and his spouse was sold on March 16, 2022. The documentation filed in connection with the sale of that property reflects Rudensky's address for service as the 4328 Clubview Drive, Burlington, Ontario address.
38. Following receipt of the investigator's report, the Plaintiffs renewed efforts to serve Rudensky with the Amended Claim which, as stated above, was ultimately effected on July 22, 2022 at the 4328 Clubview Dr., Burlington, ON address referred to above. The Affidavit of Service of the process server reflects that service was effected by leaving a copy of the Amended Claim with Bruce Chapman, an adult member of the same household in which Rudensky was residing, which information was confirmed by means of verbal admission.⁷
39. I am satisfied for the purposes of this motion that the email addresses referred to above and to which materials for Rudensky were delivered were valid and functioning. They were used by Rudensky in correspondence with the Plaintiffs. The Amended Claim was delivered to Rudensky through those email addresses. He was clearly aware of the Amended Claim which is illustrated both by the fact of potential counsel having appeared at the case conference before Conway, J. and the fact that Rudensky did not deny it at the hearing of this motion.
40. However, as noted above, Rudensky took no steps to defend the action nor to set aside the noting in default which occurred in July of last year. The Plaintiffs then served all parties including Rudensky with the Motion Record for this motion for default judgment via the two email addresses referred to above. Further attempts at service are discussed below. There was still no response from Rudensky.
41. The Plaintiffs then sought a case conference on December 8, 2022 for the purpose of scheduling this motion. Notice of the case conference was given to all counsel and to Rudensky. Counsel for the other parties appeared; he did not.
42. I conducted that case conference and scheduled this motion for hearing. I specifically directed that the Plaintiffs provide a copy of my case conference Endorsement to Rudensky and I further stated in my Endorsement that he had already been served with the motion materials, but that I would have otherwise directed that he be served with the motion

⁶ Ex. "Q".

⁷ Affidavit of Service of David Morrison sworn July 27, 2022, Motion Record, Kassam Affidavit, Exhibit "R".

materials in any event and notwithstanding Rule 19.02(3), all to ensure that he was aware of the steps being taken that affected him, particularly given the fundamental effect of the relief sought today. Such is consistent with the best practice of giving notice of motion for default judgment to the defendant noted in default: *Canada Mortgage and Housing Corporation v. CMC Medical Centre Inc.*, 2017 ONSC 7551, 2017 CarswellOnt 20149, 37 C.P.C. (8th) 219 (S.C.J.).

43. The record before me today also includes an affidavit of attempted service confirming the attempts to again serve Rudensky with both the motion materials and my Endorsement following the case conference, including at the 4328 Clubview Drive, Burlington, Ontario address. When the process server attended at that address, for the third time and not having received any response on the first two attempts, he spoke to an adult female who advised that “there is no Andrew living here and that she has lived here for 23 years”.⁸
44. The process server thereafter conducted subsequent Ministry of Transportation vehicle searches which reflected the last known address for Rudensky as being 1107 Melvin Avenue, Oakville Ontario. When the process server attended at that address, he was advised by an adult woman that no one named Rudensky resided there.⁹
45. The Plaintiffs thereafter attempted again to effect personal service on Rudensky by locating him through requests to counsel as officers of the Court. The evidence in the record today includes an electronic mail message dated January 5, 2023 from counsel for the Plaintiffs to, among other individuals, the counsel who had appeared at the case conference before Conway, J. and counsel for the other Defendants.
46. Plaintiffs’ counsel described how they had attempted a number of times to serve Rudensky with my Endorsement of December 8, 2022 as I had directed, and their inability to do so. The electronic mail message to the other counsel stated that, given both the contact with Rudensky through the counsel who had anticipated being retained, and contact with Rudensky through counsel for other Defendants - who had confirmed to counsel for the Plaintiffs their own contact with Rudensky - assistance with forwarding my Endorsement to Rudensky was requested “through whatever means you have used to contact him in the past”.¹⁰
47. The counsel who had previously appeared at the case conference conducted by Conway, J. replied to this electronic mail message the following day to advise that: “I believe you have sent everything to andrew.rudensky@gmail.com already. This is the address we had for Mr. Rudensky and we have had no contact with him for more than eight months.”¹¹
48. As stated above, there was absolutely no response from or on behalf of Rudensky until the day before the motion. Even in his submissions requesting an adjournment at the hearing of the motion, Rudensky:

⁸ Affidavit of Leo Pereira sworn January 9, 2023, Supplementary Motion Record, Tab 7.

⁹ Affidavit of Leo Pereira sworn January 9, 2023, Supplementary Motion Record, Tab 7.

¹⁰ Plaintiffs’ Supplementary Motion Record, Tab 3

¹¹ Plaintiffs’ Supplementary Motion Record, Tab 3

- a. had no explanation as to why he did not receive the motion materials through the email addresses previously used by him in correspondence with the Plaintiffs and through which he had become aware of the Amended Claim in the first place;
 - b. had no explanation as to why his email address ar@delavaco.com was clearly working in September, 2021, over one year after the date at which, he submitted to the Court, it was not working because he had left his employment with which that email address was associated; and
 - c. had no explanation as to why the andrew.rudenski@gmail.com email address that both he had previously used to communicate with the Plaintiffs, and that his potential counsel had used to contact him, was still not functional even today.
49. Moreover, in his submissions requesting an adjournment, Rudensky confirmed to the Court that the 4328 Clubview, Drive, Burlington Ontario address was the residence of his parents-in-law, and that Bruce Chapman, who had accepted service of the documents, was his wife's stepfather.
50. In addition, Rudensky submitted that, as noted above, he had only returned to Canada from the United States in December, 2022, and that he had "expected to be served" with the motion for judgment but that he had not become aware of this hearing date until the previous weekend.
51. He had no explanation as to the basis for his expectation that he was going to be served. I find that expectation completely incongruent with both the failure to take any steps to set aside the noting in default and with the submission that he was not aware of this motion.
52. When asked specifically by the Court to explain how, through whom, or through what means, he had become aware of this motion date only over the course of the preceding weekend as he submitted he had, Rudensky responded that he "preferred not to say here". That is not a satisfactory response.
53. In my view, it would not be appropriate or just to adjourn this motion. The Plaintiffs commenced this action in December, 2020. They delivered the proposed Amended Claim adding Rudensky in October, 2021. Leave to issue and file the Amended Claim was granted in May, 2022, months after potential counsel for Rudensky appeared at the case conference scheduling that motion for leave. Rudensky was noted in default in August, 2023. Rudensky took no steps to set it aside. The Plaintiffs can hardly be said to have acted precipitously or immediately upon the expiry of the technical deadline at every step of the way. Significant time has passed. They are entitled to get on with this action.
54. Rudensky has either simply ignored this action and its consequences completely, made service of all court documents exceedingly challenging and expensive, and then elected to attend fleetingly and sporadically to participate if at all, and even then only when it suited him. The result is that there have been multiple court appearances, significant expense occurred, and over two years wasted. As against that, Rudensky surfaces again, less than 24 hours before this hearing, without any credible explanation as to why he did not respond to the motion earlier, and seeks an adjournment of the motion for judgment.

55. In all the circumstances and for all of the above reasons, I declined the request for an adjournment.

The Position of the Plaintiffs on the Motion for Judgment

56. Based on the chronology set out above, the Plaintiffs seek a finding of joint and several liability against Rudensky for defamation, on the basis that, pursuant to Rule 19.02, he is deemed to admit the truth of all allegations of fact made in the Amended Claim.
57. The Plaintiffs are not pursuing default judgment at this time against Rudensky in respect of the other torts pleaded against him in the Amended Claim, and nor do they seek default judgment in respect of special, aggravated or punitive damages also pleaded, although reserve the right to do so pursuant to Rule 19.07.
58. The position of the Plaintiffs with respect to damages is that successful plaintiffs in defamation actions are entitled to general damages *per se*, since damages are presumed from the very publication of the false statements and are awarded “at large”.
59. Their position on this motion is that a significant damages award of \$500,000 is justified on the basis of, among other things:
- a. the extensive and frequent publication of the Unlawful Statements;
 - b. the targeting of Anson and Kassam, in the circumstances where they operate professionally (the asset management industry) within which a positive professional reputation is critical;
 - c. the targeting of Anson and Kassam with the intention of degrading their capacity, character and professional practice;
 - d. the use of the Internet to perpetrate and carry out the defamation, which is a more pervasive medium than print and which has a significant power to harm reputation;
 - e. the reference to threats of personal harm to Kassam and other Anson personnel;
 - f. the Internet-based mediums used to convey the Unlawful Statements, including purpose built webpages and popular online investor forums which were employed to ensure that the Unlawful Statements were both widely disseminated to the relevant target audience, and afforded a false air of credibility; and
 - g. Rudensky’s coordination with a large number of perpetrators to facilitate and disseminate the defamation of the Plaintiffs.
60. The Plaintiffs submit that there is no prejudice to the other Defendants, principally since they are not deemed to admit the allegations in the Amended Claim, and will be able to fully defend the Action. Moreover, even if the other Defendants are ultimately found liable following a trial, the principle against double recovery would operate so as to reduce the liability of the other Defendants to the extent that the Plaintiffs have then recovered damages from Rudensky.

61. Counsel for the Defendants James Stafford and Robert Doxtator appeared, as stated above. While acknowledging the issues with respect to their standing on this motion at all, as well as the fact that they had taken no position on this motion until the day of the hearing, they made brief submissions.
62. They submitted that default judgment against Rudensky ought not to be granted since it would create a risk of inconsistent findings even though deemed admissions by him were not admissions as against the remaining Defendants, given the allegations of collusion and conspiracy. They argued that such findings would operate to the prejudice of the other Defendants.
63. To be clear, counsel for the Plaintiffs confirmed that judgment was being sought in respect of defamation and not conspiracy, at this time. I am not persuaded by this submission about the risk of inconsistent findings. It is well settled that default judgement can issue as against some but not all defendants and in respect of some but not all claims. Such risks can be addressed at trial.
64. In my view, the deemed admission of a defendant who has been noted in default of the truth of the allegations of fact made in the statement of claim is a deemed admission by him only, and not any other party: per Lauwers, J. (as he then was) in *Van, et al v. Qureshi, et al*, 2011 ONSC 5746, at paras. 13 – 15, quoting with approval from *Coldmatic Refrigeration of Canada Ltd. v. Atlantic Aluminum Inc.*, 1998 CarswellOnt 1587, [1998] O.J. 1613, 79 A.C.W.S. (3d) 6, at para. 18.
65. Pursuant to Rule 19.05(2), a motion for judgment shall be supported by evidence given by affidavit if the claim is for unliquidated damages. This motion is supported by the Kassam Affidavit referred to above.
66. Pursuant to Rule 19.06, at plaintiff is not entitled to judgment merely because the facts alleged in the statement of claim are deemed to be admitted (as they are, pursuant to Rule 19.02(1)(a) and the noting in default), unless the facts entitle the plaintiff to judgment.
67. The issue therefore, is whether the Plaintiffs here are entitled to judgment (to the limited extent it is sought on this motion) on the facts.
68. In my view, they are, for the reasons set out below.
69. As noted at the outset of these Reasons, the Plaintiffs seek default judgment for defamation, a permanent injunction restraining Rudensky from publishing the Unlawful Statements, and a term of the judgment that if granted it is without prejudice to their right to seek further relief in respect of defamation in the form of punitive exemplary or aggravated damages, and costs. Judgment is not sought in respect of the claim for conspiracy.
70. The deemed facts need only withstand a rudimentary level of scrutiny in order to be accepted. The court should accept the alleged facts as true so long as they are not “manifestly unsustainable”, “gibberish”, “lacking an “air of reality””, or are otherwise contradicted by evidence: *Salimijazi v. Pakjou*, 2009 CarswellOnt 2013 (Sup. Ct. J.), at paras. 24-36.

71. I pause to observe that, while perhaps not determinative of this motion, the Amended Claim was already found by Conway, J. to have been sufficient to meet the test for leave to amend. The facts pleaded should be accepted as true.
72. The inquiry to be undertaken by the court on a motion for default judgment has three elements:
 - a. What deemed admissions of fact flow from the facts pleaded in the claim?;
 - b. Do those deemed admissions of fact entitle the plaintiffs, as a matter of law, to judgment on the claim?; and
 - c. If they do not, has the plaintiff adduced admissible evidence which, when combined with the deemed admissions, entitles it to judgment on the pleaded claim?

See: *Elekta Ltd. v Rodkin*, 2012 ONSC 2062 at paras. 13 and 14.

73. I will address these in order.

What Deemed Admissions of Fact Flow from the Facts as Pledaded?

74. The Amended Claim is some 158 pages in length, not including voluminous Appendices. While the length of the pleading is obviously irrelevant to the analysis, it is instructive here as to the particulars pleaded and the complexity and sophistication of the alleged conduct of the Defendants to defame Anson and Kassam. Allegations of defamation must be particularized with precision.
75. As stated at the outset of these reasons, Anson is a privately held alternative asset management firm. Kassam is its founder, a principal and a director and the Chief Executive Officer and Chief Investment Officer of the Plaintiff, Anson Advisors Inc.
76. Rudensky is (or was, if his submissions on the adjournment request are accepted) a partner of The Delavaco Group, a small merchant investment bank. He was previously an advisor at Richardson GMP before being disciplined by the Investment Industry Regulatory Organization of Canada (“IIROC”) for his personal financial dealings with clients.
77. Attached to the factum of the Plaintiffs as Appendix “A” is a Summary of Key Admissions (i.e., deemed admissions) relied upon on this motion. For convenience, I have appended that Summary to these reasons as Schedule “A” and incorporate it by reference into these Reasons.
78. In short, the allegations include the following:
 - a. Rudensky has engaged in a scheme (with his co-conspirators) to damage the business and reputations of Anson and Kassam, by falsely and repeatedly claiming that Kassam is a criminal and his businesses are engaged in conduct that is illegal, unethical, and contrary to Canadian and United States securities regulations (Amended Claim, paras. 2, 3);

- b. in order to further the scheme, Rudensky published thousands of defamatory posts on the popular investor website www.stockhouse.com (“Stockhouse”); created the Defamatory Manifesto (and its sequels) and repeatedly published those documents on purpose-built websites, intended only to host the defamatory content; hired freelance web developers in Bosnia and Herzegovina to register the purpose-built websites in order to conceal his involvement in the scheme; and took a variety of other steps to obscure his identity (as well as the identities of the other Defendants) (Amended Claim, paras. 26-29); and
 - c. to promote the reach of the Unlawful Statements, Rudensky (and the other Defendants) developed a mailing list of journalists, news editors, and others in the business community, and emailed copies of the Defamatory Manifesto (or links to it) to the entire mailing list (Amended Claim, para. 28(l)).
79. Examples of the Unlawful Statements set out in the Amended Claim include the following:
- a. “Moez Kassam and his Anson Funds systematically engaged in capital markets crimes, including insider trading and fraud, to rob North American shareholders of countless millions”;
 - b. Anson Funds and Kassam have been destroying companies through illegal means”;
 - c. Kassam is a “corrupt and criminal CIO at Anson Funds”; and
 - d. Kassam pursued “questionable and illegal activities” in “an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way: even those who helped him and ended up being disposable”.¹²
80. The Unlawful Statements also include descriptions of Kassam personally as “corrupt”, a “criminal”, “dirty”, a “scourge”, a “high functioning sociopath” and as the symbol of “everything that is wrong with the capital markets”.¹³
81. The “Defamatory Manifesto” referred to above is described in the Amended Claim as a lengthy Internet post containing Unlawful Statements about the Plaintiffs, anonymously written, published and disseminated by the Defendants on a series of websites. The Amended Claim alleges that the Defendants hired freelance web developers based in Bosnia and Herzegovina to register the websites on which they published the Defamatory Manifesto, in order to obscure the origins of the websites and conceal the involvement of the defendants in the publication.¹⁴
82. After the Plaintiffs were forced to take steps to have websites publishing the Defamatory Manifesto taken down, the Defendants republished it on new websites, again created in a manner to conceal their involvement. The Defendants used alter egos, false email

¹² Amended Claim, para. 2

¹³ Amended Claim, paras. 48 - 58

¹⁴ Amended Claim, para. 28(c)

addresses, Twitter accounts and VPNs, and provided links to the Defamatory Manifesto on various Internet message boards and chat rooms.¹⁵

Do the Deemed Admissions and/or the Adduced Admissible Evidence entitle the Plaintiffs to Judgment?

83. Do these deemed admissions of fact clearly entitle the Plaintiffs to judgment for the tort of defamation?
84. The elements of the tort are well settled. The plaintiff in a defamation action is required to prove three things to obtain judgment in an award of damages:
 - a. that the impugned words were defamatory, in the sense that they would tend to lower the plaintiff's reputation in the eyes of a reasonable person;
 - b. that the words in fact referred to the plaintiff; and
 - c. that the words were published, meaning that they were communicated to at least one person other than the plaintiff. The tort is thus one of strict liability.

See: *Grant v. Torstar Corp.*, 2009 SCC 61, at para. 28; *Magno v. Balita*, 2018 ONSC 3230 ("*Magno*"), at paras. 34-36; and *Sommer v. Goldi*, 2022 ONSC 3830, at para. 28.
85. I am satisfied that all three elements of the cause of action are met on the face of the Amended Claim.
86. The Unlawful Statements clearly targeted Anson and Kassam. They were published openly, and repeatedly, on the Internet. In short, this is not one of those cases where there is uncertainty as to the individuals to whom the defamatory words referred, or as to whether they were uttered at all.
87. It is not a close call, in my view, as to whether the Unlawful Statements are clearly defamatory in their plain and ordinary sense. Each of them accuses Anson and Kassam of unlawful, unethical and other dishonourable conduct, in a variety of ways. As submitted by the Plaintiffs, they allege that Anson and Kassam have engaged in serious capital markets crimes including insider trading, fraud and market manipulation. They allege that Anson and Kassam are corrupt, dishonest and deceptive, inept and incompetent, as is illustrated by the summaries excerpted above and in Schedule "A" hereto.
88. Statements of this very nature have been held to be harmful to the reputation of the plaintiff (and particularly a professional plaintiff) in that they would tend to lower the reputation of that plaintiff in the mind of a right-minded person: *Mirzadegan v. Mahdizadeh*, 2022 ONSC 6082 ("*Mirzadegan*"), at para. 11; *3 Pizzas 3 Wings Ltd. v. Iran Star Publishing*, 2003 CarswellOnt 6703 (Sup. Ct. J.), at para. 1; and *Magno*, at para. 39.
89. To be clear, I find that the Unlawful Statements would tend to lower the reputations of the Plaintiffs in the eyes of a reasonable person, the impugned words refer to the Plaintiffs and

¹⁵ Amended Claim, paras. 28 (g),(h) and (i)

the words were published. They were defamatory: *Grant v. Torstar Corp.*, [2009] 3 S.C.R. 640 at para. 28.

90. Default judgment for defamation has been granted by the courts in many cases. See, for example, *Barrick Gold Corp. v. Lopehandia*, 2004 CarswellOnt 2258 (C.A.) (“*Barrick Gold*”); *Emeny v. Tomaszewski*, 2019 ONSC 3298 (“*Emeny*”), *Mirzadegan*; *Manson v. John Doe*, 2013 ONSC 628; and *Sommer v. Goldi*, 2022 ONSC 3830 (“*Sommer*”).
91. Clearly, the Unlawful Statements state and imply that the Plaintiffs are guilty of criminal and professional misconduct. Great harm is suffered by the subject of such unproven posts: *Post v. Hillier*, 2022 ONSC 3793 (“*Post*”) at para. 18; *Emeny*, at paras. 30 to 36; *Seymour v. Nole*, 2022 BCSC 867, at para. 112; *Palen v. Dagenais*, 2013 SKQB 39, 413 Sask R 10, at para. 8; *Pinsent v Sandstrom*, 2014 ABQB 269, at para. 19.

Damages

92. The Plaintiffs submit, and I agree, that it is well-established that damages for defamation are presumed from the very publication of the false statement and are awarded at large: *Hill v. Church of Scientology of Toronto*, [1995] 2 S.C.R. 1130 (“*Hill*”) at para. 164.
93. Once the defamation is proven or admitted, a plaintiff is entitled to an award of general damages, without independent evidence of specific damages such as economic harm: *Hill* and *Post* at para. 24. General damages for defamation compensate plaintiffs for the distress suffered, repair the harm to their personal and professional reputation, and vindicate the reputation: *Post*, at para. 24.
94. In determining the appropriate amount of general damages, the court should consider a number of factors:
 - a. the conduct of the plaintiff;
 - b. the plaintiff’s position and standing;
 - c. the nature of the libel;
 - d. the mode and extent of publication;
 - e. the absence or refusal of any retraction or apology; and
 - f. the whole conduct of the defendant from the time when the libel was published to the moment of judgment.

See: *Hill*, at para. 182 and *Mirzadegan*, at para. 12.

95. A higher damages award can be justified where social media was used to spread the defamatory statements: *Barrick Gold*, at paras. 31 and 34.
96. The courts have recognized that the injurious effects of defamatory statements regarding a professional are particularly acute: *Rutman v. Rabinowitz*, 2018 ONCA 80 at para. 62, quoting with approval from *Hill* at paras. 180-181; *Sommer*, at para. 32; and *Theralese Technologies Inc. v. Lanter*, 2020 ONSC 205 at para. 39.

97. This is certainly so for professionals in the investment management sphere, where honesty and integrity, as well as competence, are critical.
98. The reputations of Anson and Kassam are well-established in the record. They are intertwined, and are well-known in the North American business and philanthropic community, as well as in the financial markets and investment industry. Kassam was named to Canada's Top 40 Under 40.
99. I am satisfied that the mode and extent of publication is broad and in fact extraordinary. The defamation began in the summer of 2019, if not earlier, and continues to the present. The Unlawful Statements include over 1,000 individual defamatory postings on Stockhouse and other online investor forums.
100. As observed by the Court of Appeal in *Barrick Gold*, the "mode and extent of publication" factor plays a particularly important role in cases of "cyber libel" such as this one, given that the Internet provides "absolute and immediate worldwide ubiquity and accessibility", and the interactive yet anonymous nature of Internet publication creates an even greater potential for being taken at face value: *Barrick Gold*, at paras. 12, 28 – 34. See also *Sommer* at para. 35; *Rutman* at paras. 68 – 70; and *Theralese* at paras. 14 at paras. 32 – 38.
101. There is no evidence in the record of any retraction or apology from Rudensky, nor in fact of any effort to undo or account for the harm he has caused. In fact, the Amended Claim and the deemed facts are to the contrary: the Unlawful Statements have been published repeatedly, and when they are taken down they are republished on a new website. They remain available on the Internet today. The Court of Appeal observed in *Barrick Gold* the "dogged pursuit of the libelous campaign even after the commencement of the proceedings" as a seriously aggravating factor: *Barrick Gold* at para. 51.
102. In my view, this conduct is exacerbated by the use, as here, of "burner" email accounts, VPNs, and the use of websites and servers in foreign jurisdictions such as Bosnia and Herzegovina, all done with an effort to conceal the identity of those publishing the statements and make them difficult to track and account for their actions.
103. What, then, is an appropriate amount of general damages? The courts have cautioned that defamation actions are particularly fact-sensitive with the result that a detailed comparison of libel awards may be of only marginal assistance: *Rutman*, at para. 14. This is obviously accurate, but in my view damages awards in comparable cases do provide some guidance and assistance for this Court.
104. Examples of some comparable matters in which damages for defamation have been awarded include the following:
 - a. *3 Pizzas 3 Wings Ltd. v. Iran Publishing*, 2003 CarswellOnt 6703 (Sup. Ct. J.), where damages of \$750,000 were awarded to the corporate plaintiff in addition to \$75,000 for the individual plaintiff in respect of a single defamatory article published in a GTA community newspaper;
 - b. *Magno*, where, on a motion for summary judgment, general and aggravated damages of \$300,000 were awarded in addition to punitive damages of \$110,000,

in respect of 35 defamatory articles published online and in print over a 14 month period on multiple media platforms, referred to by the motions judge as an “all-out cyber attack”;

- c. *Sommer*, where the plaintiff (a professional plaintiff - a lawyer) was awarded \$300,000 in general damages plus an additional \$150,000 and aggravated and punitive damages in respect of the prolonged Internet campaign against him by the defendants against whom default judgment was granted;
 - d. *Mirzadegan*, where, on a motion for default judgment as here, the plaintiff (an immigration consultant and his small business) was awarded \$200,000 in general damages and \$50,000 in aggravated damages, in respect of a series of negative reviews and complaints about the plaintiffs posted online and on social media by the defendants; and
 - e. *Emeny*, where, on a motion for default judgment as here, the plaintiff, a touring stand-up comedian, was awarded general damages of \$250,000, special damages of \$100,000 and punitive damages of an additional \$100,000, in respect of a series online postings of defamatory statements through tweets, on a comedy forum and on Facebook.
105. In the present case, I must also bear in mind the limited scope of the relief sought on this motion. The plaintiffs are not seeking today, but reserve the right to seek in the future, aggravated and punitive damages, as well as special damages, for defamation, in addition to damages that may be proven in respect of the other torts pleaded in the Amended Claim.
106. In the result, and having considered all of the factors as against the particular circumstances of this case, in my view an appropriate award of general damages for defamation is \$450,000.

Injunctive Relief

107. Finally, Anson and Kassam seek a permanent injunction restraining Rudensky from publishing further defamatory statements about them and including a ban on republishing the Unlawful Statements.
108. The courts will grant injunctive relief to prevent a defendant from continuing to disseminate defamatory material that affects the plaintiff's reputation: *Astley v. Verdun*, 2011 ONSC 3651, at para. 20.
109. In that case, as here, the court observed that permanent injunctions have “consistently been ordered” where either:
- a. there is a likelihood that the defendant will continue to publish defamatory statements despite the finding that he is liable to the plaintiff for defamation; or
 - b. there is a real possibility that the plaintiff will not receive any compensation, given that enforcement against the defendant of any damage award may not be possible.

See *Astley*, at para. 21. See also *Barrick*, at paras. 68 – 78; *Emeny*, at para. 60; and *Paramount v. Kevin J. Johnston*, 2019 ONSC 2910 at para. 66.

110. All of the same factors apply to the present case. I am satisfied that a permanent injunction should be granted on the basis of either of the two disjunctive factors.
111. Indeed, both factors are satisfied here. Given Rudensky's failure to respond to this action, his efforts to evade service of documents, and the fact that the Unlawful Statements continue to be published without contrition or apology, I am satisfied that there is a likelihood that Rudensky will continue to publish defamatory statements despite any finding of liability.
112. I am also satisfied that there is a real possibility that the plaintiff will not receive any compensation given that enforcement against Rudensky of any damage award may not be possible. Rudensky advised the Court in his submissions on the adjournment request that he does not reside in this jurisdiction.
113. In addition, the report of the licensed private investigator retained by the Plaintiffs in connection with their efforts to serve Rudensky reflects that he sold his house in Oakville, Ontario and bought a residential property in Naples Florida, in March 2022. That was the very time period in which the Plaintiffs' motion for leave to file the Amended Claim adding Rudensky as a Defendant to this proceeding was pending.

Result and Disposition

114. The Plaintiffs' motion for default judgment against Rudensky is granted. The sum of \$450,000 is awarded for general damages for defamation. Judgment is without prejudice to the right of the Plaintiffs to seek further relief against Rudensky.
115. A permanent injunction is granted restraining Rudensky from republishing the Unlawful Statements or publishing further defamatory statements about Anson and/or Kassam, including Anson's current or past personnel.
116. The Plaintiffs seek costs of \$50,233.59 on a substantial indemnity scale in respect of this motion. That amount is inclusive of fees, disbursements and HST. The Plaintiffs have filed a costs outline and bill of costs.
117. Substantial indemnity costs will be awarded against libelous defendants who refused to account for their actions: *Manson*, at paras. 32 -33; and *Theralese*, at para. 80.
118. Pursuant to s. 131 of the *Courts of Justice Act*, R.S.O. 1990, c.C.43, costs are in the discretion of the court, and the court may determine by whom and to what extent the costs shall be paid.
119. Rule 57.01 provides that in exercising its discretion under s. 131, the court may consider, in addition to the result in the proceeding (and any offer to settle or contribute), the factors set out in that Rule.

120. The overarching objective is to fix an amount that is fair, reasonable, proportionate and within the reasonable expectations of the parties in the circumstances: *Boucher v. Public Accountants Council for the Province of Ontario*, (2004) 71 O.R. (3d) 291 (C.A.), 2004 CanLII 14579 (Ont. C.A.).
121. There was significant work involved in preparing the motion materials, written and oral argument, and attending at the hearing of the motion. The amount claimed in the overall proceeding exceeds \$100 million. Default judgment was sought for \$500,000. In short, the sums at stake merit significant time and attention. The issues on this motion are of high importance for the reasons set out above.
122. As reflected in the bill of costs, the Plaintiffs have not sought recovery for costs of senior counsel, articling students or law clerks, disbursements for the private investigator referred to above, and other costs as set out in the bill of costs.
123. In my view, and having considered all of the circumstances of this case as against the factors set out in Rule 57.01, an appropriate award of costs is \$45,000, inclusive of fees, disbursements and HST. Rudensky is to pay this amount to the Plaintiffs within 30 days.
124. Order to go to give effect to these reasons.

A handwritten signature in black ink, appearing to read "Osborne, J.", with a stylized flourish at the end.

Osborne J.

Schedule “A”

Summary of Key Admissions

Key Admissions	Examples of Pleading in Amended Claim
<p>Rudensky has participated in a coordinated scheme to defame Kassam and Anson, and was directly involved in writing and publishing the Unlawful Statements.</p>	<p>Amended Claim, at para. 2:</p> <p>Since at least the summer of 2019 and intensifying to the present, the Defendants James Stafford, Andrew Rudensky, Robert Lee Doxtator and Jacob Doxtator have engaged in a scheme with each other and other unknown persons to damage the business and reputations of a successful securities business, Anson, and its founder, Moez Kassam. Specifically, the Defendants conspired to falsely and repeatedly claim that Kassam is a criminal and that he and his businesses are engaged in conduct that is illegal, unethical, and contrary to Canadian and United States securities regulations. The Defendants have, for example, published or encouraged the publication of the following false and defamatory statements...</p> <p>Amended Claim, at paras. 25-27:</p> <p>25. Stafford, Rudensky, Robert, Jacob (Robert and Jacob together are referred to as the “Doxtators”) and the Unknown Defendants are parties to a sophisticated, coordinated scheme to damage the Plaintiffs’ business and reputations (the “Conspiracy”).</p> <p>26. In particular, and as described further below, in furtherance of this Conspiracy, the Defendants maliciously and intentionally entered into an agreement to conspire with one another and committed acts with the predominant purpose of injuring the Plaintiffs by damaging their business and reputations. In addition, or in the alternative, in furtherance of this Conspiracy, the Defendants have acted in a concerted and coordinated effort while using unlawful means aimed at the Plaintiffs, including but not limited to acts that amount to</p>

L

	<p>defamation at law, when they knew, or ought to have known, that significant harm to the Plaintiffs would result. In fact, the Defendants have caused significant damage to the Plaintiffs' business and reputations through their unlawful, improper conduct. Furthermore, the Defendants took sophisticated steps to conceal their identities and advance the Conspiracy anonymously (using, among other things and as described further below, offshore web developers based in Bosnia and Herzegovina, temporary "burner" email addresses, virtual private networks ("VPNs"), fake identities, anonymous Twitter profiles, and more) because they knew that they were engaged in unlawful conduct. The Defendants are savvy about capital markets and deliberately fabricated allegations about the Plaintiffs – or at best were reckless as to whether the allegations were false – in order to sabotage their business. In addition, some or all of the Defendants are routinely engaged in pump and dump schemes and publicly blame the Plaintiffs when the artificially inflated share prices of the companies at issue ultimately return to their lower, intrinsic levels.</p> <p>27. In the Conspiracy, Stafford, Rudensky and the Doxtators coordinated and agreed with one another and with the Unknown Defendants to harm the Plaintiffs through a carefully planned and executed plot. This plot has included fabricating, spreading and publicizing a series of unlawful, abusive, false, malicious, harassing and defamatory statements about Anson, Kassam and other individuals connected with Anson (the "Unlawful Statements"), including by first publishing defamatory comments on the website Stockhouse, and then on a series of websites generated by the Defendants, as set out below, in an attempt to manufacture a narrative to harm Anson and Kassam;</p>
--	---

Hiring freelance web developers based in Bosnia and Herzegovina to register the websites on which Unlawful Statements were posted, for the purpose of concealing the Defendants' identities; taking other sophisticated steps to obscure their identities while disseminating Unlawful Statements, including hiring Bosnian developers, using VPNs, burner email addresses and false identities; sending targeted communications containing the Unlawful Statements via email, including to reporters, as well as disseminating the Unlawful Statements on Twitter, Reddit and other platforms; and attempting to improperly attract media attention to the Unlawful Statements. Moreover, the Defendants have sought to disseminate the Unlawful Statements internationally to individuals in (at least) the United States (where the Plaintiffs do business) as well as in Canada, with the intention of causing maximum, widespread harm to the Plaintiffs.

Amended Claim, at para. 66-69:

66. In or around summer or early fall 2020, Stafford, Rudensky and/or Robert met or spoke and agreed to concoct defamatory allegations against the Plaintiffs and coordinate the content of the Defamatory Manifesto. They were motivated by their respective animus against the Plaintiffs, as described herein. Stafford was aware of Robert's animus against the Plaintiffs because he had publicly documented it via Twitter.

67. Stafford, Rudensky and/or Robert met or spoke on at least four occasions to plan the Defamatory Manifesto. At those meetings,

	<p>some of which were recorded and/or transcribed, Stafford solicited Robert and Rudensky for material to include in the Defamatory Manifesto. Robert and Rudensky – purportedly acting as “sources” for Stafford as a “journalist” – made false and defamatory allegations against the Plaintiffs that they knew and intended that Stafford or others would use in the Defamatory Manifesto. Stafford, Robert and Rudensky planned to publish the Defamatory Manifesto anonymously because they knew the allegations it contained were defamatory. When Robert later spoke to Kassam about the Defamatory Manifesto, he falsely told Kassam that, although he knew about the Defamatory Manifesto, he was not involved in its drafting or publication, and instead blamed only Stafford and Rudensky (as described in paragraphs 98-99 below).</p> <p>68. Excerpts from transcripts of meetings and/or conversations between Stafford, Rudensky and/or Robert to plan the Defamatory Manifesto are included in Appendix “E” at section A. As set out in Appendix “E” at section A, the excerpts from the transcripts establish that: Rudensky was involved in preparing the Defamatory Manifesto; Stafford and Robert discussed drafting the Defamatory Manifesto, with Stafford asking Robert to draft false and defamatory allegations against the Plaintiffs; Stafford, Rudensky and Robert intended to harm the Plaintiffs by targeting their relationships with brokers and regulators; Stafford was paid to promote Facedrive; Stafford and Robert discussed Rudensky’s employer, Andy DeFrancesco; and Robert was involved in critical research findings published about public companies, including Aphria.</p> <p>69. Stafford, Rudensky, Robert, Jacob and the other Unknown Defendants then wrote or contributed to the Defamatory Manifesto –</p>
--	--

	using the material provided by Robert and Rudensky as well as material from other Defendants and other sources – and/or published, disseminated or publicized the Defamatory Manifesto, as set out below.
The Unlawful Statements are defamatory.	<p>Amended Claim, at para. 127:</p> <p>127. Finally, the Defendants are liable for defamation for the false and highly defamatory statements made in the Unlawful Statements, including the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, and, ultimately, the Defamatory Manifesto (which was published multiple times, using various domain names), the Second Defamatory Manifesto, the Stafford Unlawful Stockhouse Statements and the Additional Unlawful Posts. The Doxtators are further liable for the false and defamatory statements they published about the Plaintiffs on Twitter...</p> <p>See also paragraphs 127-134, 141-442, which describe the defamatory meaning of the Unlawful Statements Rudensky is deemed to have admitted to having participated in publishing.</p>
Rudensky (and the other Defendants) have taken steps to promote the dissemination of the Unlawful Statements, and to counteract the Plaintiffs' attempts to have the Unlawful Statements removed.	<p>Amended Claim, at para. 28:</p> <p>28. Steps taken by the Defendants pursuant to the Conspiracy include the following:</p> <p>...</p> <p>(c) beginning on or around September 27, 2020, after the Plaintiffs took steps to have the Unlawful Statements on Stockhouse removed, the Defendants conspired to anonymously write, publish and disseminate a lengthy Internet post containing Unlawful Statements</p>

about the Plaintiffs (the “Defamatory Manifesto”) on a series of websites. The Plaintiffs believe that Stafford led the effort to draft and publish the Defamatory Manifesto, including because Stafford styles himself a “journalist” and is often hired as a promoter of stocks – including those mentioned in the Defamatory Manifesto – in pump and dump schemes, with the aim of creating publicity in order to artificially and often temporarily inflate the share price of companies in which his clients have a financial interest. The Defamatory Manifesto also mimics Stafford’s sensationalist writing style. The Plaintiffs further believe that Robert and Rudensky directly participated in the preparation and/or drafting of the Defamatory Manifesto, including (but not limited to) supplying Stafford with many of the false and defamatory allegations against the Plaintiffs, which Stafford then incorporated into the Defamatory Manifesto. However, the precise roles of the Defendants in crafting and disseminating the Defamatory Manifesto are known to them alone, and not yet known to the Plaintiffs;

(d) and often temporarily inflate the share price of companies in which his clients have a financial interest. The Defamatory Manifesto also mimics Stafford’s sensationalist writing style. The Plaintiffs further believe that Robert and Rudensky directly participated in the preparation and/or drafting of the Defamatory Manifesto, including (but not limited to) supplying Stafford with many of the false and defamatory allegations against the Plaintiffs, which Stafford then incorporated into the Defamatory Manifesto. However, the precise roles of the Defendants in crafting and disseminating the Defamatory Manifesto are known to them alone, and not yet known to the Plaintiffs;

	<p>(e) as part of the Defamatory Manifesto, the Defendants set up a “tipline” operated by Stafford to collect further false and defamatory allegations against the Plaintiffs;</p> <p>...</p> <p>(g) after the Plaintiffs were forced to take steps to have websites publishing the Defamatory Manifesto taken down, the Defendants again re-published it on new websites, which were once again created in a manner to conceal the Defendants’ involvement. A version of the Defamatory Manifesto remains available on the Internet;</p> <p>(l) the Defendants generated an Excel spreadsheet titled “Journalists.xlsx” that was made up of a list of journalists, news editors and others in the business community to whom the Defamatory Manifesto would be sent, with the goal of maximizing its distribution (the file was created on September 30, 2020 and listed 2,854 names). In the metadata, James Stafford (who purports to be a “journalist” with access to such contacts) is indicated as the “author” of this spreadsheet. The Defendants sent the Defamatory Manifesto to the media in a concerted but unsuccessful attempt to use the media to further publicize the Unlawful Statements and lend them a false and unwarranted air of credibility;</p>
Rudensky has taken steps to conceal his identify, and that of his co- conspirators.	<p>Amended Claim, at para. 28.</p> <p>28. Steps taken by the Defendants pursuant to the Conspiracy include the following:</p> <p>...</p> <p>(f) The Defendants hired freelance web developers based in Bosnia and Herzegovina to register the websites on which they published the Defamatory Manifesto, to obscure the websites’ origins and conceal the</p>

	<p>Defendants' involvement in the publication, something that would only be part of a sophisticated plot;</p> <p>....</p> <p>(h) the Defendants used alter-ego Twitter accounts, and/or hired or otherwise procured or involved additional conspirators, to further disseminate and publish links to the Defamatory Manifesto;</p> <p>(i) the Defendants, similarly concealing their identities through alter-egos, using fake email addresses and Twitter accounts and VPNs, and/or by hiring or otherwise procuring or involving additional conspirators for this purpose, publicized and provided links to the Defamatory Manifesto on various Internet message boards and chat rooms. These message boards and chat rooms related to the Canadian and U.S. securities markets and are frequented by investors;</p> <p>(j) the Defendants also used alter-ego Twitter accounts to publish further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs, including wishing harm to come to Kassam, and inciting or encouraging others to harm him;</p> <p>(k) the Defendants published further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs through targeted emails sent from an anonymized email address;</p> <p>(m) from fall 2020 through at least spring 2021, the Defendants continued their coordinated defamation campaign by publishing false and defamatory Unlawful Statements in over 1,000 posts on the website Stockhouse. The Defendants took steps to conceal their identities and obscure</p>
--	---

	the origin of these additional Stockhouse posts by using VPNs, and temporary email addresses;
Rudensky has acted with malice.	<p>Amended Claim, at para. 33:</p> <p>33. The Defendant Rudensky has an animus against Anson and Kassam tracing back to at least December 2018, when an independent forensic financial research firm, Hindenburg Research, posted critical findings about Aphria Inc. (“Aphria”), a publicly traded cannabis start-up. During this period, Aphria’s stock price fell over 40%. The critical research findings related to a key promoter of Aphria who is one of its founders, Andy DeFrancesco. DeFrancesco is the CEO of The Delavaco Group, a merchant bank of which Rudensky is a partner. Rudensky wrongfully blamed the Plaintiffs for Hindenberg’s critical research findings regarding Aphria.</p>
Rudensky (and the other Defendants) have encouraged republication of the Unlawful Statements	<p>Amended Claim, at para. 145:</p> <p>145. The Defendants are also liable for republication of all of the Unlawful Statements, which was a natural and probable result of the Unlawful Statements given, among other things, the volume of Unlawful Statements published and publicized by the Defendants. In fact, the Defendants actively encouraged republication of the Defamatory Manifesto and Second Defamatory Manifesto, both in the text of the Defamatory Manifesto and Second Defamatory Manifesto themselves, and in Robert’s and Jacob’s tweets sharing the Defamatory Manifesto. Many of the nearly 1,000 Further Unlawful Stockhouse Statements also actively encouraged the republication of the Defamatory Manifesto and/or other Unlawful Statements. Republications of the Defamatory Manifesto and Second Defamatory Manifesto currently remain online.</p>

Rudensky conduct has caused substantial damage to Kassam and Anson's reputation.

Amended Claim, at paras. 146-148

146. The Defendants' conduct has caused substantial damage to the Plaintiffs' business and reputations. The Unlawful Statements have been widely distributed and publicized and have been viewed by thousands of people to date. Versions of the Defamatory Manifesto and the Second Defamatory Manifesto remains widely available on the Internet. The Unlawful Statements have significantly interfered with and disrupted the Plaintiffs' business and affairs and their relationship with clients, counterparties, and potential investors, leading to a loss of business opportunities.

147. Moreover, the Plaintiffs have incurred significant costs and spent a significant amount of time investigating who is behind the Conspiracy and in seeking to have the Unlawful Statements removed from various websites.

148. As mentioned above, Anson has also received threatening telephone calls to its offices because of the Unlawful Statements.

Amended Claim, at paras. 150-151

151. Finally, the Defendants are liable for aggravated and punitive or exemplary damages. The Defendants maliciously and intentionally caused harm to the Plaintiffs through the repeated and coordinated and continuing publication, and broad online dissemination, of the Unlawful Statements. Further, Robert attempted to obtain significant payments and other benefits to purportedly assist Anson, which Anson refused. The Defendants knew, and in fact intended, that serious harm would result from their unlawful conduct.

152. The Defendants executed a coordinated, malicious campaign to spread lies about the Plaintiffs and damage their business, including

	<p>attempting to reach the attention of securities regulators such as the OSC, the SEC, and IIROC. The Plaintiffs believe that the Defendants intended to cause them to become the subject of regulatory inquiries or investigations on the basis of these false and misleading allegations. Such inquiries or investigations would result in serious and irreparable reputational harm, and in addition would force the Plaintiffs to divert significant time, financial and other resources, and management attention, towards addressing any such inquiries or investigations. The Defendants also took steps to attract media attention to the Unlawful Statements in an attempt to further publicize them. The Defendants acted in a high-handed, malicious, arbitrary and/or highly reprehensible manner, as set above, which constitutes a marked departure from ordinary standards of decent behaviour. The Defendants' conduct requires the sanction of the Court.</p>
<p>Rudensky (and the other Defendants) have persisted in publishing the Unlawful Statements despite Kassam and Anson's efforts to have the Unlawful Statements removed, and have threatened to publish further defamatory statements about Anson and Kassam.</p>	<p>Amended Claim, at para. 79:</p> <p>79. The earliest published version of the Defamatory Manifesto purported to be a standalone document. The Defamatory Manifesto was later amended to allege that it was the first of a three-part series (similar to the "Part 1" concept used in the title of the July 23 Stockhouse Post). "Part 2", the Second Defamatory Manifesto, has been published, as set out below. To Anson's knowledge, the third part has not yet been published. If it is, and it contains false, malicious and defamatory content similar to the Unlawful Statements already contained in the Defamatory Manifesto and the Second Defamatory Manifesto, it will cause further, irreparable damage to the Plaintiffs' business and reputations.</p>

	<p>Amended Claim, at para. 150:</p> <p>150. The Plaintiffs also seek an interim, interlocutory and permanent injunction restraining the Defendants from publishing further unlawful and defamatory statements about the Plaintiffs. As noted above, despite Anson’s diligent attempts to have the Defamatory Manifesto and Unlawful Stockhouse Statements removed from the Internet, the Defendants persist in acquiring new websites to publish and disseminate the Defamatory Manifesto, the Second Defamatory Manifesto and Additional Unlawful Posts; in repeating the Unlawful Statements and publicizing the Defamatory Manifesto and Second Defamatory Manifesto through social media, including Twitter; and in publishing the Further Unlawful Stockhouse Statements, which publicized and disseminated the Defamatory Manifesto, Second Defamatory Manifesto and other Unlawful Statements. In addition, the Defendants threatened the release of two additional “Parts” to the Defamatory Manifesto. They have released one additional “Part”, the Second Defamatory Manifesto, as well as the Additional Unlawful Posts about the Plaintiffs. This conduct has caused, is causing, and will continue to cause irreparable harm to the Plaintiffs’ business and their reputations. This nonstop game of “whack-a-mole” cries out for a remedy.</p>
--	--

TAB 4

1

1

Court File No. CV-20-00653410-00CL

2

ONTARIO

3

SUPERIOR COURT OF JUSTICE

4

COMMERCIAL LIST

5

B E T W E E N:

6

7

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,

8

ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM

9

Plaintiffs/Responding Parties

10

11

- and -

12

13

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,

14

JACOB DOXTATOR, and JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,

15

JOHN DOE 4 and OTHER PERSONS UNKNOWN

16

Defendants/Moving Party

17

18

--- This is the Cross-examination of ANDREW RUDENSKY,

19

upon his affidavit sworn November 15, 2023, taken

20

via Veritext Legal Solutions, a Veritext Company's

21

virtual platform, on the 18th day of December, 2023.

22

23

24

REPORTED BY: Judith M. Caputo, RPR, CSR, CRR

25

1 A P P E A R A N C E S :

2

3 Robert W. Staley, Esq., for the Plaintiffs/
4 & Douglas A. Fenton, Esq., Responding Parties.
5 & Dylan Yegendorf, Esq.

6

7 John Polyzogopoulos, Esq., for the Defendant/
8 & Connor Allison, Esq., Moving Party,
9 Andrew Rudensky.

10

11 OBSERVING:

12

13 Nicole Kelly, Esq., for the Defendants,
14 James Stafford and
15 Jacob Doxtator.

16

17

18

19

20

21

22

23

24

25 Job No. ON6348326

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

I N D E X

WITNESS: ANDREW RUDENSKY

PAGE

CROSS-EXAMINATION BY MR. STALEY..... 4

* * * The following list of undertakings,
advisements and refusals is meant as a guide only
for the assistance of counsel and no other purpose * * *

INDEX OF UNDERTAKINGS

The questions/requests undertaken are noted by U/T
and appear on the following pages: 39:3

INDEX OF ADVISEMENTS

The questions/requests taken under advisement are noted
by U/A and appear on the following pages: (NONE NOTED).

INDEX OF REFUSALS

The questions/requests refused are noted by R/F and
appear on the following pages: 43:7, 43:12, 43:17,
43:23, 44:3, 44:10, 44:14

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

INDEX OF EXHIBITS

NUMBER/DESCRIPTION

PAGE NO.

(NONE MARKED)

1 -- Upon commencing at 2:06 p.m.

2

3

ANDREW RUDENSKY: AFFIRMED.

4

CROSS-EXAMINATION BY MR. STALEY:

5

1 Q. Good afternoon, Mr. Rudensky. I
6 am Robert Stanley, a lawyer who's acting for Anson
7 and Mr. Kassam, and I'm going to ask you a few
8 questions this afternoon.

9

And I'm going to start by referring to
10 your affidavit. You will confirm to me, sir, that
11 you swore an affidavit on November 15th, 2023 in
12 this proceeding?

13

A. I did.

14

2 Q. Okay. And have you reviewed the
15 contents of the affidavit before the examination
16 today?

17

A. I have.

18

3 Q. Are there any corrections that you
19 wish to make to the affidavit before I ask you
20 questions about it?

21

A. Not at this moment.

22

4 Q. Okay. And I just want to start,
23 sir, with some background. As I understand your
24 evidence, you now live in Florida?

25

A. Correct.

1 5 Q. And that's where you're joining us
2 from today?

3 A. Correct.

4 6 Q. And you own a house or a home at
5 4445 Silver Fox Drive in Naples, Florida?

6 A. Correct.

7 7 Q. And is that your primary
8 residence?

9 A. It is.

10 8 Q. And you live there with your wife
11 Caitlin Plunkett?

12 A. I do.

13 9 Q. You describe yourself, sir, as a
14 stock trader. What do you do for a living?

15 A. I manage my own capital, invest,
16 some small consulting work. That's about it.

17 10 Q. And you were previously with
18 GMP Richardson; is that correct?

19 A. Richardson GMP.

20 11 Q. Richardson GMP, sorry, yes.

21 And you left Richardson GMP, and as I
22 understand it, after you left Richardson GMP you
23 had some sort of an association with the Delavaco
24 Group; is that correct?

25 A. Following that, I did work

1 alongside Delavaco, yes.

2 12 Q. Can you tell me what is the
3 Delavaco Group?

4 A. Delavaco Group is a small merchant
5 bank in Toronto run by a man named Andy
6 DeFrancesco. They assemble assets, raise capital,
7 bring companies public.

8 13 Q. And when did you first become
9 involved with Delavaco Group?

10 A. Sometime in 2017, maybe early
11 2018.

12 14 Q. And do you still have any
13 association, let me start with Delavaco Group or
14 Mr. DeFrancesco?

15 A. Pardon me, what was the question?

16 15 Q. Do you still have any association
17 with either Delavaco Group or Mr. DeFrancesco?

18 A. I do not.

19 16 Q. And when did you no longer -- when
20 did you stop working with Delavaco Group?

21 A. I stopped working early 2021 is
22 when I moved on.

23 17 Q. Okay. Is there a reason why you
24 moved on at that time?

25 A. Nothing particular. I thought my

1 time had come to an end there and was looking to do
2 some different things.

3 18 Q. Now, Delavaco Group, as I
4 understand, has had some regulatory issues. Was
5 your departure from there associated with any
6 regulatory issues they had?

7 A. No, that was not a reason.

8 19 Q. Okay. You say in paragraph 14 of
9 your affidavit you were never a formal employee or
10 partner of Delavaco Group. Can you tell me, what
11 was the nature of your association or your
12 relationship with Delavaco Group?

13 A. My involvement with the group, I
14 was assisting Andy DeFrancesco with all of his
15 trading, transactions, liquidity for his family
16 accounts, and I kind of oversaw the trading aspect
17 for his family.

18 20 Q. And at the time that you had an
19 association with Delavaco Group, how big an outfit
20 was it?

21 A. In terms of like individuals
22 working --

23 21 Q. Yes.

24 A. -- within the group?

25 22 Q. Yes, number of people working

1 there.

2 A. I'm going to guess, ballpark,
3 probably just under ten people.

4 23 Q. Okay.

5 A. To the best of my recollection.

6 24 Q. Okay. Now, you told me that you
7 left Delavaco Group in 2021. I think your
8 affidavit says you left in 2020, in paragraph 13.
9 Are you sure about when it is that you left?

10 A. I believe my e-mail was
11 disconnected in 2020, and then after that is when I
12 stopped working there.

13 25 Q. So as I understand it, you stopped
14 working after your e-mail address was disconnected;
15 is that your evidence?

16 A. Yes, that's correct.

17 26 Q. And was there a reason why your
18 e-mail was deactivated before you stopped working
19 with the Delavaco Group?

20 A. I really wasn't on e-mail very
21 much, and I didn't really have a use for it. There
22 wasn't any specific reason that I can point to why
23 we decided to disconnect it.

24 27 Q. Okay. Now, as I understand, sir,
25 you previously owned a home on Melvin Avenue in

1 Oakville; is that correct?

2 A. That's correct.

3 28 Q. And you sold that home in March of
4 2022?

5 A. Yes.

6 29 Q. And that was your residence from
7 the time that you bought it in 2017 until you sold
8 it in 2022?

9 A. Pardon me, what was that?

10 30 Q. That was your primary residence
11 from the time you purchased it until the time you
12 sold it; is that fair?

13 A. Yes.

14 31 Q. And is that where you lived when
15 you worked at the Delavaco Group?

16 A. I lived there, yes.

17 32 Q. Now, I'm going to have
18 Mr. Yegendorf at times pull up portions of your
19 affidavit. And I'm going to start in paragraph 9.

20 A. Do I need a copy of it, or --

21 33 Q. We're going to pull it up on the
22 screen so we'll have it in front of you when I ask
23 you questions about it.

24 A. Okay.

25 34 Q. So you say in paragraph 9 that you

1 first learned of the Plaintiff's intention to
2 involve you in this action on or about
3 September 30, 2021 when you received a call from
4 Mr. Kassam. And you go on to describe the call; do
5 you see that, sir?

6 A. I see that.

7 35 Q. And you then go on in
8 paragraph 10 -- I'll have Mr. Yegendorf pull that
9 down a bit so it's easier to read -- that you then
10 contacted your former counsel at Groia & Company;
11 do you see that, sir?

12 A. I do.

13 36 Q. Okay. Now, I do not -- in
14 answering my question, I don't want you to share
15 with me any advice that you received from the Groia
16 firm. I'm simply looking to just put some dates
17 around things and just understand some basic facts.

18 You say, "Immediately following the
19 call, I contacted Groia & Company." Are you able
20 to tell me how soon after the call you contacted
21 Groia & Company?

22 A. Best of my recollection, probably
23 immediately. That day probably.

24 37 Q. Okay. Now, sir, at the time that
25 you contacted Groia & Company you were aware that

1 there was a lawsuit already outstanding and
2 Mr. Kassam was threatening to add you to the
3 lawsuit; was that your understanding, sir?

4 A. My understanding was that he was
5 threatening to add me to the lawsuit, yes.

6 38 Q. At that time, sir, did you have or
7 did you get a copy of the then existing Statement
8 of Claim?

9 A. No.

10 39 Q. Sir, I'm going to have
11 Mr. Yegendorf turn up the tab 61 of the Anson
12 responding motion record.

13 And, sir, this is an e-mail that you
14 received, or that was sent to two e-mail addresses
15 on October 6, 2021, from Blake Cassels; do you see
16 that, sir?

17 A. I see that.

18 40 Q. And the two e-mail addresses that
19 are used there are Andrew.rudensky@gmail.com; do
20 you see that?

21 A. I do.

22 41 Q. And ar@delavaco.com; do you see
23 that?

24 A. I do.

25 42 Q. And as I understand your evidence,

13

1 sir, your evidence is by the time that this e-mail
2 was sent you no longer used or had access to the
3 Delavaco e-mail account; is that correct, sir?

4 A. That's correct.

5 43 Q. My understanding, sir, and you'll
6 tell me if I'm wrong, is that at the time the
7 e-mail was sent you still had access to the
8 andrew.rudensky@gmail.com e-mail address; is that
9 correct?

10 A. That I still had access to it?

11 44 Q. Yes.

12 A. I believe so, yes.

13 45 Q. It was still a live e-mail
14 account?

15 A. Yes.

16 46 Q. And as I understand your evidence,
17 it was not an account that you had connected to
18 your smartphone; is that your evidence?

19 A. That is.

20 47 Q. And it's not an e-mail address
21 that you checked regularly?

22 A. Correct.

23 48 Q. And it was sometime around this
24 time that you started using, sir, another Gmail
25 address; is that your evidence, sir?

1 A. I had another e-mail account that
2 I used, yes.

3 49 Q. Okay. And is it fair to say, sir,
4 that the andrew.rudensky@gmail.com e-mail address
5 remains live to this day?

6 A. I don't know if there's time
7 limits on that platform and what they do with it.

8 50 Q. To your knowledge, the account has
9 not been deactivated?

10 A. From my end, I wouldn't know how
11 to do that.

12 51 Q. Okay. Now, if we turn up Exhibit
13 P to Mr. Kassam's affidavit. Sir, there was a case
14 management conference before Justice Conway in
15 January 2022, and this is the endorsement which was
16 issued by the court following the case conference.

17 Have you read this endorsement, sir,
18 before coming today?

19 A. I don't recall seeing that before.

20 52 Q. You don't recall seeing it before?

21 A. No.

22 53 Q. Did you review Mr. Kassam's
23 affidavit before swearing your affidavit?

24 A. I believe we did, yes.

25 54 Q. And did you review the exhibits to

1 his affidavit before swearing your affidavit?

2 A. Before I swore mine is the
3 question?

4 55 Q. Yes, yes.

5 A. Which exhibits are you referring
6 to?

7 56 Q. Well, this is an exhibit. This is
8 Exhibit P to Mr. Kassam's affidavit.

9 A. Oh. I did not review this, no.

10 57 Q. Okay. And, sir, at the case
11 conference that was held on January 19, 2022, Mr.
12 Richard of the Groia firm said that he anticipated
13 being retained by you shortly, sir.

14 At that time did you give Mr. Richard
15 any reason to believe that you would be retaining
16 him shortly?

17 A. I don't recall what our
18 discussions were pre-dating that.

19 58 Q. And if I look at paragraph 11 of
20 your affidavit -- go back there, Mr. Yegendorf.

21 If I go back to paragraph 10, sir --
22 sorry, yes. Mr. Rudensky, if you look at your
23 affidavit in paragraph 10 you refer there to the
24 endorsement that I just took you to.

25 Does that refresh your memory as to

1 whether or not you saw that endorsement before you
2 swore your affidavit, sir?

3 A. I apologize. What's your
4 question?

5 59 Q. Your affidavit refers to a
6 document that I just took you to --

7 A. Yes.

8 60 Q. -- that you said you didn't recall
9 seeing. It seems to me, looking at your
10 paragraph 10, that you not only saw it, you
11 actually commented on it; is that fair?

12 A. On this, it's my belief that the
13 conversation with Mr. Richard's comment to Justice
14 Conway... [witness reading from document].

15 Sorry, I'm not following. Are you
16 suggesting that the original contact that I had
17 related to the phone call is tied to this
18 assumption here?

19 61 Q. No. I took you to Exhibit P to
20 Mr. Kassam's affidavit and asked you if you
21 recalled seeing it before. You said you did not
22 recall that.

23 But in your own affidavit you refer to
24 it. So you'll agree with me, sir, that you were
25 familiar with Exhibit P before you swore your

1 affidavit?

2 A. (Witness reviews document).

3 Is it not just referencing the

4 January 9th e-mail?

5 62 Q. I'm going to go on and move on.

6 Sir, in paragraph 11 you go on to say:

7 "Subsequently, it was

8 determined that I could not retain

9 the Groia firm because of the

10 potential for a conflict of interest

11 with the Groia firm's representation

12 of the other defendants. I held off

13 on retaining counsel unless and

14 until I was added as a defendant and

15 served with the Amended Claim."

16 You see that, sir?

17 A. I do see that.

18 63 Q. Okay. And, sir, that statement in

19 your affidavit was true?

20 A. (Witness reviews document).

21 This is not related to the defendants

22 in this case, as I kind of understood it. There

23 was another conflict with that group.

24 64 Q. So I'm just asking you, sir --

25 this is your evidence.

1 A. Right.

2 65 Q. Is your evidence in this paragraph
3 true? This is your affidavit.

4 A. (Witness reviews document).
5 Because they were representing other
6 defendants?

7 66 Q. You say:

8 "I held off on retaining
9 counsel unless and until I was added
10 as a defendant and served with the
11 Amended Claim."

12 Is your evidence on that true, sir?

13 A. Yes.

14 67 Q. Now, sir, if I can have you turn
15 ahead to paragraph 31, or have Mr. Yegendorf turn
16 ahead to paragraph 31 of your affidavit.

17 And in paragraph 31 you say:

18 "I was aware of Kassam's
19 intention to add me as a defendant
20 to the action, as he called me to
21 tell me he was going to do that. I
22 also had suspicions about the
23 contents of the package delivered to
24 my in-laws by a law firm. I had
25 been made aware of social media

1 posts that the plaintiffs were
2 trying to or had added me as a
3 defendant. However, it was my
4 understanding that, if I had in fact
5 been added as a defendant, I had to
6 be served directly, not through my
7 mother-in-law and her husband." [As
8 read]

9 Do you see that, sir?

10 A. I do.

11 68 Q. And those statements in your
12 affidavit are true, sir?

13 A. They are.

14 69 Q. So, sir, you refer there to social
15 media posts that the plaintiffs were trying to or
16 had added you as a defendant.

17 And we'll pull up Exhibit 6 to your
18 affidavit. Maybe make it a bit larger if we can.

19 And, sir, were these the social media
20 posts by which you learned that you had been added
21 as a defendant to the action commenced by Anson
22 Funds?

23 A. I believe these were them relayed
24 to me, yes.

25 70 Q. So let me just stop you there and

1 just drill down on that.

2 You say they were relayed to you. Can
3 you tell me how they were relayed to you and by
4 whom?

5 A. I recall receiving at least one
6 phone call notifying me that someone saw this on
7 Twitter, you know, I hear you're getting -- you
8 know, being added.

9 71 Q. Let me stop you there. Who is it
10 that called you to give you that advice?

11 A. It wasn't advice. It was just --

12 72 Q. Who is the person who called you
13 to tell you that?

14 A. I don't recall.

15 73 Q. You don't recall? Was it Mr. Stafford?

16 A. It was not.

17 74 Q. Okay. Any idea who would have
18 told you that? Any recollection?

19 A. I'm not sure.

20 75 Q. Okay. Do you know who or what is
21 PresumablyPaul?

22 A. I do not.

23 76 Q. Have you ever had any interaction
24 with PresumablyPaul?

25 A. I have not.

1 77 Q. If we can go down the page here.

2 So I'm just -- so it's 184 of the
3 record here, so it's the second page of the
4 exhibit. There is here, sir, extracts from the
5 Fresh As Amended Statement of Claim.

6 And above that in the text from
7 PresumablyPaul is a discussion about you, sir,
8 describing you as a Delavaco partner, sir. Did you
9 read this Tweet, or did this Tweet come to your
10 attention at the time, sir?

11 A. I may have been told about it.

12 78 Q. You mean by the same person you
13 can't recall; is that right?

14 A. I'm not sure.

15 79 Q. And did you understand from this,
16 sir, that you had by now been sued by Anson Funds
17 and Mr. Kassam?

18 A. At the time, I believe I would
19 have been told what his post kind of said, and I
20 probably didn't give it much thought after that.

21 80 Q. You didn't give it much thought?
22 Fair to say at the time did you understand that you
23 had been sued as Mr. Kassam had threatened to do?

24 A. I'm not sure what my thought was
25 when I was told about this.

1 81 Q. And at the time that you learned
2 of this, sir, did you take any steps to obtain a
3 copy of the Amended Statement of Claim?

4 A. Not that I recall.

5 82 Q. And did you take any steps to
6 retain a lawyer to act on your behalf in connection
7 with the lawsuit?

8 A. I don't recall taking any steps
9 after this Tweet.

10 83 Q. Okay. And is that because you had
11 the view, as described in your affidavit, that you
12 needed to be personally served with the claim
13 before you had to respond to it?

14 A. I took the view that, you know, I
15 needed proper service, and I wasn't about to start
16 acting on some Tweet that went out suggesting that
17 I had been added to a lawsuit.

18 84 Q. And you understood that proper
19 service -- and your understanding was you needed to
20 be served personally with the claim; is that your
21 understanding at the time, sir?

22 A. I expected to be personally
23 served, yes.

24 85 Q. Okay. Thank you.

25 Now, sir, I just want to talk a little

23

1 bit more just about your use of -- or, sorry, just
2 talk about your purchase of a house in Florida.
3 You purchased the house at 445 Silver Fox on
4 March 8, 2022; is that correct?

5 A. That sounds accurate.

6 86 Q. And you sold the house in Oakville
7 shortly thereafter. The date we have is March 16,
8 2022.

9 A. That sounds accurate as well.

10 87 Q. And in connection with the sale of
11 the Oakville property, you were required to
12 register the transfer of that property to the new
13 owners?

14 A. Pardon me?

15 88 Q. In connection with the transfer of
16 the land, you were required to register the
17 transfer of the Oakville property to the new
18 owners?

19 A. By that, what specifically are you
20 asking?

21 89 Q. Maybe I'll just get Dylan to turn
22 up the Exhibit Q to Mr. Kassam's affidavit.

23 Sir, this is a transfer by which you,
24 as I understand it, sold the Oakville property.
25 Does this accord with your understanding?

1 A. You're asking me is this the
2 actual document?

3 90 Q. Yes.

4 A. It appears that that's what I'm
5 looking at.

6 91 Q. Okay. And if I look at the
7 transferors the transferors are identified as
8 yourself and Ms. Plunkett; is that correct?

9 A. Yes.

10 92 Q. And in the document you use an
11 address for service, the 4328 Clubview Drive
12 address in Burlington; is that correct?

13 A. I see that there.

14 93 Q. Okay. Is that correct?

15 A. Correct as what?

16 94 Q. That is the address for service
17 that you used in selling your property? Your
18 Oakville property?

19 A. I was told by my real estate agent
20 when we were doing the paperwork. I think there
21 was no address provided because I was moving to
22 Florida. And they said, "We need a Canadian
23 address. It doesn't matter, just give a Canadian
24 address." I considered giving my parents', and I'm
25 not sure why me or my wife decided on using that as

1 opposed to the other.

2 95 Q. You did -- as I understand, your
3 parents lived in Ontario, you could have used that
4 address; is that right?

5 A. I could have.

6 96 Q. We have some corporate
7 registration where you use a law firm address for
8 another purpose. You could have used a law firm
9 address?

10 A. I'm not sure what you're referring
11 to.

12 97 Q. And anyway, you chose to use the
13 address on Clubview Drive for the purpose of the
14 transfer of the property in Oakville; is that
15 correct?

16 A. I was told that I needed an
17 address, and it's just for the paperwork.

18 98 Q. Okay. But that was your decision
19 to use that address; is that correct?

20 A. I don't recall if me and my wife
21 had a discussion on that. I don't recall what the
22 specific discussion was.

23 99 Q. You can't tell me how it ended up
24 there, but that's the address that ended up on the
25 transfer when you sold your house in Oakville; is

1 that right?

2 A. Yes.

3 100 Q. As I understand, sir, your parents
4 live on Edenvale Crescent in Toronto; is that
5 correct?

6 A. That's correct.

7 101 Q. And I'm going to have...

8 If I can go back to paragraph 7 of your
9 affidavit, sir. Mr. Yegendorf will pull it up.

10 And as I understand your evidence, sir,
11 in your affidavit, in the spring of 2022 you sold
12 your home in Oakville, bought a home in Naples and
13 moved there.

14 And do I understand, sir, from the time
15 you bought your home in Naples, Florida, it was
16 your only residence?

17 A. Yes, that was the new permanent
18 residence.

19 102 Q. Okay. And that was as of the time
20 you purchased it; is that correct?

21 A. Yes.

22 103 Q. Okay. Now, I'm going to have
23 Mr. Yegendorf pull up Exhibit Q to Mr. Kassam's
24 affidavit.

25 There's a mortgage document here,

1 Dylan, that is... it's the second home rider.

2 It's 783 of the PDF if that helps you.

3 So this, sir, is one of the mortgage
4 documents in connection with the mortgage of your
5 -- mortgage with your property in Florida. And the
6 signature is in March 8, 2022. Is that your
7 signature at the bottom of the page, sir?

8 A. It looks like it.

9 104 Q. Okay. And if I look at the
10 paragraph 6, number six, Occupancy, with Second
11 Home Rider, it says, "Borrower will occupy and use
12 the Property as Borrower's second home."

13 So did you covenant with your lender
14 that the Florida property was your second home?

15 A. I don't recall what my discussion
16 was during that window.

17 105 Q. It appears to be what you signed
18 there, sir, isn't it?

19 A. Yes.

20 106 Q. Okay. Are you able to explain to
21 me why in your covenant with the lender in Florida
22 you said that your Florida residence was going to
23 be your second home?

24 A. I don't recall our discussions at
25 that time.

28

1 107 Q. I want to now turn to paragraph 28
2 of your affidavit.

3 Sorry, go back to 26.

4 So in paragraph 26 you say:

5 "I am advised by my
6 mother-in-law that on or about
7 July 22, 2022, she contacted my wife
8 and informed her that someone had
9 tried to deliver a package to me at
10 the Burlington Property."
11 And that's the Clubview address, sir,
12 is that right"

13 A. As I understand it.

14 108 Q. Okay. It goes on to say:

15 "She also advised my wife that
16 the package appeared to be from a
17 law firm. My wife made me aware of
18 this at the time. I did not pay
19 much attention to this. I had a lot
20 going on in my life."

21 And you go on to describe what that
22 was. So you say here:

23 "I am advised by my
24 mother-in-law that on or about
25 July 22, 2022, she contacted my wife

1 and informed her that someone had
2 tried to deliver a package to me at
3 the Burlington Property."

4 When did your mother-in-law inform you
5 about the advice of contacting your wife described
6 in this paragraph?

7 A. Pardon me, what was that?

8 109 Q. It says, "I am advised by my
9 mother-in-law", in the starting of the paragraph?

10 A. Yes.

11 110 Q. When did she tell you that? When
12 did she give you that advice?

13 A. That someone attempted to deliver
14 a package?

15 111 Q. Yes.

16 A. I don't specifically recall.

17 112 Q. Was it around the time of
18 July 22nd?

19 A. I don't specifically recall, but I
20 would imagine it would be in or around.

21 113 Q. Okay. So your evidence is that it
22 was around the time, or shortly after July 22nd, or
23 on July 22nd your mother-in-law told you about this
24 as described here; is that fair?

25 A. I don't specifically recall when.

1 114 Q. But it would be around that time;
2 is that fair?

3 A. In or around that -- I was made
4 aware of it, yes.

5 115 Q. Then in paragraph 27 you say:
6 "I am further advised by
7 Mr. Chapman that the package was
8 handed to him. He advises that he
9 confirmed to the person delivering
10 the package that he resided at the
11 Burlington Property, but he assures
12 me that he made no statements or
13 admissions to the delivery person
14 indicating that I also resided at
15 the Burlington Property."
16 So I just want you to tell me -- you're
17 describing the advice you received from
18 Mr. Chapman -- when did Mr. Chapman share that
19 advice with you?

20 A. I don't specifically recall, but
21 again, shortly in or around the time when that
22 would have been -- that attempt would have been
23 made.

24 116 Q. Okay. And I just want to make
25 sure I'm clear. I just want to go back and

1 confirm.

2 With respect to paragraph 26, and
3 you've said it was around the time that you got the
4 advice, the advice we're talking about in
5 paragraph 26 was advice that your mother-in-law
6 shared with you; is that correct?

7 A. Pardon me. Can you ask the
8 question one more...

9 117 Q. I just want to be clear. In
10 paragraph 26 you describe advice you received from
11 your mother-in-law. And you told me, just to be
12 clear, that it was advice received proximate to
13 July 22, 2022; is that correct?

14 A. What do you mean by "advice"?

15 118 Q. Well, it says, "I am advised by my
16 mother-in-law", so I take that as advice. That was
17 advice received proximate to July 22, 2022; is that
18 correct?

19 A. Whether my mother-in-law informed
20 me of this?

21 119 Q. Yes.

22 A. As I recall, I was notified at
23 that time, yes.

24 120 Q. By your mother-in-law?

25 A. I believe so, yes.

1 121 Q. Okay. Yes.

2 In paragraph 28 you describe advice
3 that you receive from your mother-in-law and
4 Mr. Chapman that they did not open the package or
5 forward it to your attention in Florida.

6 And again, I'm just wanting to have you
7 confirm to me that that was advice that they shared
8 with you around the time the package was received
9 on July 22, 2022?

10 A. As I'm aware, they had the package
11 and they did not forward it to me in Florida.

12 122 Q. And this is advice that they
13 shared with you at the time, that they had it,
14 didn't open it, and didn't forward it to you?

15 A. That's correct.

16 123 Q. Okay. And also, you did not ask
17 them to open the package or forward it to you; is
18 that also correct?

19 A. Yes.

20 124 Q. Okay. Sir, at the time that you
21 received this advice from your mother-in-law and
22 Mr. Chapman, did you have any understanding or
23 belief as to whether the package related to the
24 lawsuit by Anson Funds?

25 A. I wasn't sure what was in the

1 package.

2 125 Q. Would it be fair to say you
3 suspected that that's what it was about?

4 A. I had my assumptions that it may
5 be related, but I didn't know what was in the
6 package.

7 126 Q. Okay.

8 MR. STALEY: I'm just going to take a
9 five-minute break. I may be close to being done.
10 I just want to speak with my colleagues. I will
11 have a few more questions, but just give me five
12 minutes.

13 -- RECESS TAKEN AT 2:47 P.M. --

14 -- UPON RESUMING AT 2:50 P.M. --

15 BY MR. STALEY:

16 127 Q. So, Mr. Rudensky, I am going to
17 have Mr. Yegendorf turn up paragraph 32 of your
18 affidavit. So in paragraph 32 you say that:

19 "On or about January 22, 2023,
20 I received a phone call from
21 Stafford informing me that a default
22 judgment proceeding had been
23 commenced against me and was
24 scheduled to be heard in court on
25 January 25, 2023." [As read]

1 Sir, so I just want to start by asking
2 you, how do you know James Stafford?

3 A. I originally met Mr. Stafford
4 while at the Delavaco Group.

5 128 Q. And what was the relationship, if
6 any, between the Delavaco Group and Mr. Stafford?

7 A. He had done some work on some of
8 the companies that the Delavaco Group were invested
9 in.

10 129 Q. When you say he did some work on
11 them, what is the nature of the work that
12 Mr. Stafford did?

13 A. Some awareness campaigns related
14 to certain companies.

15 130 Q. So fair to say he was marketing
16 those companies or promoting those companies?

17 A. I think it's best described as,
18 you know, the intention is to bring awareness and
19 introduce the story to an audience.

20 131 Q. And what are the companies that
21 you can recall that Mr. Stafford was involved in
22 bringing awareness to?

23 A. The only one top of mind is Cool
24 Holdings.

25 132 Q. None other come to mind?

1 A. Not at this moment.

2 133 Q. Okay. And before this call, when
3 was the last time you had spoken with, or had any
4 interaction with Mr. Stafford?

5 A. Prior to this January 22nd --

6 134 Q. Yes, yes.

7 A. I don't specifically recall.

8 135 Q. Okay. Did you engage with him in
9 some manner occasionally? Frequently? Describe to
10 me how often you would have interactions.

11 A. Can you be a little more specific?

12 136 Q. How often, how frequently did you
13 engage with him in some way?

14 A. We spoke in some way, yes.

15 137 Q. How often?

16 A. Nothing that was scheduled by any
17 means, but we did speak.

18 138 Q. Would you say was it once a week?
19 Once a month? Like give me some sense of the
20 frequency. That's what I'm trying to get at here.

21 A. I'm not sure how often I'd speak
22 with him.

23 139 Q. You have no recollection?

24 A. Back a year ago? Nothing... I
25 don't recall.

1 140 Q. Do you stay in touch with
2 Mr. Stafford?

3 A. I do.

4 141 Q. And how often do you interact with
5 Mr. Stafford now?

6 A. I speak to him, but again, nothing
7 like scheduled regular calls.

8 142 Q. That's not my question. I'm
9 trying to understand how often and you're talking
10 about scheduling. You're not answering my
11 question. How often do you interact with him?

12 A. How often?

13 143 Q. Yes.

14 A. I speak to James on occasion.

15 144 Q. How occasionally? Once a week?
16 Once a month? How often?

17 A. It would vary.

18 145 Q. Okay. Well, this last month. How
19 many times have you spoken to him in the last
20 month, do you recall?

21 A. I don't specifically recall how
22 many times I've spoken to him in the past month.

23 146 Q. Five times? More than five times?
24 Fewer than five times?

25 A. I'm not sure.

1 147 Q. Any recollection at all?

2 It just seems like you're just lying,
3 sir, and you won't give me an answer. Can you give
4 me --

5 MR. POLYZOGOPOULOS: You don't have to
6 characterize --

7 MR. STALEY: I can.

8 MR. POLYZOGOPOULOS: Keep your opinions
9 to yourself.

10 MR. STALEY: It's a cross-examination.
11 I'm going to put to him he's just lying to protect
12 Mr. Stafford, sir.

13 BY MR. STALEY:

14 148 Q. I suggest to you, sir, you know
15 how often you interact with him and you're refusing
16 to give a responsive answer; isn't that correct?

17 A. No. I said I speak to him.

18 149 Q. So tell me as best you can recall
19 about the phone call you received from Mr. Stafford
20 on January 22, 2023.

21 A. Best as I recall?

22 150 Q. Yes, yes.

23 A. Best as I recall, I was told that
24 a hearing was scheduled in the coming days. He
25 wanted to let me know, and suggested that I

1 probably should reach out to the Plaintiff's
2 counsel.

3 151 Q. Okay. And what, if anything, did
4 you do after you received this call from
5 Mr. Stafford?

6 A. I recall I said, "Who should I
7 contact?" And I believe he provided me with
8 e-mails of the individuals that I included on my
9 correspondence.

10 152 Q. Did he send that to you, or did
11 someone else send it to you on his behalf?

12 A. I'm not sure how it was sent, if
13 it was verbally relayed, WhatsApp, I don't
14 specifically recall.

15 153 Q. I would like for you to look and
16 produce for me, please, the communications you had
17 with Mr. Stafford, to the extent they were in
18 writing, WhatsApp, or whatever it was, or text, in
19 advance of the January 25, 2023 hearing, please.

20 MR. POLYZOGOPOULOS: When you say "in
21 advance", from the time of the phone call --

22 MR. STALEY: Yes.

23 MR. POLYZOGOPOULOS: -- until the
24 hearing?

25 MR. STALEY: Yes. That would be

1 Mr. Stafford or anyone on his behalf.

2 U/T MR. POLYZOGOPOULOS: All right. That's
3 fine.

4 BY MR. STALEY:

5 154 Q. Now, sir, did you have any
6 understanding as to why Mr. Stafford gave you a
7 heads-up about the motion that was proceeding on
8 January 25th?

9 A. Pardon me, can you ask that
10 question again?

11 155 Q. Did you have any understanding as
12 to why Mr. Stafford gave you a heads-up about the
13 January 25th hearing?

14 A. My understanding was he was just
15 notifying me that there was -- that the default
16 hearing in January.

17 156 Q. Do you understand why he told you
18 that?

19 A. I never asked him, "Why are you
20 doing this?"

21 157 Q. Sorry?

22 A. I never asked him, "Why are you
23 doing this?"

24 158 Q. Did you understand that he gave
25 you that information with the intention that you

1 would take steps so there would be no default
2 judgment obtained against you; is that your
3 understanding?

4 A. My understanding was he wanted to
5 let me know so I could, you know, take certain
6 actions.

7 159 Q. And what would those actions be?

8 A. To defend myself against the
9 handful of claims laid out against me.

10 160 Q. Now, do you remember attending by
11 Zoom before Justice Osborne on January 25, 2023?

12 A. Do I remember that hearing?

13 161 Q. Yes.

14 A. I remember taking part in it, but
15 specifics...

16 162 Q. And you're aware, sir, that there
17 is in the evidence a transcript of that hearing?
18 Are you aware of that, sir?

19 A. I am aware, yes.

20 163 Q. Okay. Have you read the
21 transcript before -- did you read the transcript
22 before you swore your affidavit, sir?

23 A. I did not.

24 164 Q. Okay. And you recall, sir, that
25 when you were before Justice Osborne on that day,

1 he asked you who told you about the January 25th
2 hearing; do you remember him asking that question?

3 A. I recall being questioned on it,
4 who notified me, yes.

5 165 Q. And you recall declining to tell
6 him who told you that? You recall that as well?

7 A. I don't recall.

8 166 Q. Is there a reason why you declined
9 to tell Justice Osborne on January 25th who had
10 told you about the hearing?

11 A. Well, I had no lawyer with me
12 representing me. So I was trying to do as best as
13 I could with no representation in that difficult
14 position.

15 167 Q. Now, sir, you're aware that on
16 January 25th, Justice Osborne declined to adjourn
17 the motion for partial Summary Judgment? You're
18 aware of that, sir?

19 A. I am aware of that.

20 168 Q. And you're aware that some months
21 later he proceeded to grant partial Summary
22 Judgment against you?

23 A. I understand that, yes.

24 169 Q. Okay. And are you also aware that
25 at the January 25th hearing he encouraged you in

1 the strongest possible terms to get counsel to
2 assist you?

3 A. I do recall that, yes.

4 170 Q. Okay. And as I understand, sir,
5 it wasn't until after default judgment was granted
6 against you that counsel appeared on your behalf?

7 A. That's correct.

8 171 Q. Okay. And so after Justice
9 Osborne gave you that advice on January 25th of
10 this year, can you tell me, when did you first
11 contact counsel for the purpose of getting
12 representation in connection with the Anson Funds
13 lawsuit?

14 A. When did I engage counsel?

15 172 Q. When did you first contact counsel
16 for the purpose of retaining counsel to represent
17 you in connection with the lawsuit? I'm talking
18 about after January 25th.

19 A. That would have been after the
20 decision came down.

21 173 Q. Okay. So you waited until after
22 the default judgment was issued before you sought
23 to retain counsel?

24 A. Well, I wanted to, you know, know
25 what his ruling was, and I waited upon that.

1 174 Q. Okay. Now, sir, in connection
2 with the current proceedings in which you're
3 represented by counsel, are you self-funding this
4 litigation, or is anyone funding the litigation on
5 your behalf?

6 R/F MR. POLYZOGOPOULOS: Don't answer that.

7 BY MR. STALEY:

8 175 Q. I ask, sir, whether Mr. Stafford
9 is contributing to the cost of your counsel in
10 connection with this litigation?

11 R/F MR. POLYZOGOPOULOS: Don't answer that.

12 BY MR. STALEY:

13 176 Q. Is any other party to the
14 litigation, sir, paying or contributing to your
15 legal costs?

16 R/F MR. POLYZOGOPOULOS: Don't answer that.

17 BY MR. STALEY:

18 177 Q. Sir, without telling me anything
19 that you might have discussed with your lawyer, can
20 you tell me how it is you got connected to the
21 lawyers who are acting for you in this lawsuit?

22 R/F MR. POLYZOGOPOULOS: Don't answer that.

23 BY MR. STALEY:

24 178 Q. Can you tell me, sir, who is it
25 that introduced you to the law firm that is

1 representing you here?

2 R/F MR. POLYZOGOPOULOS: Don't answer that.
3 It's not relevant.

4 MR. STALEY: It's highly relevant.

5 BY MR. STALEY:

6 179 Q. I ask you, sir, whether
7 Mr. Stafford -- did Mr. Stafford, or anyone on his
8 behalf introduce you to your current counsel?

9 R/F MR. POLYZOGOPOULOS: Don't answer that.

10 BY MR. STALEY:

11 BY MR. STALEY:

12 180 Q. Did anyone at the Kim Spencer
13 McPhee firm introduce you to your present counsel?

14 R/F MR. POLYZOGOPOULOS: Don't answer that.

15 MR. STALEY: I think we may be done.

16 I'm just going to go off the record to confer with
17 my colleagues. Thank you.

18 (Brief pause in the proceedings).

19 MR. STALEY: Thank you, Mr. Rudensky.

20 That completes my cross-examination questions.

21 THE WITNESS: Thank you.

22 MR. POLYZOGOPOULOS: Off the record.

23

24 -- Adjourned at 3:04 p.m.

25

REPORTER'S CERTIFICATE

I, JUDITH M. CAPUTO, RPR, CSR, CRR,
Certified Shorthand Reporter, certify;

That the foregoing proceedings were
taken before me at the time and place therein set
forth, at which time the witness was put under oath
by me;

That the testimony of the witness
and all objections made at the time of the
examination were recorded stenographically by me
and were thereafter transcribed at my direction;

That the foregoing is a true and
correct transcript of my shorthand notes so taken.

Dated this 22nd day of December, 2023.



VERITEXT LEGAL SOLUTIONS

PER: JUDITH M. CAPUTO, RPR, CSR, CRR

[& - 26]

1

&		2	
& 2:4,5,8 11:10 11:19,21,25		2 1:14 5:14 20 8:18 20-00653410... 1:1 2017 7:10 10:7 2018 7:11 2020 9:8,11 2021 7:21 9:7 11:3 12:15 2022 10:4,8 14:15 15:11 23:4,8 26:11 27:6 28:7,25 31:13,17 32:9 2023 1:19,21 5:11 33:19,25 37:20 38:19 40:11 45:16 21 8:23 22 8:25 28:7,25 31:13,17 32:9 33:19 37:20 22nd 29:18,22 29:23 35:5 45:16 23 9:4 24 9:6 25 9:13 33:25 38:19 40:11 25th 39:8,13 41:1,9,16,25 42:9,18 26 9:17 28:3,4 31:2,5,10	
1			
1 1:14 5:5 10 6:17 11:8 15:21,23 16:10 100 26:3 101 26:7 102 26:19 103 26:22 104 27:9 105 27:17 106 27:20 107 28:1 108 28:14 109 29:8 11 6:20 15:19 17:6 110 29:11 111 29:15 112 29:17 113 29:21 114 30:1 115 30:5 116 30:24 117 31:9 118 31:15 119 31:21 12 7:2 120 31:24 121 32:1 122 32:12 123 32:16		124 32:20 125 33:2 126 33:7 127 33:16 128 34:5 129 34:10 13 7:8 9:8 130 34:15 131 34:20 132 34:25 133 35:2 134 35:6 135 35:8 136 35:12 137 35:15 138 35:18 139 35:23 14 7:12 8:8 140 36:1 141 36:4 142 36:8 143 36:13 144 36:15 145 36:18 146 36:23 147 37:1 148 37:14 149 37:18 15 1:19 7:16 150 37:22 151 38:3 152 38:10 153 38:15 154 39:5 155 39:11 156 39:17 157 39:21 158 39:24 159 40:7 15th 5:11 16 7:19 23:7 160 40:10 161 40:13 162 40:16 163 40:20 164 40:24 165 41:5 166 41:8 167 41:15 168 41:20 169 41:24 17 7:23 170 42:4 171 42:8 172 42:15 173 42:21 174 43:1 175 43:8 176 43:13 177 43:18 178 43:24 179 44:6 18 8:3 180 44:12 184 21:2 18th 1:21 19 8:8 15:11	

[27 - added]

2

27 9:24 30:5	43:7 3:23	67 18:14	92 24:10
28 10:3 28:1	44 13:11	68 19:11	93 24:14
32:2	44:45 6:5	69 19:14	94 24:16
29 10:6	44:5 23:3	7	95 25:2
29:08 45:19	44:10 3:24	7 6:7 26:8	96 25:6
2:06 5:1	44:3 3:24	70 19:25	97 25:12
2:47 33:13	45 13:13	71 20:9	98 25:18
2:50 33:14	46 13:16	72 20:12	99 25:23
3	47 13:20	73 20:15	9th 17:4
3 1:14 5:18	48 13:23	74 20:17	a
30 10:10 11:3	49 14:3	75 20:20	able 11:19
31 10:14 18:15	5	76 20:23	27:20
18:16,17	5 6:1	77 21:1	above 21:6
32 10:17 33:17	50 14:8	78 21:12	access 13:2,7
33:18	51 14:12	78:3 27:2	13:10
33 10:21	52 14:20	79 21:15	accord 23:25
34 10:25	53 14:22	8	account 13:3
35 11:7	54 14:25	8 6:10 23:4	13:14,17 14:1
36 11:13	55 15:4	27:6	14:8
37 11:24	56 15:7	80 21:21	accounts 8:16
38 12:6	57 15:10	81 22:1	accurate 23:5,9
39 12:10	58 15:19	82 22:5	act 22:6
3:04 44:24	59 16:5	83 22:10	acting 5:6
4	6	84 22:18	22:16 43:21
4 1:15 3:5 5:22	6 6:4 12:15	85 22:24	action 11:2
40 12:18	19:17 27:10	86 23:6	18:20 19:21
41 12:22	60 16:8	87 23:10	actions 40:6,7
42 12:25	61 12:11 16:19	88 23:15	actual 24:2
43 13:5	62 17:5	89 23:21	actually 16:11
43:28 24:11	63 17:18	9	add 12:2,5
43:12 3:23	64 17:24	9 6:13 10:19,25	18:19
43:17 3:23	65 18:2	90 24:3	added 17:14
43:23 3:24	66 18:7	91 24:6	18:9 19:2,5,16
			19:20 20:8
			22:17

[address - believe]

3

address 9:14 13:8,20,25 14:4 24:11,12 24:16,21,23,24 25:4,7,9,13,17 25:19,24 28:11 addresses 12:14,18 adjourn 41:16 adjourned 44:24 admissions 30:13 advance 38:19 38:21 advice 11:15 20:10,11 29:5 29:12 30:17,19 31:4,4,5,10,12 31:14,16,17 32:2,7,12,21 42:9 advised 28:5,15 28:23 29:8 30:6 31:15 advisement 3:18 advisements 3:10,17 advises 30:8 advisors 1:7 affidavit 1:19 5:10,11,15,19 8:9 9:8 10:19 14:13,23,23	15:1,1,8,20,23 16:2,5,20,23 17:1,19 18:3 18:16 19:12,18 22:11 23:22 26:9,11,24 28:2 33:18 40:22 affirmed 5:3 afternoon 5:5,8 agent 24:19 ago 35:24 agree 16:24 ahead 18:15,16 allison 2:8 alongside 7:1 amended 17:15 18:11 21:5 22:3 andrew 1:13,18 2:9 3:3 5:3 andrew.ruden... 12:19 13:8 14:4 andy 7:5 8:14 anson 1:7,7,8 5:6 12:11 19:21 21:16 32:24 42:12 answer 37:3,16 43:6,11,16,22 44:2,9,14 answering 11:14 36:10	anticipated 15:12 anyway 25:12 apologize 16:3 appear 3:15,19 3:23 appeared 28:16 42:6 appears 24:4 27:17 ar 12:22 asked 16:20 39:19,22 41:1 asking 17:24 23:20 24:1 34:1 41:2 aspect 8:16 assemble 7:6 assets 7:6 assist 42:2 assistance 3:11 assisting 8:14 associated 8:5 association 6:23 7:13,16 8:11,19 assumption 16:18 assumptions 33:4 assures 30:11 attempt 30:22 attempted 29:13	attending 40:10 attention 21:10 28:19 32:5 audience 34:19 avenue 9:25 aware 11:25 18:18,25 28:17 30:4 32:10 40:16,18,19 41:15,18,19,20 41:24 awareness 34:13,18,22
			b
			b 1:5 back 15:20,21 26:8 28:3 30:25 35:24 background 5:23 ballpark 9:2 bank 7:5 basic 11:17 behalf 22:6 38:11 39:1 42:6 43:5 44:8 belief 16:12 32:23 believe 9:10 13:12 14:24 15:15 19:23 21:18 31:25 38:7

[best - corrections]

4

best 9:5 11:22 34:17 37:18,21 37:23 41:12 big 8:19 bit 11:9 19:18 23:1 blake 12:15 borrower 27:11 borrower's 27:12 bottom 27:7 bought 10:7 26:12,15 break 33:9 brief 44:18 bring 7:7 34:18 bringing 34:22 burlington 24:12 28:10 29:3 30:11,15	canadian 24:22 24:23 capital 6:15 7:6 caputo 1:24 45:3,21 case 14:13,16 15:10 17:22 cassels 12:15 certain 34:14 40:5 certificate 45:1 certified 45:4 certify 45:4 chapman 30:7 30:18,18 32:4 32:22 characterize 37:6 checked 13:21 chose 25:12 claim 12:8 17:15 18:11 21:5 22:3,12 22:20 claims 40:9 clear 30:25 31:9,12 close 33:9 clubview 24:11 25:13 28:11 colleagues 33:10 44:17 come 8:1 21:9 34:25	coming 14:18 37:24 commenced 19:21 33:23 commencing 5:1 comment 16:13 commented 16:11 commercial 1:4 communicati... 38:16 companies 7:7 34:8,14,16,16 34:20 company 11:10 11:19,21,25 company's 1:20 completes 44:20 confer 44:16 conference 14:14,16 15:11 confirm 5:10 31:1 32:7 confirmed 30:9 conflict 17:10 17:23 connected 13:17 43:20 connection 22:6 23:10,15 27:4 42:12,17 43:1,10	connor 2:8 considered 24:24 consulting 6:16 contact 16:16 38:7 42:11,15 contacted 11:10,19,20,25 28:7,25 contacting 29:5 contents 5:15 18:23 contributing 43:9,14 conversation 16:13 conway 14:14 16:14 cool 34:23 copy 10:20 12:7 22:3 corporate 25:6 correct 5:25 6:3,6,18,24 9:16 10:1,2 13:3,4,9,22 23:4 24:8,12 24:14,15 25:15 25:19 26:5,6 26:20 31:6,13 31:18 32:15,18 37:16 42:7 45:14 corrections 5:18
c			
c 2:1 caitlin 6:11 call 11:3,4,19 11:20 16:17 20:6 33:20 35:2 37:19 38:4,21 called 18:20 20:10,12 calls 36:7 campaigns 34:13			

[correspondence - esq]

5

correspon... 38:9 cost 43:9 costs 43:15 counsel 3:11 11:10 17:13 18:9 38:2 42:1 42:6,11,14,15 42:16,23 43:3 43:9 44:8,13 court 1:1,3 14:16 33:24 covenant 27:13 27:21 crescent 26:4 cross 1:18 3:5 5:4 37:10 44:20 crr 1:24 45:3 45:21 csr 1:24 45:3 45:21 current 43:2 44:8 cv 1:1	days 37:24 deactivated 9:18 14:9 december 1:21 45:16 decided 9:23 24:25 decision 25:18 42:20 declined 41:8 41:16 declining 41:5 default 33:21 39:15 40:1 42:5,22 defend 40:8 defendant 2:7 17:14 18:10,19 19:3,5,16,21 defendants 1:16 2:13 17:12,21 18:6 defrancesco 7:6,14,17 8:14 delavaco 6:23 7:1,3,4,9,13,17 7:20 8:3,10,12 8:19 9:7,19 10:15 13:3 21:8 34:4,6,8 delavaco.com 12:22 deliver 28:9 29:2,13	delivered 18:23 delivering 30:9 delivery 30:13 departure 8:5 describe 6:13 11:4 28:21 31:10 32:2 35:9 described 22:11 29:5,24 34:17 describing 21:8 30:17 description 4:3 determined 17:8 different 8:2 difficult 41:13 direction 45:12 directly 19:6 disconnect 9:23 disconnected 9:11,14 discussed 43:19 discussion 21:7 25:21,22 27:15 discussions 15:18 27:24 document 16:6 16:14 17:2,20 18:4 24:2,10 26:25 documents 27:4	doe 1:14,14,14 1:15 doing 24:20 39:20,23 douglas 2:4 doxtator 1:13 1:14 2:15 drill 20:1 drive 6:5 24:11 25:13 dylan 2:5 23:21 27:1
d			e
d 3:1 date 23:7 dated 45:16 dates 11:16 dating 15:18 day 1:21 11:23 14:5 40:25 45:16			e 1:5,5,5 2:1,1 3:1 9:10,14,18 9:20 12:13,14 12:18 13:1,3,7 13:8,13,20 14:1,4 17:4 38:8 early 7:10,21 easier 11:9 edenvale 26:4 either 7:17 employee 8:9 encouraged 41:25 ended 25:23,24 endorsement 14:15,17 15:24 16:1 engage 35:8,13 42:14 esq 2:3,4,5,7,8 2:13

[estate - home]

6

estate 24:19 evidence 5:24 9:15 12:25 13:1,16,18,25 17:25 18:2,12 26:10 29:21 40:17 examination 1:18 3:5 5:4,15 37:10 44:20 45:11 exhibit 14:12 15:7,8 16:19 16:25 19:17 21:4 23:22 26:23 exhibits 4:1 14:25 15:5 existing 12:7 expected 22:22 explain 27:20 extent 38:17 extracts 21:4	family 8:15,17 fenton 2:4 fewer 36:24 file 1:1 fine 39:3 firm 11:16 15:12 17:9 18:24 25:7,8 28:17 43:25 44:13 firm's 17:11 first 7:8 11:1 42:10,15 five 33:9,11 36:23,23,24 florida 5:24 6:5 23:2 24:22 26:15 27:5,14 27:21,22 32:5 32:11 following 3:9 3:15,19,23 6:25 11:18 14:16 16:15 foregoing 45:5 45:13 formal 8:9 former 11:10 forth 45:7 forward 32:5 32:11,14,17 fox 6:5 23:3 frequency 35:20	frequently 35:9 35:12 fresh 21:5 front 10:22 fund 1:8 funding 43:3,4 funds 1:7 19:22 21:16 32:24 42:12 further 30:6	27:22 28:20 33:8,16 37:11 44:16 good 5:5 grant 41:21 granted 42:5 groia 11:10,15 11:19,21,25 15:12 17:9,11 group 6:24 7:3 7:4,9,13,17,20 8:3,10,12,13,19 8:24 9:7,19 10:15 17:23 34:4,6,8 guess 9:2 guide 3:10
f		g	h
f 3:22 43:6,11 43:16,22 44:2 44:9,14 fact 19:4 facts 11:17 fair 10:12 14:3 16:11 21:22 29:24 30:2 33:2 34:15 familiar 16:25		getting 20:7 42:11 give 15:14 20:10 21:20,21 24:23 29:12 33:11 35:19 37:3,3,16 giving 24:24 gmail 13:24 gmail.com 12:19 13:8 14:4 gmp 6:18,19,20 6:21,22 go 11:4,7 15:20 15:21 17:5,6 21:1 26:8 28:3 28:21 30:25 44:16 goes 28:14 going 5:7,9 9:2 10:17,19,21 12:10 17:5 18:21 26:7,22	handed 30:8 handful 40:9 heads 39:7,12 hear 20:7 heard 33:24 hearing 37:24 38:19,24 39:13 39:16 40:12,17 41:2,10,25 held 15:11 17:12 18:8 helps 27:2 highly 44:4 holdings 34:24 home 6:4 9:25 10:3 26:12,12 26:15 27:1,11

[home - live]

7

27:12,14,23 house 6:4 23:2 23:3,6 25:25 husband 19:7	introduce 34:19 44:8,13 introduced 43:25 invest 6:15 invested 34:8 investments 1:8 involve 11:2 involved 7:9 34:21 involvement 8:13 issued 14:16 42:22 issues 8:4,6	42:22 judith 1:24 45:3,21 july 28:7,25 29:18,22,23 31:13,17 32:9 justice 1:3 14:14 16:13 40:11,25 41:9 41:16 42:8	land 23:16 larger 19:18 law 18:24 19:7 25:7,8 28:6,17 28:24 29:4,9 29:23 31:5,11 31:16,19,24 32:3,21 43:25 laws 18:24 lawsuit 12:1,3 12:5 22:7,17 32:24 42:13,17 43:21 lawyer 5:6 22:6 41:11 43:19 lawyers 43:21 learned 11:1 19:20 22:1 lee 1:13 left 6:21,22 9:7 9:8,9 legal 1:20 43:15 45:20 lender 27:13,21 life 28:20 limits 14:7 liquidity 8:15 list 1:4 3:9 litigation 43:4 43:4,10,14 little 22:25 35:11 live 5:24 6:10 13:13 14:5 26:4
i	j	k	
idea 20:17 identified 24:7 imagine 29:20 immediately 11:18,23 included 38:8 index 3:13,17 3:21 4:1 indicating 30:14 individuals 8:21 38:8 inform 29:4 information 39:25 informed 28:8 29:1 31:19 informing 33:21 intention 11:1 18:19 34:18 39:25 interact 36:4 36:11 37:15 interaction 20:23 35:4 interactions 35:10 interest 17:10	jacob 1:14 2:15 james 1:13 2:14 34:2 36:14 january 14:15 15:11 17:4 33:19,25 35:5 37:20 38:19 39:8,13,16 40:11 41:1,9 41:16,25 42:9 42:18 job 2:25 john 1:14,14,14 1:15 2:7 joining 6:1 judgment 33:22 40:2 41:17,22 42:5	kassam 1:8 5:7 11:4 12:2 21:17,23 kassam's 14:13 14:22 15:8 16:20 18:18 23:22 26:23 keep 37:8 kelly 2:13 kim 44:12 kind 8:16 17:22 21:19 know 14:6,10 20:7,8,20 22:14 33:5 34:2,18 37:14 37:25 40:5,5 42:24,24 knowledge 14:8	
		l	
		laid 40:9	

[lived - okay]

8

lived 10:14,16 25:3 living 6:14 longer 7:19 13:2 look 15:19,22 24:6 27:9 38:15 looking 8:1 11:16 16:9 24:5 looks 27:8 lot 28:19 lp 1:7,8 lying 37:2,11	marked 4:4 marketing 34:15 master 1:8 matter 24:23 mcphee 44:13 mean 21:12 31:14 means 35:17 meant 3:10 media 18:25 19:15,19 melvin 9:25 memory 15:25 merchant 7:4 met 34:3 mind 34:23,25 mine 15:2 minute 33:9 minutes 33:12 moez 1:8 moment 5:21 35:1 month 35:19 36:16,18,20,22 months 41:20 mortgage 26:25 27:3,4,5 mother 19:7 28:6,24 29:4,9 29:23 31:5,11 31:16,19,24 32:3,21 motion 12:12 39:7 41:17	move 17:5 moved 7:22,24 26:13 moving 1:16 2:8 24:21	o
m	met 34:3 mind 34:23,25 mine 15:2 minute 33:9 minutes 33:12 moez 1:8 moment 5:21 35:1 month 35:19 36:16,18,20,22 months 41:20 mortgage 26:25 27:3,4,5 mother 19:7 28:6,24 29:4,9 29:23 31:5,11 31:16,19,24 32:3,21 motion 12:12 39:7 41:17	n	oakville 10:1 23:6,11,17,24 24:18 25:14,25 26:12 oath 45:7 objections 45:10 observing 2:11 obtain 22:2 obtained 40:2 occasion 36:14 occasionally 35:9 36:15 occupancy 27:10 occupy 27:11 october 12:15 oh 15:9 okay 5:14,22 7:23 8:8 9:4,6 9:24 10:24 11:13,24 14:3 14:12 15:10 17:18 20:17,20 22:10,24 24:6 24:14 25:18 26:19,22 27:9 27:20 28:14 29:21 30:24 32:1,16,20 33:7 35:2,8 36:18 38:3 40:20,24 41:24 42:4,8,21 43:1
m 1:24 45:3,21 made 18:25 28:17 30:3,12 30:23 45:10 mail 9:10,14,18 9:20 12:13,14 12:18 13:1,3,7 13:8,13,20 14:1,4 17:4 mails 38:8 make 5:19 19:18 30:24 man 7:5 manage 6:15 management 1:7 14:14 manner 35:9 march 10:3 23:4,7 27:6	marked 4:4 marketing 34:15 master 1:8 matter 24:23 mcphee 44:13 mean 21:12 31:14 means 35:17 meant 3:10 media 18:25 19:15,19 melvin 9:25 memory 15:25 merchant 7:4 met 34:3 mind 34:23,25 mine 15:2 minute 33:9 minutes 33:12 moez 1:8 moment 5:21 35:1 month 35:19 36:16,18,20,22 months 41:20 mortgage 26:25 27:3,4,5 mother 19:7 28:6,24 29:4,9 29:23 31:5,11 31:16,19,24 32:3,21 motion 12:12 39:7 41:17	move 17:5 moved 7:22,24 26:13 moving 1:16 2:8 24:21	o
m 1:24 45:3,21 made 18:25 28:17 30:3,12 30:23 45:10 mail 9:10,14,18 9:20 12:13,14 12:18 13:1,3,7 13:8,13,20 14:1,4 17:4 mails 38:8 make 5:19 19:18 30:24 man 7:5 manage 6:15 management 1:7 14:14 manner 35:9 march 10:3 23:4,7 27:6	marked 4:4 marketing 34:15 master 1:8 matter 24:23 mcphee 44:13 mean 21:12 31:14 means 35:17 meant 3:10 media 18:25 19:15,19 melvin 9:25 memory 15:25 merchant 7:4 met 34:3 mind 34:23,25 mine 15:2 minute 33:9 minutes 33:12 moez 1:8 moment 5:21 35:1 month 35:19 36:16,18,20,22 months 41:20 mortgage 26:25 27:3,4,5 mother 19:7 28:6,24 29:4,9 29:23 31:5,11 31:16,19,24 32:3,21 motion 12:12 39:7 41:17	n 1:5 2:1 3:1 named 7:5 naples 6:5 26:12,15 nature 8:11 34:11 need 10:20 24:22 needed 22:12 22:15,19 25:16 never 8:9 39:19 39:22 new 23:12,17 26:17 nicole 2:13 noted 3:14,18 3:19,22 notes 45:14 notified 31:22 41:4 notifying 20:6 39:15 november 1:19 5:11 number 4:3 8:25 27:10	o
m 1:24 45:3,21 made 18:25 28:17 30:3,12 30:23 45:10 mail 9:10,14,18 9:20 12:13,14 12:18 13:1,3,7 13:8,13,20 14:1,4 17:4 mails 38:8 make 5:19 19:18 30:24 man 7:5 manage 6:15 management 1:7 14:14 manner 35:9 march 10:3 23:4,7 27:6	marked 4:4 marketing 34:15 master 1:8 matter 24:23 mcphee 44:13 mean 21:12 31:14 means 35:17 meant 3:10 media 18:25 19:15,19 melvin 9:25 memory 15:25 merchant 7:4 met 34:3 mind 34:23,25 mine 15:2 minute 33:9 minutes 33:12 moez 1:8 moment 5:21 35:1 month 35:19 36:16,18,20,22 months 41:20 mortgage 26:25 27:3,4,5 mother 19:7 28:6,24 29:4,9 29:23 31:5,11 31:16,19,24 32:3,21 motion 12:12 39:7 41:17	n 1:5 2:1 3:1 named 7:5 naples 6:5 26:12,15 nature 8:11 34:11 need 10:20 24:22 needed 22:12 22:15,19 25:16 never 8:9 39:19 39:22 new 23:12,17 26:17 nicole 2:13 noted 3:14,18 3:19,22 notes 45:14 notified 31:22 41:4 notifying 20:6 39:15 november 1:19 5:11 number 4:3 8:25 27:10	o

[on6348326 - provided]

9

on6348326 2:25 once 35:18,19 36:15,16 ontario 1:2 25:3 open 32:4,14 32:17 opinions 37:8 opposed 25:1 original 16:16 originally 34:3 osborne 40:11 40:25 41:9,16 42:9 outfit 8:19 outstanding 12:1 oversaw 8:16 own 6:4,15 16:23 owned 9:25 owners 23:13 23:18	page 3:4 4:3 21:1,3 27:7 pages 3:15,19 3:23 paperwork 24:20 25:17 paragraph 8:8 9:8 10:19,25 11:8 15:19,21 15:23 16:10 17:6 18:2,15 18:16,17 26:8 27:10 28:1,4 29:6,9 30:5 31:2,5,10 32:2 33:17,18 pardon 7:15 10:9 23:14 29:7 31:7 39:9 parents 24:24 25:3 26:3 part 40:14 partial 41:17 41:21 particular 7:25 parties 1:9 2:4 partner 8:10 21:8 party 1:16 2:8 43:13 past 36:22 pause 44:18 pay 28:18 paying 43:14	pdf 27:2 people 8:25 9:3 permanent 26:17 person 20:12 21:12 30:9,13 personally 22:12,20,22 persons 1:15 phone 16:17 20:6 33:20 37:19 38:21 place 45:6 plaintiff's 11:1 38:1 plaintiffs 1:9 2:3 19:1,15 platform 1:21 14:7 please 38:16,19 plunkett 6:11 24:8 point 9:22 polyzogopou... 2:7 37:5,8 38:20,23 39:2 43:6,11,16,22 44:2,9,14,22 portions 10:18 position 41:14 possible 42:1 post 21:19 posts 19:1,15 19:20	potential 17:10 pre 15:18 present 44:13 presumablyp... 20:21,24 21:7 previously 6:17 9:25 primary 6:7 10:10 prior 35:5 probably 9:3 11:22,23 21:20 38:1 proceeded 41:21 proceeding 5:12 33:22 39:7 proceedings 43:2 44:18 45:5 produce 38:16 promoting 34:16 proper 22:15 22:18 property 23:11 23:12,17,24 24:17,18 25:14 27:5,12,14 28:10 29:3 30:11,15 protect 37:11 provided 24:21 38:7
p			
p 2:1,1 14:13 15:8 16:19,25 p.m. 5:1 33:13 33:14 44:24 package 18:23 28:9,16 29:2 29:14 30:7,10 32:4,8,10,17,23 33:1,6			

[proximate - retaining]

10

proximate 31:12,17 public 7:7 pull 10:18,21 11:8 19:17 26:9,23 purchase 23:2 purchased 10:11 23:3 26:20 purpose 3:11 25:8,13 42:11 42:16 put 11:16 37:11 45:7	read 11:9 14:17 19:8 21:9 33:25 40:20,21 reading 16:14 real 24:19 really 9:20,21 reason 7:23 8:7 9:17,22 15:15 41:8 recall 14:19,20 15:17 16:8,22 20:5,14,15 21:13 22:4,8 25:20,21 27:15 27:24 29:16,19 29:25 30:20 31:22 34:21 35:7,25 36:20 36:21 37:18,21 37:23 38:6,14 40:24 41:3,5,6 41:7 42:3 recalled 16:21 receive 32:3 received 11:3 11:15 12:14 30:17 31:10,12 31:17 32:8,21 33:20 37:19 38:4 receiving 20:5 recess 33:13 recollection 9:5 11:22 20:18 35:23 37:1	record 12:12 21:3 44:16,22 recorded 45:11 refer 15:23 16:23 19:14 referencing 17:3 referring 5:9 15:5 25:10 refers 16:5 refresh 15:25 refusals 3:10 3:21 refused 3:22 refusing 37:15 register 23:12 23:16 registration 25:7 regular 36:7 regularly 13:21 regulatory 8:4 8:6 related 16:17 17:21 32:23 33:5 34:13 relationship 8:12 34:5 relayed 19:23 20:2,3 38:13 relevant 44:3,4 remains 14:5 remember 40:10,12,14 41:2	reported 1:24 reporter 45:4 reporter's 45:1 represent 42:16 representation 17:11 41:13 42:12 represented 43:3 representing 18:5 41:12 44:1 requests 3:14 3:18,22 required 23:11 23:16 resided 30:10 30:14 residence 6:8 10:6,10 26:16 26:18 27:22 respect 31:2 respond 22:13 responding 1:9 2:4 12:12 responsive 37:16 resuming 33:14 retain 17:8 22:6 42:23 retained 15:13 retaining 15:15 17:13 18:8 42:16
q			
question 7:15 11:14 15:3 16:4 31:8 36:8 36:11 39:10 41:2 questioned 41:3 questions 3:14 3:18,22 5:8,20 10:23 33:11 44:20			
r			
r 2:1 3:22 43:6 43:11,16,22 44:2,9,14 raise 7:6 reach 38:1			

[review - stafford]

11

review 14:22 14:25 15:9 reviewed 5:14 reviews 17:2,20 18:4 richard 15:12 15:14 richard's 16:13 richardson 6:18,19,20,21 6:22 rider 27:1,11 right 18:1 21:13 25:4 26:1 28:12 39:2 robert 1:13 2:3 5:6 rpr 1:24 45:3 45:21 rudensky 1:13 1:18 2:9 3:3 5:3,5 15:22 33:16 44:19 ruling 42:25 run 7:5	36:7 37:24 scheduling 36:10 screen 10:22 second 21:3 27:1,10,12,14 27:23 see 11:5,6,11 12:15,17,20,22 17:16,17 19:9 24:13 seeing 14:19,20 16:9,21 seems 16:9 37:2 self 43:3 selling 24:17 send 38:10,11 sense 35:19 sent 12:14 13:2 13:7 38:12 september 11:3 served 17:15 18:10 19:6 22:12,20,23 service 22:15 22:19 24:11,16 set 45:6 share 11:14 30:18 shared 31:6 32:7,13 shorthand 45:4 45:14 shortly 15:13 15:16 23:7	29:22 30:21 signature 27:6 27:7 45:19 signed 27:17 silver 6:5 23:3 simply 11:16 sir 5:10,23 6:13 9:24 11:5,11 11:24 12:3,6 12:10,13,16 13:1,3,5,24,25 14:3,13,17 15:10,13,21 16:2,24 17:6 17:16,18,24 18:12,14 19:9 19:12,14,19 21:4,7,8,10,16 22:2,21,25 23:23 26:3,9 26:10,14 27:3 27:7,18 28:11 32:20 34:1 37:3,12,14 39:5 40:16,18 40:22,24 41:15 41:18 42:4 43:1,8,14,18,24 44:6 six 27:10 small 6:16 7:4 smartphone 13:18 social 18:25 19:14,19	sold 10:3,7,12 23:6,24 25:25 26:11 solutions 1:20 45:20 soon 11:20 sorry 6:20 15:22 16:15 23:1 28:3 39:21 sort 6:23 sought 42:22 sounds 23:5,9 speak 33:10 35:17,21 36:6 36:14 37:17 specific 9:22 25:22 35:11 specifically 23:19 29:16,19 29:25 30:20 35:7 36:21 38:14 specifics 40:15 spencer 44:12 spoke 35:14 spoken 35:3 36:19,22 spring 26:11 stafford 1:13 2:14 20:15 33:21 34:2,3,6 34:12,21 35:4 36:2,5 37:12 37:19 38:5,17
s			
s 2:1 sale 23:10 saw 16:1,10 20:6 says 9:8 27:11 29:8 31:15 scheduled 33:24 35:16			

[stafford - transferors]

12

39:1,6,12 43:8 44:7,7 staley 2:3 3:5 5:4 33:8,15 37:7,10,13 38:22,25 39:4 43:7,12,17,23 44:4,5,10,11,15 44:19 stanley 5:6 start 5:9,22 7:13 10:19 22:15 34:1 started 13:24 starting 29:9 statement 12:7 17:18 21:5 22:3 statements 19:11 30:12 stay 36:1 stenographic... 45:11 steps 22:2,5,8 40:1 stock 6:14 stop 7:20 19:25 20:9 stopped 7:21 9:12,13,18 story 34:19 strongest 42:1 subsequently 17:7	sued 21:16,23 suggest 37:14 suggested 37:25 suggesting 16:16 22:16 summary 41:17 41:21 superior 1:3 sure 9:9 20:19 21:14,24 24:25 25:10 30:25 32:25 35:21 36:25 38:12 suspected 33:3 suspicious 18:22 swearing 14:23 15:1 swore 5:11 15:2 16:2,25 40:22 sworn 1:19	tell 7:2 8:10 11:20 13:6 18:21 20:3,13 25:23 29:11 30:16 37:18 41:5,9 42:10 43:20,24 telling 43:18 ten 9:3 terms 8:21 42:1 testimony 45:9 text 21:6 38:18 thank 22:24 44:17,19,21 things 8:2 11:17 think 9:7 24:20 34:17 44:15 thought 7:25 21:20,21,24 threatened 21:23 threatening 12:2,5 tied 16:17 time 7:24 8:1 8:18 10:7,11 10:11 11:24 12:6 13:1,6,24 14:6 15:14 21:10,18,22 22:1,21 26:14 26:19 27:25 28:18 29:17,22 30:1,21 31:3	31:23 32:8,13 32:20 35:3 38:21 45:6,7 45:10 times 10:18 36:19,22,23,23 36:24 today 5:16 6:2 14:18 told 9:6 20:18 21:11,19,25 24:19 25:16 29:23 31:11 37:23 39:17 41:1,6,10 took 15:24 16:6 16:19 22:14 top 34:23 toronto 7:5 26:4 touch 36:1 trader 6:14 trading 8:15,16 transactions 8:15 transcribed 45:12 transcript 40:17,21,21 45:14 transfer 23:12 23:15,17,23 25:14,25 transferors 24:7,7
--	--	---	--

[tried - zoom]

13

tried 28:9 29:2 true 17:19 18:3 18:12 19:12 45:13 trying 19:2,15 35:20 36:9 41:12 turn 12:11 14:12 18:14,15 23:21 28:1 33:17 tweet 21:9,9 22:9,16 twitter 20:7 two 12:14,18	understood 17:22 22:18 undertaken 3:14 undertakings 3:9,13 unknown 1:15 use 9:21 23:1 24:10 25:7,12 25:19 27:11 used 12:19 13:2 14:2 24:17 25:3,8 using 13:24 24:25	wanting 32:6 way 35:13,14 week 35:18 36:15 went 22:16 whatsapp 38:13,18 wife 6:10 24:25 25:20 28:7,15 28:17,25 29:5 window 27:16 wish 5:19 witness 3:3 16:14 17:2,20 18:4 44:21 45:7,9 work 6:16,25 34:7,10,11 worked 10:15 working 7:20 7:21 8:22,25 9:12,14,18 writing 38:18 wrong 13:6	z zoom 40:11
u	v		
u 3:14,19 39:2 under 3:18 9:3 45:7 understand 5:23 6:22 8:4 9:13,24 11:17 12:25 13:16 21:15,22 23:24 25:2 26:3,10 26:14 28:13 36:9 39:17,24 41:23 42:4 understanding 12:3,4 13:5 19:4 22:19,21 23:25 32:22 39:6,11,14 40:3,4	vary 36:17 verbally 38:13 veritext 1:20,20 45:20 view 22:11,14 virtual 1:21	work 6:16,25 34:7,10,11 worked 10:15 working 7:20 7:21 8:22,25 9:12,14,18 writing 38:18 wrong 13:6	
	w	x	
	w 1:5 2:3 waited 42:21 42:25 want 5:22 11:14 22:25 28:1 30:16,24 30:25 31:9 33:10 34:1 wanted 37:25 40:4 42:24	x 3:1	
		y	
		year 35:24 42:10 yegendorf 2:5 10:18 11:8 12:11 15:20 18:15 26:9,23 33:17	

TAB 5

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and –

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM
and ALLEN SPEKTOR**

Defendants by Counterclaim

AFFIDAVIT OF DOCUMENTS

I, **ANDREW RUDENSKY**, of the City of Naples, Florida, in the United States of America, **MAKE OATH AND SAY AS FOLLOWS:**

1. I have conducted a diligent search of my records and made appropriate enquiries of others to inform myself in order to make this Affidavit. This Affidavit discloses, to the full

extent of my knowledge, information and belief, all documents relevant to any matter in issue in this action that are or have been in my possession, control or power.

2. I have listed in Schedule "A" those documents that are in my possession, control or power and that I do not object to producing for inspection.

3. I have listed in Schedule "B" those documents that are or were in my possession, control or power and that I object to producing because I claim they are privileged, and I have stated in Schedule "C" the grounds for each such claim.

4. I have listed in Schedule "C" those documents that are in my possession, control or power that I do not object to producing for inspection but that are settlement privileged.

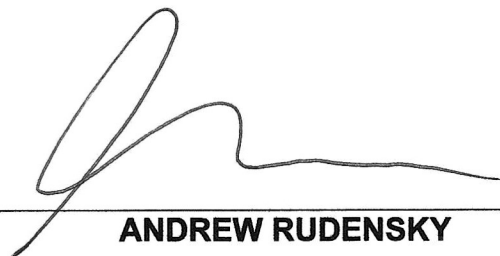
5. I have listed in Schedule "D" those documents that were formerly in my possession, control or power but are no longer in my possession, control or power, and I have stated in Schedule "D" when and how I lost possession or control of or power over them and their present location.

6. I have never had in my possession, control or power any document relevant to any matter in issue in this action other than those listed in Schedules "A", "B", "C" and "D".

SWORN by Andrew Rudensky of the City of Naples, in the State of Florida, USA, before me at the City of Toronto, in the Province of Ontario, on February 25, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
Connor Allison (LSO #79878R)


ANDREW RUDENSKY

LAWYER'S CERTIFICATE

I CERTIFY that I have explained to the deponent,

- (a) the necessity of making full disclosure of all documents relevant to any matter in issue in the action;
- (b) what kinds of documents are likely to be relevant to the allegations made in the Pleadings; and
- (c) if the action is brought under the simplified procedure, the necessity of providing the list required under rule 76.03.

February 25 , 2024



John Polyzogopoulos

SCHEDULE "A"

Documents in my possession, control or power that I do not object to producing for inspection.

NO.	DATE	DOCUMENT
1.	Oct-19-2023	Order of the Securities and Exchange Commission
2.	Feb-01-2024	Aphria Trade Summary
3.	Feb-01-2024	Transaction Report for Aphria

SCHEDULE “B”

Documents that are or were in my possession, control or power that I object to producing
on the grounds of privilege.N/A

SCHEDULE “C”

Documents that are or were in my possession, control or power that I do not object to producing for inspection but which are settlement privileged.N/A

SCHEDULE "D"

Documents that were formerly in my possession, control or power but are no longer in my possession, control or power.

N/A

TAB 1

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 98775 / October 19, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21783

In the Matter of

ANSON ADVISORS INC.

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 21C OF THE SECURITIES
EXCHANGE ACT OF 1934, MAKING
FINDINGS, AND IMPOSING A CEASE-
AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Anson Advisors Inc. (“AAI” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds¹ that:

¹ The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Summary

1. These proceedings concern AAI's violations of Rule 105 of Regulation M [17 C.F.R. § 242.105] ("Rule 105") through transactions on behalf of certain of its private fund clients (each, an "Anson Fund" and collectively, the "Anson Funds") occurring in December 2019, June 2020, and April 2021.¹ In total, AAI's conduct resulted in profits by the Anson Funds of \$2,469,109.11.

Respondent

2. AAI is a corporation organized under the laws of Ontario, Canada, located in Ontario, Canada, and registered with the Ontario Securities Commission. AAI is an investment adviser and co-advises the Anson Funds, among other private fund clients. AAI has reported to the Commission as an exempt reporting adviser since 2013.

Facts

3. Rule 105 makes it unlawful for a person to purchase equity securities from an underwriter, broker or dealer participating in a covered public offering if that person sold short the security that is the subject of the offering during the restricted period as defined in the rule, absent meeting the conditions of an exception. 17 C.F.R. § 242.105(a); see Short Selling in Connection with a Public Offering, Rel. No. 34-56206, 72 Fed. Reg. 45094 (Aug. 10, 2007) (effective Oct. 9, 2007). The Rule 105 "restricted period" is the shorter of the period: (1) beginning five business days before the pricing of the offered securities and ending with such pricing; or (2) beginning with the initial filing of a registration statement or notification on Exchange Act Form 1-A or 1-E and ending with the pricing. 17 C.F.R. § 242.105(a)(1) and (a)(2).

4. The Commission adopted Rule 105 "to foster secondary and follow-on offering prices that are determined by independent market dynamics and not by potentially manipulative activity." 72 Fed. Reg. 45094. Rule 105 is prophylactic and prohibits the conduct irrespective of the short seller's intent. Id.

5. Rule 105 provides an exception for a "bona fide purchase" so that persons can purchase offered securities even if they sell short during the Rule 105 restricted period if they make a purchase equivalent in quantity to the amount of the restricted period short sale(s) prior to pricing. See 72 Fed. Reg. 45094, 45097. The bona fide purchase exception ("BFP Exception") allows a person who has shorted the securities that are the subject of the offering during the Rule 105 restricted period to participate in the offering if the person makes a bona fide purchase(s) of the security that is the subject of the offering that is at least equivalent in quantity to the entire amount of the Rule 105 restricted period short sale(s), effected during regular trading hours, reported to an "effective transaction reporting plan" (as defined in Rule 600(b)(30) of Regulation NMS), and effected after the last Rule 105 restricted period short sale, and no later than the business day prior to the day of pricing. 17 C.F.R. § 242.105(b)(1)(i). In addition, to rely on the BFP Exception, such person must not have effected a short sale, that is reported to an effective transaction reporting plan, within the 30 minutes prior to the close of regular trading hours (as

defined in Rule 600(b)(77) of Regulation NMS) on the business day prior to the day of pricing. See 17 C.F.R. § 242.105(b)(1)(ii). As set forth in Rule 100 of Regulation M, 17 CFR § 242.100, the term “business day” refers to a 24-hour period determined with reference to the principal market for the securities to be distributed, and that includes a complete trading session for that market. The conditions of the BFP Exception—that (i) the person effect the bona fide purchase during regular trading hours and (ii) that the bona fide purchase be reported pursuant to an effective transaction reporting plan—are designed to ensure transparency of the activity to the market so that the effects of the purchase can be reflected in the security’s market price prior to the pricing of the offering. See 72 Fed. Reg. 45094, 45097.

6. On June 23, 2020, American Airlines Group Inc. (“American Airlines”) conducted a follow-on equity offering (“American Airlines Offering”). The restricted period in connection with the American Airlines Offering was from June 16–22, 2020 (“American Airlines Restricted Period”).

7. During the American Airlines Restricted Period, AAI directed short sales of 750,000 shares of American Airlines common stock for three of the Anson Funds, resulting in net proceeds of \$11,998,766.75, after brokerage fees and commissions, and at an average price per share of \$15.9984 (“American Airlines Short Sales”).

8. In the afternoon of Monday, June 22, 2020, after reviewing its trading history and based on an incorrect understanding of the BFP Exception, AAI directed the purchase of 750,000 shares of American Airlines common stock for the three Anson Funds. To meet the conditions of the BFP Exception for the American Airlines Short Sales and American Airlines Offering purchases, AAI would have had to purchase shares no later than Friday, June 19, 2020.

9. On June 23, 2020, based on the same incorrect understanding of the BFP Exception, AAI directed the purchase on behalf of four of the Anson Funds of 2,250,000 shares in the American Airlines Offering, at \$13.50 per share, and at a total cost of \$30,375,000. Because AAI had directed short sales in the same security during the American Airlines Restricted Period, the purchase of these shares violated Rule 105.

10. The difference between the price at which the Anson Funds sold short shares of American Airlines common stock during the restricted period and the price at which the Anson Funds purchased those shares in the American Airlines Offering was \$1,812,545.35. The Anson Funds also improperly received a benefit of \$596,356.63 by purchasing the incremental 1,551,000 American Airlines Offering shares at a discount from American Airlines’ market price. Thus, the Anson Funds received total profits of \$2,408,901.98 by participating in the American Airlines Offering.

11. In December 2019 and April 2021, AAI engaged in trading in two other securities on behalf of certain Anson Funds that violated Rule 105, based on the same misapplication of the BFP Exception. The Anson Funds profited by approximately \$60,207.13 from these two transactions.

12. AAI's violations of Rule 105 resulted in profits to the Anson Funds of \$2,469,109.11. AAI has represented to the Commission staff that it is currently in possession of the amounts subject to disgorgement.

13. AAI has since undertaken certain remedial steps, including updating and revising its Rule 105 policies and procedures to prevent future Rule 105 violations, including those related to the BFP Exception.

Violations

14. As a result of the conduct described above, AAI violated Rule 105 of Regulation M under the Exchange Act.

Disgorgement and Civil Penalties

15. The disgorgement and prejudgment interest ordered in paragraph IV.B is consistent with equitable principles, does not exceed the net profits from Respondent's violations, and returning the money to Respondent would be inconsistent with equitable principles. Therefore, in these circumstances, distributing disgorged funds to the U.S. Treasury is the most equitable alternative. The disgorgement and prejudgment interest ordered in paragraph IV.B shall be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent AAI's Offer.

Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 21C of the Exchange Act, Respondent AAI cease and desist from committing or causing any violations and any future violations of Rule 105 of Regulation M under the Exchange Act.
- B. Respondent AAI shall, within 10 days of the entry of this Order, pay disgorgement of \$2,469,109.11 and prejudgment interest of \$261,285.30 and a civil money penalty of \$600,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. If timely payment of the civil money penalty is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Anson Advisors Inc. as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Samantha Martin, Division of Enforcement, Securities and Exchange Commission, 801 Cherry St., 19th Floor Fort Worth, Texas 76102.

- C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Vanessa A. Countryman
Secretary

TAB 2

Account #1

Process Date	Settle Date	Quantity	Tran	Description	Price	Amount
4/15/2020	4/17/2020	-3,500	SEL	APHRIA INC *	\$5.66	-\$19,705.01
2/13/2020	2/18/2020	-3,500	SEL	APHRIA INC *	\$5.51	-\$19,170.00
1/24/2020	1/28/2020	7,000	BUY	APHRIA INC *	\$7.21	\$50,685.00
6/20/2019	6/24/2019	-5,000	SEL	APHRIA INC *	\$8.87	-\$44,135.00
6/13/2019	6/17/2019	-3,000	SEL	APHRIA INC *	\$9.50	-\$28,400.00
5/24/2019	5/28/2019	-2,500	SEL	APHRIA INC *	\$9.50	-\$23,650.00
5/24/2019	5/28/2019	-2,500	SEL	APHRIA INC *	\$9.91	-\$24,675.00
3/18/2019	3/19/2019	2,500	BUY	APHRIA INC *	\$9.00	\$22,615.00
2/4/2019	2/6/2019	-1,000	SEL	APHRIA INC *	\$13.56	-\$13,460.00
2/4/2019	2/6/2019	-1,000	SEL	APHRIA INC *	\$13.56	-\$13,557.00
2/4/2019	2/6/2019	-1,000	SEL	APHRIA INC *	\$13.93	-\$13,830.00
2/1/2019	2/5/2019	-1,000	SEL	APHRIA INC *	\$12.18	-\$12,080.00
2/1/2019	2/5/2019	-1,000	SEL	APHRIA INC *	\$12.28	-\$12,195.00
2/1/2019	2/5/2019	-1,000	SEL	APHRIA INC *	\$12.82	-\$12,805.00
1/31/2019	2/4/2019	-2,500	SEL	APHRIA INC *	\$11.40	-\$28,385.00
12/13/2018	12/17/2018	2,000	BUY	APHRIA INC *	\$7.28	\$14,660.00
12/6/2018	12/10/2018	1,600	BUY	APHRIA INC *	\$5.72	\$9,252.00
12/3/2018	12/5/2018	2,000	BUY	APHRIA INC *	\$8.60	\$17,300.00
11/28/2018	11/30/2018	2,200	BUY	APHRIA INC *	\$11.08	\$24,476.00
11/28/2018	11/30/2018	1,200	BUY	APHRIA INC *	\$11.09	\$13,408.00
10/22/2018	10/24/2018	1,400	BUY	APHRIA INC *	\$16.63	\$23,390.99
10/16/2018	10/18/2018	1,500	BUY	APHRIA INC *	\$19.05	\$28,690.00
10/16/2018	10/18/2018	1,500	BUY	APHRIA INC *	\$18.70	\$28,147.00
10/16/2018	10/18/2018	1,600	BUY	APHRIA INC *	\$18.70	\$30,020.00
10/11/2018	10/15/2018	4,000	BUY	APHRIA INC *	\$19.30	\$77,300.00
9/4/2018	9/5/2018	-5,000	SEL	APHRIA INC *	\$11.50	-\$57,385.00
9/4/2018	9/5/2018	-5,000	SEL	APHRIA INC *	\$11.00	-\$54,885.00
8/27/2018	8/28/2018	-10,000	SEL	APHRIA INC *	\$11.00	-\$109,835.00
8/20/2018	8/22/2018	-1,500	SEL	APHRIA INC *	\$11.05	-\$16,475.00
8/20/2018	8/22/2018	-1,500	SEL	APHRIA INC *	\$11.25	-\$16,775.00
7/4/2018	7/4/2018	31,000	ACI	APHRIA INC *	\$0.00	\$374,489.30

7/4/2018	7/4/2018	-31,000 ACO	APHRIA INC *	\$0.00	-\$383,439.00
6/28/2018	7/3/2018	-4,000 SEL	APHRIA INC *	\$11.93	-\$47,521.01
6/28/2018	7/3/2018	-4,000 SEL	APHRIA INC *	\$11.98	-\$47,920.00
6/28/2018	7/3/2018	-4,000 SEL	APHRIA INC *	\$12.00	-\$48,000.00
6/28/2018	7/3/2018	-4,000 SEL	APHRIA INC *	\$12.05	-\$48,200.00
6/28/2018	7/3/2018	-1,000 SEL	APHRIA INC *	\$12.12	-\$12,020.00
6/27/2018	6/29/2018	-10,000 SEL	APHRIA INC *	\$12.30	-\$122,804.02
6/27/2018	6/29/2018	-10,000 SEL	APHRIA INC *	\$12.30	-\$122,885.00
6/27/2018	6/29/2018	5,000 BUY	APHRIA INC *	\$12.10	\$60,600.00
6/26/2018	6/28/2018	55,000 BUY	APHRIA INC *	\$11.85	\$651,750.00
		0			\$72,592.25

ACCOUNT #2

Process Date	Settle Date	Quantity	Tran	Description	Price	Amount
4/15/2019	4/16/2019	-6,000	SEL	APHRIA INC *	\$13.00	-\$77,900.00
3/11/2019	3/12/2019	6,000	BUY	APHRIA INC *	\$13.00	\$78,215.00
2/11/2019	2/12/2019	-5,000	SEL	APHRIA INC *	\$9.50	-\$47,385.00
2/4/2019	2/5/2019	-5,000	SEL	APHRIA INC *	\$10.00	-\$49,885.00
12/12/2018	12/14/2018	2,000	BUY	APHRIA INC *	\$8.06	\$16,235.00
12/5/2018	12/7/2018	2,800	BUY	APHRIA INC *	\$5.04	\$14,212.00
12/3/2018	12/5/2018	1,200	BUY	APHRIA INC *	\$8.30	\$10,060.00
11/12/2018	11/14/2018	4,000	BUY	APHRIA INC *	\$15.10	\$60,500.00
11/5/2018	11/6/2018	-4,000	SEL	APHRIA INC *	\$15.00	-\$59,900.00
10/22/2018	10/24/2018	4,000	BUY	APHRIA INC *	\$15.30	\$61,315.00

\$5,467.00

Account #1

Date of Acquisition	# of Shares	Trans	Security	Stl Date	Trade Date	Adj Cost	Proceeds	Gain (Loss)
06/18/2018		230 EXP	Call 100 APH 07/20/2018 -12	07/20/2018			\$17,720.00	\$17,720.00
07/27/2018		100 EXP	Call 100 APH 08/03/2018 -11.5	08/03/2018			\$2,400.00	\$2,400.00
07/20/2018		40 EXP	Call 100 APH 08/03/2018 -12	08/03/2018			\$1,100.00	\$1,100.00
07/26/2018		70 EXP	Call 100 APH 08/03/2018 -11	08/03/2018			\$2,200.00	\$2,200.00
08/07/2018		100 ASG	Call 100 APH 08/24/2018 -11	08/24/2018			\$2,235.00	\$2,235.00
08/07/2018		50 ASG	Call 100 APH 08/31/2018 -11	09/04/2018			\$1,150.00	\$1,150.00
08/08/2018		50 ASG	Call 100 APH 08/31/2018 -11.5	09/04/2018			\$905.00	\$905.00
10/16/2018		50 EXP	Call 100 APH 10/19/2018 -20	10/19/2018			\$2,400.00	\$2,400.00
10/22/2018		80 EXP	Call 100 APH 11/02/2018 -21	11/02/2018			\$3,330.00	\$3,330.00
12/28/2018		80 EXP	Call 100 APH 01/18/2019 -12	01/18/2019			\$1,505.00	\$1,505.00
02/06/2019		50 EXP	Call 100 APH 02/15/2019 -15	02/15/2019			\$1,900.00	\$1,900.00
12/03/2018	25 (s)	SEL	Call 100 APH 03/15/2019 -9	02/27/2019	02/26/2019	\$4,678.75	\$10,025.00	\$5,346.25
02/20/2019		60 EXP	Call 100 APH 03/08/2019 -14	03/08/2019			\$2,900.00	\$2,900.00
12/03/2019	25 (s)	EXO	Call 100 APH 03/15/2019 -9	03/15/2019		\$4,678.75	\$9,250.00	\$4,571.25
03/08/2019		70 EXP	Call 100 APH 03/22/2019 -14	03/22/2019			\$2,000.00	\$2,000.00
03/11/2019		60 EXP	Call 100 APH 03/29/2019 -14.5	03/29/2019			\$1,985.00	\$1,985.00
03/25/2019		70 EXP	Call 100 APH 04/12/2019 -14	04/12/2019			\$2,000.00	\$2,000.00
11/11/2019		30 BUY	PUT 100 APH 11/29/2019-6.5	11/29/2019		\$995.00	\$1,143.00	\$148.00
11/11/2019		20 BUY	PUT 100 APH 11/29/2019-6.5	11/29/2019		\$615.00	\$762.00	\$147.00
								\$55,942.50 GAIN

Account #2

Date of Acquisition	# of Shares	Trans	Security	Stl Date	Trade Date	Adj Cost	Proceeds	Gain (Loss)
10/22/2018		40 EXP	Call 100 APH 10/26/18 -17	10/26/2018	10/26/2018		\$2,905.00	\$2,905.00
10/31/2018		40 ASG	Call 100 APH 11/02/18 -115	11/02/2018	11/02/2018		\$1,305.00	\$1,305.00
11/12/2018		40 EXP	Call 100 APH 11/16/2018-16	11/16/2018	11/16/2018		\$1,900.00	\$1,900.00
11/21/2018		15 EXP	Call 100 APH 11/20/2018 -15	11/30/2018	11/30/2018		\$205.00	\$205.00
11/28/2018		25 EXP	Call 100 APH 12/14/2018 -14	12/14/2018	12/14/2018		\$905.00	\$905.00
12/14/2018		50 BUY	Call 100 APH 01/11/2019 -10	01/11/2019	01/11/2019	\$115.00	\$1,405.00	\$1,290.00
12/24/2018		50 BUY	Call 100 APH 01/18/2019 -10	01/18/2019	01/18/2019	\$115.00	\$1,155.00	\$1,040.00
01/18/2019	50 (s)	EXP	Call 100 APH 01/18/2019 -10	01/21/2019	01/21/2019	-\$1,155.00	\$1,155.00	\$1,155.00
01/11/2019		50 ASG	Call 100 APH 02/01/2019-10	02/01/2019			\$1,650.00	\$1,650.00

Electronically filed / Déposé par voie électronique : 29-Apr-2024
Toronto Superior Court of Justice / Cour supérieure de justice

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

01/18/2019	50 ASG	Call 100 APH 02/08/2019-9.5	02/08/2019	\$1,405.00	\$1,405.00
02/27/2019	60 ASG	PUT 100 APH 03/08/2019-13	03/08/2019	\$2,900.00	\$2,900.00
03/11/2019	60 EXP	Call 100 APH 03/15/2019 -13	03/15/2019	\$2,000.00	\$2,000.00
03/18/2019	60 EXP	Call 100 APH 04/12/2019 -13	03/22/2019	\$1,705.00	\$1,705.00
03/25/2019	60 ASG	Call 100 APH 03/22/2019 -14	04/12/2019	\$3,500.00	\$3,500.00

\$23,865.00 GAIN

TAB 3

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 02/01/24
Client ID: ALL Account: TM1-4472-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

le System ***
Court File No./N° du dossier du greffe : CV-20-00653410-00CL
Tran Code: 032-1313

Trade Date Balance:												.00		
Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount				
04/15/19	04/16/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	6,000S	03765K104	APHRIA INC *	@ 13.00	SEL	77,900.00	CR			
03/11/19	03/12/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	6,000	03765K104	APHRIA INC *	@ 13.00	BUY	78,215.00				
02/11/19	02/12/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	5,000S	03765K104	APHRIA INC *	@ 9.50	SEL	47,385.00	CR			
02/04/19	02/05/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	5,000S	03765K104	APHRIA INC *	@ 10.00	SEL	49,885.00	CR			
12/12/18	12/14/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	2,000	03765K104	APHRIA INC *	@ 8.06	BUY	16,235.00				
12/05/18	12/07/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	2,800	03765K104	APHRIA INC *	@ 5.04	BUY	14,212.00				
12/03/18	12/05/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	1,200	03765K104	APHRIA INC *	@ 8.30	BUY	10,060.00				
11/12/18	11/14/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	4,000	03765K104	APHRIA INC *	@ 15.10	BUY	60,500.00				
11/05/18	11/06/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	4,000S	03765K104	APHRIA INC *	@ 15.00	SEL	59,900.00	CR			
10/22/18	10/24/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	4,000	03765K104	APHRIA INC *	@ 15.30	BUY	61,315.00				

*** End of Report ***

Ha Electronically filed / Déposé par voie électronique : 29-Apr-2024

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tr Toronto Superior Court of Justice / Cour supérieure de justice

ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/20

ALL CODE. 034-1022

Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL

Proc Date Order

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
04/15/20	04/17/20	TM1-4399-C	HENRY GEORGE*ED	20TY	3,500S	03765K104	APHRIA INC *	@ 5.66286	SEL	19,705.01CR
02/13/20	02/18/20	TM1-4399-C	HENRY GEORGE*ED	20TY	3,500S	03765K104	APHRIA INC *	@ 5.51	SEL	19,170.00CR
01/24/20	01/28/20	TM1-4399-C	HENRY GEORGE*ED	20TY	7,000	03765K104	APHRIA INC *	@ 7.21	BUY	50,685.00
06/20/19	06/24/19	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000S	03765K104	APHRIA INC *	@ 8.87	SEL	44,135.00CR
06/13/19	06/17/19	TM1-4399-C	HENRY GEORGE*ED	20TY	3,000S	03765K104	APHRIA INC *	@ 9.50	SEL	28,400.00CR
05/24/19	05/28/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500S	03765K104	APHRIA INC *	@ 9.50	SEL	23,650.00CR
05/24/19	05/28/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500S	03765K104	APHRIA INC *	@ 9.91	SEL	24,675.00CR
03/18/19	03/19/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500	03765K104	APHRIA INC *	@ 9.00	BUY	22,615.00
02/04/19	02/06/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 13.56	SEL	13,460.00CR
02/04/19	02/06/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 13.557	SEL	13,557.00CR
02/04/19	02/06/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 13.93	SEL	13,830.00CR
02/01/19	02/05/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.18	SEL	12,080.00CR
02/01/19	02/05/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.28	SEL	12,195.00CR
02/01/19	02/05/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.82	SEL	12,805.00CR
01/31/19	02/04/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500S	03765K104	APHRIA INC *	@ 11.40	SEL	28,385.00CR
12/13/18	12/17/18	TM1-4399-C	HENRY GEORGE*ED	20TY	2,000	03765K104	APHRIA INC *	@ 7.28	BUY	14,660.00
12/06/18	12/10/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,600	03765K104	APHRIA INC *	@ 5.72	BUY	9,252.00
12/03/18	12/05/18	TM1-4399-C	HENRY GEORGE*ED	20TY	2,000	03765K104	APHRIA INC *	@ 8.60	BUY	17,300.00
11/28/18	11/30/18	TM1-4399-C	HENRY GEORGE*ED	20TY	2,200	03765K104	APHRIA INC *	@ 11.08	BUY	24,476.00
11/28/18	11/30/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,200	03765K104	APHRIA INC *	@ 11.09	BUY	13,408.00
10/22/18	10/24/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,400	03765K104	APHRIA INC *	@ 16.62570714M	BUY	23,390.99
								1,300 @ 16.62538		
								100 @ 16.63		
10/16/18	10/18/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500	03765K104	APHRIA INC *	@ 19.05	BUY	28,690.00
10/16/18	10/18/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500	03765K104	APHRIA INC *	@ 18.698	BUY	28,147.00
10/16/18	10/18/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,600	03765K104	APHRIA INC *	@ 18.70	BUY	30,020.00
10/11/18	10/15/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000	03765K104	APHRIA INC *	@ 19.30	BUY	77,300.00
09/04/18	09/05/18	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000S	03765K104	APHRIA INC *	@ 11.50	SEL	57,385.00CR
09/04/18	09/05/18	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000S	03765K104	APHRIA INC *	@ 11.00	SEL	54,885.00CR
08/27/18	08/28/18	TM1-4399-C	HENRY GEORGE*ED	20TY	10,000S	03765K104	APHRIA INC *	@ 11.00	SEL	109,835.00CR
08/20/18	08/22/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500S	03765K104	APHRIA INC *	@ 11.05	SEL	16,475.00CR
08/20/18	08/22/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500S	03765K104	APHRIA INC *	@ 11.25	SEL	16,775.00CR
07/04/18	07/04/18	TM1-4399-C	HENRY GEORGE*ED	20TY	31,000	03765K104	APHRIA INC *	CDSX ACI JNL - NB	ACI	374,489.30
07/04/18	07/04/18	TM1-4399-C	HENRY GEORGE*ED	20TY	31,000S	03765K104	APHRIA INC *	CDSX ACI JNL - NB	ACO	383,439.00CR
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 11.9340025M	SEL	47,521.01CR
								3,800 @ 11.93474		
								200 @ 11.92		
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 11.98	SEL	47,920.00CR
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 12.00	SEL	48,000.00CR
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 12.05	SEL	48,200.00CR
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.12	SEL	12,020.00CR
06/27/18	06/29/18	TM1-4399-C	HENRY GEORGE*ED	20TY	10,000S	03765K104	APHRIA INC *	@ 12.301902M	SEL	122,804.02CR
								6,000 @ 12.30317		
								4,000 @ 12.30		
06/27/18	06/29/18	TM1-4399-C	HENRY GEORGE*ED	20TY	10,000S	03765K104	APHRIA INC *	@ 12.30	SEL	122,885.00CR
06/27/18	06/29/18	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000	03765K104	APHRIA INC *	@ 12.10	BUY	60,600.00
06/26/18	06/28/18	TM1-4399-C	HENRY GEORGE*ED	20TY	55,000	03765K104	APHRIA INC *	@ 11.85	BUY	651,750.00

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024 le System ***
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL TR. ALL FROM. 01/01/10 TO. 12/31/20
Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

ALL CODE. 032-1022

*** End of Report ***

Trade Date Balance:												.00	
Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount			
04/15/20	04/17/20	TM1-4399-C	HENRY GEORGE*ED	20TY	3,500S	03765K104	APHRIA INC *	@ 5.66286	SEL	19,705.01CR			
02/13/20	02/18/20	TM1-4399-C	HENRY GEORGE*ED	20TY	3,500S	03765K104	APHRIA INC *	@ 5.51	SEL	19,170.00CR			
01/24/20	01/28/20	TM1-4399-C	HENRY GEORGE*ED	20TY	7,000	03765K104	APHRIA INC *	@ 7.21	BUY	50,685.00			
06/20/19	06/24/19	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000S	03765K104	APHRIA INC *	@ 8.87	SEL	44,135.00CR			
06/13/19	06/17/19	TM1-4399-C	HENRY GEORGE*ED	20TY	3,000S	03765K104	APHRIA INC *	@ 9.50	SEL	28,400.00CR			
05/24/19	05/28/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500S	03765K104	APHRIA INC *	@ 9.50	SEL	23,650.00CR			
05/24/19	05/28/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500S	03765K104	APHRIA INC *	@ 9.91	SEL	24,675.00CR			
03/18/19	03/19/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500	03765K104	APHRIA INC *	@ 9.00	BUY	22,615.00			
02/04/19	02/06/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 13.56	SEL	13,460.00CR			
02/04/19	02/06/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 13.557	SEL	13,557.00CR			
02/04/19	02/06/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 13.93	SEL	13,830.00CR			
02/01/19	02/05/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.18	SEL	12,080.00CR			
02/01/19	02/05/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.28	SEL	12,195.00CR			
02/01/19	02/05/19	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.82	SEL	12,805.00CR			
01/31/19	02/04/19	TM1-4399-C	HENRY GEORGE*ED	20TY	2,500S	03765K104	APHRIA INC *	@ 11.40	SEL	28,385.00CR			
12/13/18	12/17/18	TM1-4399-C	HENRY GEORGE*ED	20TY	2,000	03765K104	APHRIA INC *	@ 7.28	BUY	14,660.00			
12/06/18	12/10/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,600	03765K104	APHRIA INC *	@ 5.72	BUY	9,252.00			
12/03/18	12/05/18	TM1-4399-C	HENRY GEORGE*ED	20TY	2,000	03765K104	APHRIA INC *	@ 8.60	BUY	17,300.00			
11/28/18	11/30/18	TM1-4399-C	HENRY GEORGE*ED	20TY	2,200	03765K104	APHRIA INC *	@ 11.08	BUY	24,476.00			
11/28/18	11/30/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,200	03765K104	APHRIA INC *	@ 11.09	BUY	13,408.00			
10/22/18	10/24/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,400	03765K104	APHRIA INC *	@ 16.62570714M	BUY	23,390.99			
								1,300 @ 16.62538					
								100 @ 16.63					
10/16/18	10/18/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500	03765K104	APHRIA INC *	@ 19.05	BUY	28,690.00			
10/16/18	10/18/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500	03765K104	APHRIA INC *	@ 18.698	BUY	28,147.00			
10/16/18	10/18/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,600	03765K104	APHRIA INC *	@ 18.70	BUY	30,020.00			
10/11/18	10/15/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000	03765K104	APHRIA INC *	@ 19.30	BUY	77,300.00			
09/04/18	09/05/18	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000S	03765K104	APHRIA INC *	@ 11.50	SEL	57,385.00CR			
09/04/18	09/05/18	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000S	03765K104	APHRIA INC *	@ 11.00	SEL	54,885.00CR			
08/27/18	08/28/18	TM1-4399-C	HENRY GEORGE*ED	20TY	10,000S	03765K104	APHRIA INC *	@ 11.00	SEL	109,835.00CR			
08/20/18	08/22/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500S	03765K104	APHRIA INC *	@ 11.05	SEL	16,475.00CR			
08/20/18	08/22/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,500S	03765K104	APHRIA INC *	@ 11.25	SEL	16,775.00CR			
07/04/18	07/04/18	TM1-4399-C	HENRY GEORGE*ED	20TY	31,000	03765K104	APHRIA INC *	CDSX ACI JNL - NB	ACI	374,489.30			
07/04/18	07/04/18	TM1-4399-C	HENRY GEORGE*ED	20TY	31,000S	03765K104	APHRIA INC *	CDSX ACI JNL - NB	ACO	383,439.00CR			
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 11.9340025M	SEL	47,521.01CR			
								3,800 @ 11.93474					
								200 @ 11.92					
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 11.98	SEL	47,920.00CR			
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 12.00	SEL	48,000.00CR			
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	4,000S	03765K104	APHRIA INC *	@ 12.05	SEL	48,200.00CR			
06/28/18	07/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	1,000S	03765K104	APHRIA INC *	@ 12.12	SEL	12,020.00CR			
06/27/18	06/29/18	TM1-4399-C	HENRY GEORGE*ED	20TY	10,000S	03765K104	APHRIA INC *	@ 12.301902M	SEL	122,804.02CR			
								6,000 @ 12.30317					
								4,000 @ 12.30					
06/27/18	06/29/18	TM1-4399-C	HENRY GEORGE*ED	20TY	10,000S	03765K104	APHRIA INC *	@ 12.30	SEL	122,885.00CR			
06/27/18	06/29/18	TM1-4399-C	HENRY GEORGE*ED	20TY	5,000	03765K104	APHRIA INC *	@ 12.10	BUY	60,600.00			
06/26/18	06/28/18	TM1-4399-C	HENRY GEORGE*ED	20TY	55,000	03765K104	APHRIA INC *	@ 11.85	BUY	651,750.00			

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024 le System ***
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL LR. ALL FROM. 01/01/17 TO. 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

ALL CODE. 077-1233

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050727 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

ALL CODE. 077-1502

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
07/23/18	07/20/18	TM1-4399-C	HENRY GEORGE*ED	20TY	230	OPH050727	CALL 100 APH 07/20		EXP	0.00
06/19/18	06/20/18	TM1-4399-C	HENRY GEORGE*ED	20TY	30S	OPH050727	CALL 100 APH 07/20	@ 0.90	SEL	2,685.00CR
06/18/18	06/19/18	TM1-4399-C	HENRY GEORGE*ED	20TY	100S	OPH050727	CALL 100 APH 07/20	@ 0.75	SEL	7,400.00CR
06/18/18	06/19/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH050727	CALL 100 APH 07/20	@ 0.80	SEL	3,985.00CR
06/18/18	06/19/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH050727	CALL 100 APH 07/20	@ 0.75	SEL	3,650.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050763 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 074-1503

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
08/06/18	08/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	100	OPH050763	CALL 100 APH 08/03		EXP	0.00
07/27/18	07/30/18	TM1-4399-C	HENRY GEORGE*ED	20TY	100S	OPH050763	CALL 100 APH 08/03	@ 0.25	SEL	2,400.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050764 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 071-1302

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
08/06/18	08/03/18	TM1-4399-C	HENRY GEORGE*ED	20TY	40	OPH050764	CALL 100 APH 08/03		EXP	0.00
07/20/18	07/23/18	TM1-4399-C	HENRY GEORGE*ED	20TY	40S	OPH050764	CALL 100 APH 08/03	@ 0.30	SEL	1,100.00CR

*** End of Report ***

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050797 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 077-1501

Trade Date Balance:														.00	
Process	Settle	Account	Client	IA	Quantity	Security	Name				Description	Trn	Amount		
08/27/18	08/24/18	TM1-4399-C	HENRY GEORGE*ED	20TY	100	OPH050797	CALL	100	APH	08/24		ASG	0.00		
08/07/18	08/08/18	TM1-4399-C	HENRY GEORGE*ED	20TY	70S	OPH050797	CALL	100	APH	08/24	@	0.25	SEL	1,650.00CR	
08/07/18	08/08/18	TM1-4399-C	HENRY GEORGE*ED	20TY	30S	OPH050797	CALL	100	APH	08/24	@	0.20	SEL	585.00CR	

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM: 01/01/01 TO: 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050801 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 044-1500

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
09/04/18	09/04/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50	OPH050801	CALL 100 APH 08/31	CDN OPT ASG	ASG	0.00
08/07/18	08/08/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH050801	CALL 100 APH 08/31	@ 0.25	SEL	1,150.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM: 01/01/01 TO: 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050802 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 044-1500

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
09/04/18	09/04/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50	OPH050802	CALL 100 APH 08/31	CDN OPT ASG	ASG	0.00
08/08/18	08/09/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH050802	CALL 100 APH 08/31	@ 0.20	SEL	905.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050855 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
10/22/18	10/19/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50	OPH050855	CALL 100 APH 10/19		EXP	0.00
10/16/18	10/17/18	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH050855	CALL 100 APH 10/19	@ 0.50	SEL	2,400.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH050895 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1330

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
10/29/18	10/26/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	40	OPH050895	CALL 100 APH 10/26		EXP	0.00
10/22/18	10/23/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	40S	OPH050895	CALL 100 APH 10/26	@ 0.75M	SEL	2,905.00CR
								20 @ .70		
								20 @ .80		

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/22
Client ID: ALL Account: TM1-4472-C CUSIP: OPH050922 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1331

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
11/05/18	11/02/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	40	OPH050922	CALL 100 APH 11/02		ASG	0.00
10/31/18	11/01/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	40S	OPH050922	CALL 100 APH 11/02	@ 0.35	SEL	1,305.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/10/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050924 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Trade Date Balance:														.00	
Process	Settle	Account	Client	IA	Quantity	Security	Name				Description	Trn	Amount		
11/05/18	11/02/18	TM1-4399-C	HENRY GEORGE*ED	20TY	80	OPH050924	CALL	100	APH	11/02		EXP	0.00		
10/22/18	10/23/18	TM1-4399-C	HENRY GEORGE*ED	20TY	48S	OPH050924	CALL	100	APH	11/02	@	0.40	SEL	1,825.00CR	
10/22/18	10/23/18	TM1-4399-C	HENRY GEORGE*ED	20TY	32S	OPH050924	CALL	100	APH	11/02	@	0.50	SEL	1,505.00CR	

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH050957 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 033-1330

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
11/19/18	11/16/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	40	OPH050957	CALL 100 APHA 11/1		EXP	0.00
11/12/18	11/13/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	40S	OPH050957	CALL 100 APHA 11/1	@ 0.50	SEL	1,900.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH050997 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 033-1555

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
12/03/18	11/30/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	15	OPH050997	CALL 100 APHA 11/3		EXP	0.00
11/21/18	11/22/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	15S	OPH050997	CALL 100 APHA 11/3	@ 0.20	SEL	205.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051012 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 033-1334

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
12/17/18	12/14/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	25	OPH051012	CALL 100 APHA 12/1		EXP	0.00
11/28/18	11/29/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	25S	OPH051012	CALL 100 APHA 12/1	@ 0.40	SEL	905.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051066 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1555

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
01/11/19	01/14/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50	OPH051066	CALL 100 APHA 01/1	@ 0.02	BUY	115.00
12/14/18	12/17/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	50S	OPH051066	CALL 100 APHA 01/1	@ 0.30	SEL	1,405.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051080 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1555

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
01/21/19	01/18/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50	OPH051080	CALL 100 APHA 01/1		EXP	0.00
01/21/19	01/21/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50S	OPH051080	CALL 100 APHA 01/1	EXPIRY	EXP	0.00
01/18/19	01/21/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50	OPH051080	CALL 100 APHA 01/1	@ 0.02	BUY	115.00
12/24/18	12/27/18	TM1-4472-C	RUDENSKY AN3ED?	20TY	50S	OPH051080	CALL 100 APHA 01/1	@ 0.25	SEL	1,155.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051082 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 044-1000

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
01/21/19	01/18/19	TM1-4399-C	HENRY GEORGE*ED	20TY	80	OPH051082	CALL 100 APHA 01/1		EXP	0.00
12/28/18	12/31/18	TM1-4399-C	HENRY GEORGE*ED	20TY	80S	OPH051082	CALL 100 APHA 01/1	@ 0.20	SEL	1,505.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051157 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 033-1550

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
02/04/19	02/01/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50	OPH051157	CALL 100 APHA 02/0		ASG	0.00
01/11/19	01/14/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50S	OPH051157	CALL 100 APHA 02/0	@ 0.35	SEL	1,650.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051172 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1330

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
02/11/19	02/08/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50	OPH051172	CALL 100 APHA 02/0		ASG	0.00
01/18/19	01/21/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	50S	OPH051172	CALL 100 APHA 02/0	@ 0.30	SEL	1,405.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051180 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 044-1500

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
02/19/19	02/15/19	TM1-4399-C	HENRY GEORGE*ED	20TY	50	OPH051180	CALL 100 APHA 02/1		EXP	0.00
02/06/19	02/07/19	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH051180	CALL 100 APHA 02/1	@ 0.40	SEL	1,900.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051209 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 074-1310

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
03/11/19	03/08/19	TM1-4399-C	HENRY GEORGE*ED	20TY	60	OPH051209	CALL 100 APHA 03/0		EXP	0.00
02/20/19	02/21/19	TM1-4399-C	HENRY GEORGE*ED	20TY	60S	OPH051209	CALL 100 APHA 03/0	@ 0.50	SEL	2,900.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051210 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 033-1343

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
03/11/19	03/08/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60	OPH051210	PUT 100 APHA 03/08		ASG	0.00
02/27/19	02/28/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60S	OPH051210	PUT 100 APHA 03/08	@ 0.50	SEL	2,900.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051216 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1552

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
03/18/19	03/15/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60	OPH051216	CALL 100 APHA 03/1		EXP	0.00
03/11/19	03/12/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60S	OPH051216	CALL 100 APHA 03/1	@ 0.35	SEL	2,000.00CR

*** End of Report ***

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051238 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 077-1511

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
03/25/19	03/22/19	TM1-4399-C	HENRY GEORGE*ED	20TY	70	OPH051238	CALL 100 APHA 03/2		EXP	0.00
03/08/19	03/11/19	TM1-4399-C	HENRY GEORGE*ED	20TY	70S	OPH051238	CALL 100 APHA 03/2	@ 0.30	SEL	2,000.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/18 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051239 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 033-1332

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
03/25/19	03/22/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60	OPH051239	CALL 100 APHA 03/2		EXP	0.00
03/18/19	03/19/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60S	OPH051239	CALL 100 APHA 03/2	@ 0.30	SEL	1,705.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051246 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 071-1512

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
04/01/19	03/29/19	TM1-4399-C	HENRY GEORGE*ED	20TY	60	OPH051246	CALL 100 APHA 03/2		EXP	0.00
03/11/19	03/12/19	TM1-4399-C	HENRY GEORGE*ED	20TY	60S	OPH051246	CALL 100 APHA 03/2	@ 0.35	SEL	1,985.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 04/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051256 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

TRAN CODE: 044-1515

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
04/15/19	04/12/19	TM1-4399-C	HENRY GEORGE*ED	20TY	70	OPH051256	CALL 100 APHA 04/1		EXP	0.00
03/25/19	03/26/19	TM1-4399-C	HENRY GEORGE*ED	20TY	70S	OPH051256	CALL 100 APHA 04/1	@ 0.30	SEL	2,000.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/00 TO. 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051257 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 032-1103

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
04/15/19	04/12/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60	OPH051257	CALL 100 APHA 04/1		ASG	0.00
03/25/19	03/26/19	TM1-4472-C	RUDENSKY AN3ED?	20TY	60S	OPH051257	CALL 100 APHA 04/1	@ 0.60	SEL	3,500.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051516 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Tran Code: 074-1515

Trade Date Balance: .00

Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount
11/29/19	12/02/19	TM1-4399-C	HENRY GEORGE*ED	20TY	30	OPH051516	PUT 100 APHA 11/29	@ 0.30	BUY	995.00
11/29/19	12/02/19	TM1-4399-C	HENRY GEORGE*ED	20TY	20	OPH051516	PUT 100 APHA 11/29	@ 0.30	BUY	615.00
11/11/19	11/12/19	TM1-4399-C	HENRY GEORGE*ED	20TY	50S	OPH051516	PUT 100 APHA 11/29	@ 0.40	SEL	1,905.00CR

*** End of Report ***

HaElectronically filed / Déposé par voie électronique : 29-Apr-2024
TrToronto Superior Court of Justice / Cour supérieure de justice
ME. ALL ID. ALL DR. ALL IA. ALL FROM. 01/01/01 TO. 02/15/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH051675 Tran Code: ALL
Proc Date Order

le System ***

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

Trade Date Balance:														.00	
Process	Settle	Account	Client	IA	Quantity	Security	Name	Description	Trn	Amount					
02/21/20	02/24/20	TM1-4399-C	HENRY GEORGE*ED	20TY	45	OPH051675	PUT 100 APHA	02/21 @ 1.00	BUY	4,595.00					
02/21/20	02/24/20	TM1-4399-C	HENRY GEORGE*ED	20TY	40	OPH051675	PUT 100 APHA	02/21 @ 1.00	BUY	4,095.00					
01/27/20	01/28/20	TM1-4399-C	HENRY GEORGE*ED	20TY	85S	OPH051675	PUT 100 APHA	02/21 @ 0.55	SEL	4,575.00CR					

*** End of Report ***

ANSON ADVISORS INC. ET AL

and

Court File No. CV-22-00653410-00CL
JAMES STAFFORD ET AL

Plaintiffs

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AFFIDAVIT OF DOCUMENTS

BLANEY MCMURTRY LLP
Lawyers
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)
Tel: (416) 593-2953
jpolyzogopoulos@blaney.com

Connor Allison (LSO #79878R)
Tel: (647) 776-7306
callison@blaney.com

Lawyers for the defendant, Andrew Rudensky

TAB 6



**ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-20-00653410-00CL

DATE: February 27, 2024

NO. ON LIST: 2

TITLE OF PROCEEDING: **ANSON ADVISORS INC. et al v. DOXTATOR et al.**

BEFORE JUSTICE: **OSBORNE**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Douglas Fenton	Moez Kassam	fentond@bennettjones.com
Robert Staley	Moez Kassam	staleyr@bennettjonesjones.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
John Polyzogopoulos	Andrew Rudensky	jpolyzogopoulos@blaney.com
Connor Allison	Andrew Rudensky	callison@blaney.com
Won J. Kim	James Stafford and Jacob Doxtator	wjk@complexlaw.ca
Nicole J. Kelly	James Stafford and Jacob Doxtator	njk@complexlaw.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Robert Doxtator	Self -Represented	harvestmoonresearch@gmail.com

1. This case conference was scheduled to address scheduling issues, further to the timetabling already imposed.
2. Mr. Robert Doxtator is self-represented. A court reporter was present today.
3. All productions have now been exchanged, including those of Mr. Rudensky, which were delivered yesterday. Examinations for discovery of all parties have been conducted, again save for Mr. Rudensky.
4. The motion record of the Plaintiffs with respect to refusals was delivered by email to Mr. Doxtator on November 30, 2023. He states today that he did not receive it. Counsel will resend that to him today. He confirmed both that the email address was correct and that he was able to open PDF attachments.
5. Having reviewed the materials and having heard from all counsel and Mr. Doxtator with respect to the issues and steps:
 - a. Mr. Robert Doxtator states that he can and will provide answers to questions refused, and those will be delivered on or before March 8, 2024;
 - b. Mr. Rudensky will be produced for examination for discovery on a date to be agreed by counsel, such that the examination will be completed as soon as possible;
 - c. with respect to refusals that are still outstanding, in respect of the examinations for discovery of all witnesses (including for greater certainty Mr. Rudensky, which will have been completed by this time), moving party motion materials will be delivered no later than March 29, 2024;
 - d. responding party motion records with respect to refusals will be delivered no later than April 12, 2024;
 - e. the motion materials will set out, in chart form, the specific questions to which refusals are maintained, the issue and references in the pleadings to which the question relates, and the position of the party or parties. The questions will be categorized by issue or topic where possible;
 - f. I will hear the refusals motion on **April 22, 2024 for commencing at 10 AM and continuing as necessary for two hours;**
 - g. at the hearing on April 22, I will schedule a date for a subsequent case conference to be conducted following the release of the decision on refusals such that all parties will be able to have formulated their position with respect to whether and when the proposed motion for summary judgment by the defendant Jacob Doxtator and the defendant Mr. Rudensky should proceed; and
 - h. other pretrial scheduling and case management issues can be addressed at that case conference.

Osborne, J.

TAB 7



**SUPERIOR COURT OF JUSTICE
COMMERICAL LIST**

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-20-00653410-00CL

DATE: March 18, 2024

NO. ON LIST: 2

TITLE OF PROCEEDING: KASSAM v STAFFORD et al.

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Dylan Yegendorf Doug Fenton Robert Staley	Plaintiff	yegendorfd@bennettjones.com fentond@bennettjones.com staleyr@bennettjones.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Won J. Kim Nicole Kelly	James Stafford and Jacob Doxtator	wjk@complexlaw.ca njc@complexlaw.ca
Connor Allison	Andrew Rudensky	callison@blaney.com
John Polyzogopoulos	Andrew Rudensky	jpolyzogopoulos@blaney.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Robert Doxtator	Self-represented Def.	Harvestmoonresearch@gmail.com

- [1] This case conference was scheduled to address matters relating to the examination of Mr. Rudensky and other steps that flow therefrom.
- [2] Having heard from or on behalf of all parties, the following timetable is imposed:
- a. Mr. Rudensky will be examined for discovery on Tuesday, April 26, 2024 commencing at 10 AM via Zoom;
 - b. Mr. Rudensky will deliver answers to undertakings no later than April 4, 2024;
 - c. the Plaintiffs will deliver any refusals motion materials by April 18, 2024;
 - d. Mr. Rudensky will deliver responding materials by April 25, 2024; and
 - e. the motion will be heard on May 7, 2024 commencing at 10 AM.
- [3] The previously scheduled April 22 motion hearing date is hereby vacated.
- [4] If, following examinations for discovery, Mr. Rudensky proceeds with his proposed summary judgment motion, responding materials will be delivered and cross examinations will be scheduled and conducted.
- [5] All parties and counsel have confirmed their availability on the above dates including but not limited to the examination for discovery of Mr. Rudensky on April 26, as he was apparently unavailable on April 21 due to personal commitments.

Osborn, J.

TAB 8

1

COURT FILE NO. CV-20-00653410-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

B E T W E E N :

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,

ANSON INVESTMENTS MASTER FUND LP AND MOEZ KASSAM

Plaintiffs/Defendants to Counterclaim

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE

DOXTATOR, JACOB DOXTATOR, AND JOHN DOE 1, JOHN

DOE 2, JOHN DOE 3, JOHN DOE 4, AND OTHER PERSONS

UNKNOWN

Defendants/Plaintiffs to Counterclaim

1 A N D B E T W E E N:

2 ROBERT LEE DOXTATOR

3 Plaintiff by Counterclaim

4
5 - and -

6 ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,

7 ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM

8 and ALLEN SPEKTOR and ANDREW RUDENSKY

9
10 Defendants by Counterclaim

11
12
13 -----
14
15 --- This is the Examination for Discovery of
16 ANDREW RUDENSKY, taken by Neesons - a Veritext
17 Company, via Zoom virtual platform, with all
18 participants attending remotely, on the 26th of
19 March, 2024.

20 -----
21 REPORTED BY: Amy Armstrong, CVR-RVR

22
23
24
25 Job No. ON6603909

A P P E A R A N C E S :

Lawyers for the Plaintiffs/Defendants by
Counterclaim:

ROBERT W. STALEY, Esq.

DOUGLAS A. FENTON, Esq.

DYLAN YEGENDORF, Esq.

LAURA SALVATORI, Esq.

KIM SPENCER MCPHEE, Esq. .

For the Defendant, Andrew Rudensky:

JOHN POLYZOGOPOULOS, Esq.

STEVEN KELLY, Esq.

Also Present:

Robert Doxdator

Sunny Puri

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

I N D E X

PAGE

WITNESS: ANDREW RUDENSKY

Examination by MR. STALEY7

1

INDEX OF EXHIBITS

2

NO. / DESCRIPTION.

3

(None marked).

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 The following list of undertakings,
2 advisements and refusals is meant as a guide
3 only for the assistance of counsel and no other
4 purpose.

5
6 INDEX OF UNDERTAKINGS

7 The questions/requests undertaken are noted by
8 U/T and appear on the following page/line:
9 60/4; 142/19.

10
11 INDEX OF ADVISEMENTS

12 The questions/requests taken under advisement
13 are noted by a U/A and appear on the following
14 page/line: 53/21; 56/2; 83/19; 149/13; 151/1.

15
16 INDEX OF REFUSALS

17 The questions/requests refused are noted by R/F
18 and appear on the following page/line: 18/19;
19 19/6; 19/16; 20/8; 20/14; 20/25; 21/19; 22/1;
20 25/11; 29/25; 31/8; 31/13; 31/17; 31/21; 31/25;
21 33/9; 49/9; 51/18; 52/1; 52/9; 85/20; 87/5;
22 90/3; 92/6; 92/13; 94/2; 117/2; 143/9.

1 -- Commenced at 10:01 a.m.

2 ANDREW RUDENSKY: Affirmed.

3 EXAMINATION BY MR. STALEY:

4 1 Q. Good morning, Mr. Rudensky. Just
5 before we begin and get started here, I will
6 have you confirm that you affirmed to tell the
7 truth today?

8 A. Yeah, I do.

9 2 Q. Okay. And where are you joining
10 us from?

11 A. Florida.

12 3 Q. Okay. And where in Florida?

13 A. Naples.

14 4 Q. Okay. Are you at your house?

15 A. I'm at my house.

16 5 Q. And is there anyone else in the
17 room with you today?

18 A. There's no one in the room.

19 6 Q. Okay. And do you have any
20 documents in front of you today?

21 A. I have a blank pad of paper.

22 7 Q. Okay. Very good.

23 Okay. Anything else?

24 A. No. Some water.

25 8 Q. And are there any electronic

1 devices in front of you or near you?

2 A. There are not.

3 9 Q. Okay. So, Mr. Rudensky, I will,
4 in the course of the examination today, at least
5 on some occasions refer to some documents. They
6 will be referred to by production numbers. And
7 when we do that, I will identify the documents
8 as we go through those.

9 There may be a few that we don't have
10 document numbers for and I will put them to you
11 at the time, but just to let you know that I
12 will be doing that as we go through this today.

13 A. All right.

14 So, Mr. Rudensky, your lawyers
15 received a Notice of Examination in connection
16 with this examination. Did you receive that
17 notice?

18 A. Personally? I think just
19 communication with my attorneys.

20 10 Q. And have you seen the
21 Notice of Examination that was issued by our
22 firm in connection with the examination today?

23 MR. POLYZOGOPOULOS: Counsel, I'm not
24 sure he has.

25

1 BY MR. STALEY:

2 11 Q. Okay.

3 And, sir, in connection with this
4 examination, without telling me anything that
5 you and your lawyers specifically discussed, can
6 you tell me how you prepared for this
7 examination?

8 A. I had a discussion with my
9 attorneys the other day.

10 12 Q. Okay. And have you discussed
11 this examination with anyone else?

12 A. I have not.

13 13 Q. Have you discussed this
14 examination with James Stafford --

15 A. I have not.

16 14 Q. Okay. Or counsel for
17 Mr. Stafford?

18 A. I have not.

19 15 Q. And in getting ready for this
20 examination, sir, have you reviewed the
21 pleadings in this action, including your
22 Amended Statement of Defence?

23 A. I have gone over my
24 Amended Statement of Defence with my attorneys.

25 16 Q. Okay. And sitting here today,

1 sir, do you have any corrections you want to
2 make to your Statement of Defence?

3 A. Not at this moment.

4 17 Q. And did you review any other
5 documents in preparing to be examined today?

6 A. I've reviewed some that my
7 attorneys put to me.

8 18 Q. Sir, now I'm going to run through
9 a little bit about your personal and educational
10 background. And first, let me ask you, how old
11 are you?

12 A. I'm 41.

13 19 Q. 41. Can you tell me what
14 education you have post-high school?

15 A. I went to the
16 University of Toronto.

17 20 Q. Okay. And did you have any
18 post-secondary degrees?

19 A. I have an Honours BA from the
20 University of Toronto.

21 21 Q. Okay. And what is that in?

22 A. A minor in economics and
23 political science.

24 22 Q. Okay. Anything else?

25 A. I believe those were the two.

11

1 23 Q. And when did you get that degree?

2 A. I believe I graduated -- I
3 believe it was 2006 or 2007.

4 24 Q. Okay. And do you have, now
5 currently, or have you ever had any professional
6 accreditations?

7 A. I have not.

8 25 Q. I understand, sir, that you were
9 at one point a registered representative with
10 IIROC?

11 A. I was.

12 26 Q. Okay. And when were you first
13 registered?

14 A. I became a licensed advisor I
15 believe in 2009.

16 27 Q. Okay. And I understand, sir, you
17 are not currently registered with IIROC?

18 A. That's correct.

19 28 Q. Okay. Are you currently
20 registered with any other securities regulatory
21 authority?

22 A. I am not.

23 29 Q. Okay. I take it you don't have
24 any registrations in Florida where you are now
25 living?

1 A. That's correct.

2 30 Q. So I'm going to ask you now, sir,
3 to walk me through your work history post-high
4 school. Can you just sort of tell me what
5 positions you held where and when?

6 A. Post-high school?

7 31 Q. Yes.

8 A. I believe I had a short stint as
9 a bank teller at the Bank of Montréal. And then
10 I was working in a kind of informal setting with
11 a small merchant bank with about three or four
12 gentlemen.

13 32 Q. And what was that?

14 A. At the time I believe it was
15 called Bearbeech Capital.

16 33 Q. Okay.

17 A. And then from there, I started
18 working at Richardson GMP. Post that, I started
19 working with Andy Defrancesco and the
20 Delavaco Group.

21 And then following that, I have just
22 kind of been on my own doing some advisory
23 trading, personal trading. And that is kind of
24 the run of it.

25 34 Q. Okay. So I understand that, just

1 with respect to you mentioned the
2 Bearbeech Capital, who were the principals at
3 Bearbeech Capital?

4 A. Campbell Beecher, Jeff Walhberg,
5 and Jason Hawkins.

6 35 Q. Okay. And then you told me then
7 you went to work with Richardson GMP. Am I
8 correct in understanding you were there from
9 about 2009 to 2015?

10 A. I started working with a
11 different advisory group, I think 2006, maybe
12 2007, and I'm still with them.

13 36 Q. Okay. And you leave there in
14 2015?

15 A. Yes, late 2015, yes.

16 37 Q. And can you just describe what
17 were your positions and roles and
18 responsibilities at Richardson GMP over time?

19 A. I started off as an admin
20 assistant, kind of as support staff, and then
21 became a licensed investment advisor following
22 that.

23 38 Q. Okay. And when you left
24 Richardson GMP were you fired from there?

25 A. No, I was leaving on my own.

1 39 Q. Okay. You were leaving on your
2 own. Okay. And did they initiate you leaving
3 or that was entirely your own doing?

4 A. I was taking a position at
5 another firm.

6 40 Q. Okay. And what firm is that?

7 A. I was given an offer by
8 Beacon Securities.

9 41 Q. Okay. And so tell me, I don't
10 know that you mentioned that when you mentioned
11 you went from Richardson GMP to Delavaco Group.

12 Tell me about Beacon.

13 A. I was going to take a training
14 sales position at Beacon Securities. I kind of
15 wanted to break off from the group that I was
16 working with and do something with a more
17 entrepreneurial kind of company I was looking to
18 join. And it comes as the issue from the firm
19 after I sent in my civil lawsuit against the
20 firm.

21 42 Q. And how long were you at
22 Beacon Securities?

23 A. I never started there. There
24 were some issues with my license being
25 transferred.

1 43 Q. Okay. And when you were at
2 Richardson GMP, did you personally do any work
3 for Andy Defrancesco or any of his family
4 members or any of their companies?

5 A. At a period of time, I started
6 covering some of those investment accounts, yes.

7 44 Q. And when was that? When did you
8 start?

9 A. It would have been when I was an
10 investment advisor. So I'm recalling post-2009,
11 if I recall.

12 45 Q. And were you covering them at the
13 time you left Richardson GMP?

14 A. Yes, I was.

15 46 Q. Okay. And at the time that you
16 were at Richardson GMP, did you do any work for
17 James Stafford or any of his companies or
18 interests?

19 A. No.

20 47 Q. Okay. Do you know whether anyone
21 else during that time at Richardson GMP did any
22 work for James Stafford or any of his companies
23 or interests?

24 A. I'm not sure.

25 48 Q. And at the time that you were at

1 Richardson GMP, to your knowledge, did anyone at
2 Richardson GMP do any work for Anson Funds or
3 anyone at Anson Funds?

4 A. I believe they had accounts
5 within the firm.

6 49 Q. And do you know who the account
7 advisor was that serviced them?

8 A. I believe they had -- as an
9 institutional account, I don't know what their
10 general structure is, you know, on the
11 institutional side.

12 50 Q. Do you know who at Richardson GMP
13 serviced them?

14 A. We are not supposed to know one
15 another's clients so --

16 51 Q. That wasn't what I asked you,
17 whether you were supposed to. I asked whether
18 you did know or whether you do know?

19 A. There was another retail group
20 that did cover them at some point in time.

21 52 Q. And tell me about that group.
22 What group was that?

23 A. I believe that was Jim Gellman.

24 53 Q. Okay. So it was Jim Gellman and
25 his group or Jim Gellman?

1 A. Jim Gellman was the broker or
2 advisor of record.

3 54 Q. Okay.

4 A. So I'm going to assume that it
5 was his account.

6 55 Q. Okay. And can you tell me how --
7 so when you were at Richardson GMP, were you
8 sitting on a trading floor or how were you
9 organized?

10 A. All of the advisors had their
11 individual areas where they kind of sat in
12 individual offices. You know, everyone had
13 their own business segregated.

14 56 Q. And how close within the office
15 were you to Jim Gellman and his group?

16 A. Over time, the seating
17 arrangement shifted. At one point, they were in
18 a similar area that we were.

19 57 Q. Okay. Now, at the time that you
20 were at Richardson GMP, I take it you were aware
21 that Richardson GMP did some trading for
22 Anson Funds?

23 A. My understanding was they had an
24 account for pretty much every institutional
25 account on the street, or the vast majority of

1 them. So I would say that most funds had
2 accounts there.

3 58 Q. Okay. Sorry, maybe I could just
4 have you answer the question. I didn't ask you
5 about other firms.

6 At the time you were at
7 Richardson GMP, you understood that the
8 Anson Funds accounts were at Richardson GMP?

9 A. Speaking today, yes. Back then,
10 I don't know what my thoughts were back then or
11 what I knew or didn't.

12 59 Q. So you mentioned earlier that you
13 got into a lawsuit with Richardson GMP. How was
14 that lawsuit resolved?

15 A. Both parties, after multiple
16 years, ended up resolving the matter.

17 60 Q. And what were the terms of
18 resolution?

19 R/F MR. POLYZOGOPOULOS: Don't answer
20 that.

21 BY MR. STALEY:

22 61 Q. Mr. Rudensky, is it fair to say
23 that when you were at Richardson GMP, you faced
24 an investigation by IIROC into your conduct?

25 A. That was after I had left.

1 62 Q. After you had left, okay.

2 And at the time that you left
3 Richardson GMP, was Richardson GMP aware of the
4 circumstances that gave rise to the IIROC
5 investigation to your knowledge?

6 R/F MR. POLYZOGOPOULOS: Don't answer
7 that.

8 THE WITNESS: Yeah.

9 MR. POLYZOGOPOULOS: Don't answer
10 that. It's not relevant.

11 BY MR. STALEY:

12 63 Q. And you will agree with me, sir,
13 that you were disciplined by IIROC for engaging
14 in personal financial dealings with a client of
15 Richardson GMP?

16 R/F MR. POLYZOGOPOULOS: Don't answer
17 that.

18 The publicly available decisions speak
19 for themselves, counsel.

20 BY MR. STALEY:

21 64 Q. I am entitled to ask the witness
22 questions about his background.

23 Sir, you were disciplined by IIROC for
24 matters that occurred when you were at
25 Richardson GMP; is that fair?

1 A. That's accurate.

2 65 Q. Okay. And, sir, I have looked at
3 the reasons that were issued by IIROC in
4 connection with your discipline matter and they
5 referred to you entering a loan arrangement with
6 the client whose initials are "RS".

7 Who is RS?

8 R/F MR. POLYZOGOPOULOS: Don't answer
9 that.

10 BY MR. STALEY:

11 66 Q. And there is reference in the
12 reasons to JJR as RS's merchant banking company.
13 What is JJR?

14 R/F MR. POLYZOGOPOULOS: Don't answer
15 that.

16 BY MR. STALEY:

17 67 Q. And, sir, you will agree with me,
18 sir, that IIROC suspended you for two years and
19 ordered you to pay a monetary penalty of about
20 \$80,000 including costs; is that fair, sir?

21 A. I believe if that's what the
22 statement says, yes.

23 68 Q. As I understand, sir, that you
24 never paid the monetary penalty; is that fair?

25 R/F MR. POLYZOGOPOULOS: Don't answer

1 that. Don't answer that.

2 BY MR. STALEY:

3 69 Q. You didn't ever make the monetary
4 payment, sir; is that fair?

5 MR. POLYZOGOPOULOS: I already said
6 don't answer that.

7 MR. STALEY: Sir, you're telling the
8 witness not to answer the question, but you're
9 not identifying the reason for the refusal.

10 MR. POLYZOGOPOULOS: I don't need to,
11 but it's obvious that it's not relevant to the
12 claims being made by your client.

13 BY MR. STALEY:

14 70 Q. And, sir, apart from the IIROC
15 proceedings I've talked about, have you ever
16 been subject -- to your knowledge, have you ever
17 been subject to any other regulatory
18 investigation or enforcement proceeding?

19 R/F MR. POLYZOGOPOULOS: Don't answer
20 that.

21 BY MR. STALEY:

22 71 Q. And, sir, apart from the IIROC
23 proceedings that I referred to, have you ever
24 been interviewed by a regulator, including a
25 securities regulator?

1 R/F MR. POLYZOGOPOULOS: Don't answer
2 that.

3 BY MR. STALEY:

4 72 Q. So, sir, if I understand your
5 personal employment history, my understanding,
6 sir, is that there was a gap between the time
7 you left Richardson GMP and the time that you
8 joined the Delavaco Group; is that correct, sir?

9 A. That's correct.

10 73 Q. Okay. And I think you told me
11 that you left Richardson GMP in late 2015. I
12 believe you joined Delavaco Group in 2017; is
13 that fair? You tell me.

14 A. Yes, I believe late 2017 I
15 started spending time in Andy's office.

16 74 Q. Sorry, started spending time?

17 A. In Andy's office.

18 75 Q. Okay. When you say "Andy's
19 office", you're talking about his office in
20 Toronto or Florida? Where is the office you are
21 speaking of?

22 A. He had an office in Toronto.

23 76 Q. Okay. So there is roughly a
24 two-year gap there, sir. Were you employed in
25 any manner during that two-year period from late

1 2015 until late 2017?

2 A. No.

3 77 Q. And is there a reason why you
4 weren't employed in that period?

5 A. I had -- my first daughter was
6 born. Spending time with her. Kind of making
7 some decisions and, you know, steps and the
8 direction I wanted to go.

9 I was in a large civil proceeding with
10 my former employer, so I was focused on that.
11 And so I was focused on my family and kind of
12 dealing with my lawsuit with Richardson.

13 78 Q. And you mentioned earlier that
14 you were going to go to Beacon Securities but
15 there were issues with your license being
16 transferred. Sir, is one reason why you weren't
17 employed in that period was because you wanted
18 to work in a regulated business and you weren't
19 able to transfer your registration to that
20 business?

21 A. After I left, the day after I
22 left Richardson and gave them notice I was
23 leaving, as I was verbally confirmed that I was
24 in good standing, there was no issues, they
25 brought the issue of what was put in front of

1 IIROC shortly after I resigned after verbally
2 being told that, you know, you are in good
3 standing and good luck and wish you all the
4 best.

5 And that delayed my license transfer
6 and was the basis for why I took action against
7 the firm.

8 79 Q. And ultimately you weren't able
9 ever to transfer your license to Beacon; is that
10 fair?

11 A. No. The license was approved,
12 but I think during the period of time it took, a
13 meaningful amount of time, many months, and then
14 the capital market environment changed. I think
15 it went from hiring to crosscutting and that
16 position was -- they were no longer expanding
17 any employment opportunities.

18 80 Q. And during the roughly two-year
19 period after you left Richardson GMP, were you
20 trading for your own account? Or what were you
21 doing in that two-year period beyond you had
22 told me you had some family issues to take care
23 of?

24 A. Probably small, you know, small
25 transactions that, you know -- but I believe it

1 was a pretty quiet period. I was focusing my
2 time and effort on my lawsuit.

3 But yeah, I don't think I was very
4 active in that window. If I recall, I think it
5 was a challenging period, but I don't think
6 there were many short-term trading opportunities
7 then.

8 81 Q. Sir, was there a reason why you
9 didn't meet the financial penalty imposed by
10 IIROC?

11 R/F MR. POLYZOGOPOULOS: Don't answer
12 that.

13 You've asked that three different
14 times now.

15 BY MR. STALEY:

16 82 Q. I don't think so, but the record
17 will speak for itself as to what I did.

18 So I'm now going to pick up the
19 narrative in 2017 when you joined
20 Delavaco Group. And just, can you tell me the
21 nature of the work you did for Delavaco Group?

22 A. Andy needed support on the
23 trading front of his business helping manage
24 both his -- I guess it is all kind of, you
25 know -- Delavaco was essentially all various

1 family accounts.

2 Primarily, it was my responsibility to
3 oversee the trading accounts, liquidity,
4 generating cash for his investments, personal
5 use. That was the primary responsibility.

6 83 Q. So at various times I've seen you
7 describe yourself as a stock trader and as a
8 wealth management advisor. Were you doing both
9 of those things for the Delavaco Group?

10 A. I wasn't giving investment advice
11 to Andy. It was more execution. I would be --
12 for the most part, it would be more managing
13 sales and liquidity would be how I would
14 describe what I would be doing on a regular
15 basis. I wasn't giving investment ideas.

16 84 Q. Okay. And when did you stop
17 working for the Delavaco Group?

18 A. I believe in early 2021.

19 85 Q. Okay. And can you tell me why?
20 So between late 2017 when you joined
21 Delavaco Group and 2021 when you left, can you
22 tell me whether the nature of the work that you
23 did for the Delavaco Group changed?

24 A. No. For the most part, the main
25 area was transactions liquidity for the family

1 accounts.

2 86 Q. Now, sir -- and, sorry, when in
3 2021 did you leave Delavaco Group?

4 A. We had an informal kind of
5 arrangement. It wasn't like I walked in one day
6 and said, you know, I am resigning. I think it
7 just kind of slowly faded out in the first
8 quarter. You know, Andy went through a very
9 difficult period there.

10 There wasn't much for me to do on the
11 trading side with the position that he was in.
12 Early 2021 is kind of when I faded out is what I
13 would describe it as.

14 87 Q. Okay. You told me that Andy went
15 through a difficult period. Tell me what you
16 meant by that.

17 A. Andy is a very aggressive
18 entrepreneur and he takes very large bets in
19 certain areas, but he also with that -- with
20 that strategy, if the timing is off and, you
21 know, his lifestyle, he can face significant
22 liquidity crunches, draining, you know, his
23 resources until the next private company goes
24 public.

25 So, yeah, he was in a very challenging

28

1 spot in that period. If I recall, from 2020 to
2 the time I'd left was very difficult and he had
3 exhausted most of his liquidity options.

4 88 Q. Okay. And at the time that you
5 were there, how were you compensated?

6 A. I would participate in any of his
7 early stage deals that he would be assembling at
8 the same level as him. So I would write cheques
9 and do his seed rounds and, you know, that's
10 kind of for the most part how the people in the
11 group would be compensated. That you get to
12 participate in my deals.

13 There was always -- you know, I was
14 aware of, you know, his cash burn, so I knew he
15 never wanted to outlay, like, salaries or cash
16 compensations. So you got to participate on the
17 ground level. When we originally talked, it
18 was, you know how these things work, you get in
19 very early and maybe five, ten times your money.
20 And, you know, there were a handful of guys that
21 got in very early.

22 That was basically the arrangement,
23 that I would participate in his deals alongside
24 him.

25 89 Q. Okay.

1 A. No set investment amount. It
2 varied deal to deal. It wasn't like you get X
3 every single deal.

4 90 Q. And just so I understand, to the
5 extent that Mr. Defrancesco through his
6 companies was investing in various deals, you,
7 when you were there, you had the option of
8 joining with him in various deals and sometimes
9 you did; is that fair?

10 A. Yeah, I'd say early on with the
11 environment when I first started, I think Andy,
12 you know, it was very early in the weed space,
13 he was an early mover and I believe probably
14 participated in the vast majority of the
15 opportunities.

16 91 Q. So, sir, we've done some
17 corporate searches and we have identified some
18 corporations in which it appears you have an
19 interest. I'm going to give you some names and
20 just ask you some questions about them.

21 There's a company we came across
22 called Dark Horse Financial Corp. that then
23 changed its name to Henry George Capital Inc.
24 Does that ring a bell for you?

25 R/F MR. POLYZOGOPOULOS: Don't answer

1 that.

2 BY MR. STALEY:

3 92 Q. Sir, do you have any --

4 What's the basis of that,
5 Mr. Polyzogopoulos? I'm trying to understand
6 what this witness was doing. There's a whole
7 series of objections here. I'm entitled to
8 explore his employment history and his
9 engagement. This is part of that.

10 So what's the basis of the objection?

11 MR. POLYZOGOPOULOS: The company you
12 just mentioned is not named a party. There's no
13 allegation it was involved in any of the
14 allegedly wrong doing. I've given you some
15 latitude to explore my client's background and
16 work history but that has limits.

17 BY MR. STALEY:

18 93 Q. Okay.

19 And, sir, let me just ask you this:
20 From the time you left Delavaco Group, what have
21 you been doing since you left Delavaco Group?

22 A. Investing my own capital. Doing
23 some small advisory work for a few public
24 companies.

25 94 Q. And to the extent that you've

1 been investing your own capital and doing any
2 advisory work, have you done it in your own name
3 or you've done it in any other corporations?

4 A. Through corporate structures.

5 95 Q. Okay. So to come back to you,
6 sir, is Dark Horse Financial Corp., Henry George
7 Capital one of the companies you've used?

8 R/F MR. POLYZOGOPOULOS: Don't answer
9 that.

10 BY MR. STALEY:

11 96 Q. How about Calhoun First Financial
12 Inc., sir?

13 R/F MR. POLYZOGOPOULOS: Don't answer
14 that.

15 BY MR. STALEY:

16 97 Q. FTB Capital Inc.?

17 R/F MR. POLYZOGOPOULOS: Don't answer
18 that.

19 BY MR. STALEY:

20 98 Q. Koral, K-O-R-A-L, Financial Inc.?

21 R/F MR. POLYZOGOPOULOS: Don't answer
22 that.

23 BY MR. STALEY:

24 99 Q. C Wolf Advisors Inc.?

25 R/F MR. POLYZOGOPOULOS: Don't answer

1 that.

2 BY MR. STALEY:

3 100 Q. Okay.

4 Sir, I'm going to just review with you
5 now some companies that I understand that
6 Mr. Defrancesco has traded in or has had
7 positions in and ask you if you recognize them.

8 Facedrive, which is now known as Steer
9 Technologies?

10 A. That may have been after I had
11 left. I don't recall.

12 101 Q. Okay. And I take it from that
13 that this is not a company where he made the
14 investment available to you and you took it; is
15 that fair?

16 A. I never knew that he owned that
17 company.

18 102 Q. Okay. CannTrust?

19 A. Is there a date around here?

20 103 Q. I'm just asking you, to your
21 knowledge, did Mr. Defrancesco ever trade or
22 have a position in CannTrust?

23 A. At my time there, I don't recall
24 seeing it.

25 104 Q. And did you ever have an

1 opportunity to invest in CannTrust through your
2 association with Mr. Defrancesco?

3 A. Not that I recall.

4 105 Q. Okay. When you say you don't
5 recall, sir, if you have trading records that
6 you can look at and tell me definitively whether
7 you did or did not do that, I'd like you to do
8 that, please.

9 R/F MR. POLYZOGOPOULOS: No. No, we are
10 not going to do that.

11 BY MR. STALEY:

12 106 Q. Tilray, sir?

13 A. Did I own it?

14 107 Q. No. I'm asking: To your
15 knowledge, did Mr. Defrancesco have a trade
16 position in Tilray?

17 A. Not that I'm aware of.

18 108 Q. I take it from that you didn't
19 ever have a position at Tilray?

20 A. I believe that's accurate.

21 109 Q. Zenabis Z-E-N-A-B-I-S?

22 A. Did Andy ever own that?

23 110 Q. Yes.

24 A. Not to my knowledge.

25 111 Q. Isodiol, I-S-O-D-I-O-L, is that a

1 company to your knowledge that Mr. Defrancesco
2 ever traded or had a position in?

3 A. I don't recall if that was in
4 his, his portfolio.

5 112 Q. And do you know, sir, same
6 question to you: Did you ever have a position
7 or have an opportunity to have a position in
8 Isodiol?

9 A. I don't believe so.

10 113 Q. General Electric, same two
11 questions.

12 A. GE?

13 114 Q. Yes.

14 A. Is that what you're asking?

15 115 Q. Yes.

16 A. Did Andy ever own GE?

17 116 Q. Yes.

18 A. Again, not to my knowledge.

19 117 Q. And, again, did you ever have an
20 opportunity to invest and do so because of your
21 association with Mr. Defrancesco?

22 A. We're talking about
23 General Electric, the multibillion dollar
24 company?

25 118 Q. We are. We are. These are all

1 names that are referred to in the Defamatory
2 Manifesto. I'm asking you about them one by
3 one.

4 A. No, not to my knowledge.

5 119 Q. The Green Organic Dutchman, same
6 two questions.

7 A. Did Andy? Not to my knowledge.

8 120 Q. And how about you?

9 A. Not to my knowledge.

10 121 Q. Cronos, C-R-O-N-O-S?

11 A. Cronos. I don't know if they did
12 an M&A deal with one of Andy's companies at some
13 point. But if that's not one of the companies
14 that acquired one of Andy's businesses, then I
15 don't believe he owned that. And I didn't.

16 122 Q. Hexo, same two questions.

17 A. I don't believe he owned that
18 either. Or myself.

19 123 Q. Verano, which also later became
20 known as Harvests?

21 A. Yes, Andy had a substantial piece
22 of Verano at a point in time.

23 124 Q. Did you either have a piece or
24 have an opportunity to have a piece?

25 A. No. I wish I did.

1 125 Q. Next one is PharmaCann also known
2 as MedMen.

3 A. Andy may have, but I don't recall
4 in the period I was there. I know post-leaving
5 I think he did have some sort of equity
6 interest.

7 126 Q. And how about you? Did you ever
8 have one or have an opportunity?

9 A. Outside buying stuff on the
10 market, which I don't think I did, I would say
11 no.

12 127 Q. Okay. Origin House Cresco, same
13 two questions.

14 A. Either Cronos or Cresco, I
15 believe, one of those companies purchased one of
16 Andy's Florida businesses. So one of those two,
17 both myself and people in Delavaco Group, one of
18 them I believe purchased Bloom. So that would
19 be the only exposure that I am aware of for one
20 of those two names.

21 I don't know who did the M&A.

22 128 Q. And did you have an interest in
23 any of those entities or have an opportunity to?

24 A. I own shares in Bloom, which was
25 acquired by a larger company.

1 129 Q. Okay.

2 A. Oh, I think I sold mine before
3 the merger closed. I don't know what Andy did.

4 130 Q. Okay. Cannex 4Front is the next
5 one.

6 A. I'm not familiar with that name.

7 131 Q. Grassroots Curaleaf?

8 A. I don't believe Andy owned
9 that --

10 132 Q. Okay.

11 A. -- or myself.

12 133 Q. Champignon Brands?

13 A. I can't speak to-- I think that
14 was after I had left. I don't know if Andy
15 owned it. I did own it.

16 134 Q. Canopy Growth?

17 A. I don't recall if Andy ever owned
18 that or not.

19 135 Q. Northern Green Canada?

20 A. I'm not familiar with that name.

21 136 Q. Altria?

22 A. I don't believe Andy owned that
23 and I did not own.

24 137 Q. Reconnaissance Energy Africa,
25 which is otherwise known as ReconAfrica?

1 A. I'm not -- I don't recall if Andy
2 owned that. I had traded it on occasion.

3 138 Q. Genius Brands?

4 A. I don't believe Andy ever owned
5 that during my period and I did not trade that.

6 139 Q. Tembo Gold?

7 A. I'm not familiar with that name.

8 140 Q. GSX Techedu?

9 A. That's the name of the company?

10 141 Q. Yes.

11 A. I don't believe Andy ever owned
12 that, and same with myself.

13 142 Q. Gamestop?

14 A. I think Gamestop -- after -- in
15 my window, I don't recall him owning Gamestop.
16 And I never owned it myself.

17 143 Q. We're getting closer to the end
18 of this list and then we will move on to
19 something else.

20 Starr Peak Mining?

21 Starr is with two "R"s.

22 A. I don't believe Andy ever owned
23 it. I've owned it on occasion recently. I
24 don't know if that's ever traded prior.

25 144 Q. Okay. Whole Earth Brands?

1 A. I'm not familiar with that name.

2 145 Q. United Lithium?

3 A. I'm not familiar with that name.

4 146 Q. Mountain Valley MD Holdings?

5 A. I'm not familiar with that name.

6 147 Q. Sol S-O-L, Global?

7 A. Andy owned equity in that, and I
8 had equity as well at times.

9 148 Q. Okay. Clean Power Capital Corp.?

10 A. I'm not familiar with that name.

11 149 Q. Okay. Red White & Bloom?

12 A. I don't recall about Andy. I may
13 have briefly traded it.

14 150 Q. Okay. Medivolve,
15 M-E-D-I-V-O-L-V-E?

16 A. I don't recall that name.

17 151 Q. Okay. And the last two are
18 AMM Power?

19 A. I don't know if Andy ever owned
20 it. Like, I don't really recall that name.

21 152 Q. And the last one is Value Line?

22 A. I don't recall that name.

23 153 Q. Okay. Now, when you were working
24 for Mr. Defrancesco, you told me that you worked
25 out of an office in Toronto.

1 Was Mr. Defrancesco working out of the
2 same office or where did he work out of in
3 relation to you?

4 A. At times. Early in my time
5 working alongside the group, he would -- he
6 resided in Florida but he would come in monthly.

7 It would vary. Sometimes it would be
8 days, maybe a week. But at some point in time,
9 he had some matters that prevented him from
10 crossing the border and he had to stay in the
11 United States.

12 154 Q. What were the nature of those
13 matters?

14 A. If I recall, just by his
15 involvement in investing in the cannabis space.
16 I think it caused some issues for him to reenter
17 the United States because he had equity
18 ownership in these names.

19 So as I understood it, if he left the
20 United States, returning would be a problem
21 because of him owning equity in some of these
22 investments.

23 155 Q. And to the extent that you were
24 not in the same office with Mr. Defrancesco, how
25 often would you speak with him or otherwise

41

1 confer with him, whether it is by text or email
2 or some chat app, about the positions that he
3 held that you were helping him with?

4 A. I think if I recall, he would be
5 touching base more often to see where we were at
6 with certain numbers of liquidity or cash that
7 he needed for, you know, his list. It would be
8 more not checking, Okay, how much of this do we
9 own?

10 On occasion, that would happen. But
11 more like, Where are we at with liquidating some
12 of these positions? How much cash have we built
13 up?

14 156 Q. And how closely did he monitor
15 the positions that he held?

16 A. I would describe it maybe as
17 moderate. Not, you know, how some people would
18 be with the size of these positions.

19 157 Q. Okay. And was he following the
20 activity of other traders in connection with
21 these positions to your knowledge?

22 A. By that, what do you mean?

23 158 Q. Well, to the extent that there
24 were other people in the stock potentially
25 having an influence on what the stock was doing,

1 was he following that?

2 A. I would typically describe that
3 he was a little bit more concerned with just,
4 you know, when he needed cash where we were at,
5 unless it was some dramatic move to one way or
6 the other.

7 It might impact how aggressive, you
8 know, or if we had to dial back, you know,
9 activity. But for the most part it was kind of
10 like where we were at for the day. Okay, keep
11 going. We have these deadlines to make for this
12 investment.

13 And so on.

14 159 Q. And did he ever discuss with you
15 any trading or what he thought was trading by
16 Anson Funds in any of the stocks in which he had
17 an interest?

18 A. I kind of only knew of one --
19 hearing their name around him when they would
20 be, of co-investing in, in opportunities
21 together.

22 160 Q. Okay.

23 A. But Andy specifically I don't
24 think ever -- he was a formal institutional
25 trader as I recall. I don't think he was too

1 concerned with, you know, what was going on in
2 the market. If somebody was selling or
3 somebody -- like, you kind of get that is what
4 makes the market.

5 161 Q. Did he ever express any views to
6 you, positive or negative, about Anson Funds or
7 Mr. Kassam?

8 A. They didn't -- if I recall early
9 on, I think it was a very positive relationship
10 amongst those two. I know that at, you know,
11 some point, you know, there was some falling out
12 after I had left and I never really understood
13 what that was, was about.

14 And, you know, who, who, you know,
15 potentially initiated it. You know, at the time
16 or times when we used to speak, I said:

17 Is there anything that ever
18 happened between you two guys that I'm
19 not aware of?

20 And he basically said, No.

21 And I was like, You guys, as I
22 understood it, were pretty close.

23 162 Q. So tell me, you said you were
24 aware of a "falling out". Tell me what you
25 understood about the falling out.

1 A. I knew they didn't speak anymore.
2 You know, Bay Street is a very gossipy place.
3 And it is kind of my understanding that, you
4 know, that potentially Anson had a problem with
5 Andy.

6 So there is two sides to the story but
7 I -- you know, I always kind of checked with,
8 like, Andy.

9 Like, Did you do something to them?

10 And like, You guys used to be
11 close, what happened?

12 He was kind of like, I don't ...

13 163 Q. And that's the only explanation
14 you received from Mr. Defrancesco about the
15 falling out that he had?

16 A. Andy, the one thing I'd have to
17 say from my time with him, never really got
18 bogged down in the non- -- I guess, you know, he
19 spent his whole life on Bay Street, in the
20 nonsense and gossip that goes around. If he
21 would hear stuff, and, you know, people would
22 chat in the office about positive or negative
23 things. He essentially just didn't engage, and,
24 Let's focus on what we are doing. I don't care
25 about all that.

1 I always thought that was a very
2 interesting trait, because that community, there
3 is downtime and people talk and tell stories and
4 he wanted no part of that.

5 164 Q. When is the last time you spoke
6 to Mr. Defrancesco?

7 A. Some time ago. Well, over a year
8 I would say. Potentially a year and a half.

9 165 Q. Sir, I'm just going to ask you
10 about email accounts for a second here. The
11 email accounts that we have for you are AR --
12 I'm not saying they are all current, but they
13 are "ardelavaco.com".

14 That's an email account that you used
15 when you were at the Delavaco Group?

16 A. When I was there I used it at
17 times, yes.

18 166 Q. Andrew.Rudensky@Gmail.com?

19 A. In and around that same time
20 period, I was using that as well.

21 167 Q. And then
22 "Rudensky.ARR@Gmail.com"?

23 A. Correct.

24 168 Q. And what does the "ARR" stand for
25 in Rudensky.ARR?

1 A. I think that I just needed an
2 extra character because AR was -- A.Rudensky
3 wasn't available so I added the Rs.

4 169 Q. So, Mr. Rudensky, at least in my
5 experience, people don't change their Gmail
6 address. Is there a reason why you decided to
7 change your email address and take a second one?

8 A. I never really used email because
9 there was some legacy Delavaco stuff that was in
10 there.

11 You know, and actually, I think that a
12 lot of people, in my understanding, that they
13 set up a new account and you get a lot of spam
14 and stuff coming in and you kind of have a clean
15 slate.

16 170 Q. Okay. So why did you --

17 A. I don't use email that much
18 anyways, so. There's volume of garbage that
19 gets pumped into these things.

20 171 Q. So why did you decide to set up a
21 new Gmail account as you did?

22 A. Probably around the time I was
23 leaving Delavaco, there was some issues with
24 Andy. And I was, you know, just cleaning up
25 that old legacy account.

1 172 Q. So what were the issues with Andy
2 that you just referred to?

3 A. There was some matters in the
4 United States that I was involved with Andy, but
5 I wanted to limit any form of contact or
6 communication based on legal advice.

7 173 Q. And Mr. Defrancesco was later
8 charged by the SEC. Is that what you are
9 referring to?

10 A. Specifically are you speaking
11 about which? I don't know if there is more than
12 one.

13 174 Q. I can probably dig it up. But
14 you are aware.

15 A. I know what you are speaking of.

16 175 Q. So why did Mr. Rudensky's issues
17 have anything to do with you changing your --
18 and have a new email account?

19 MR. POLYZOGOPOULOS: You said
20 "Mr. Rudensky's issues".

21 BY MR. STALEY:

22 176 Q. I'm sorry. Mr. Defrancesco's
23 issues have anything to do with you setting up a
24 new Gmail account?

25 A. I was being asked to be involved

1 in those matters at the time and my attorney
2 suggested --

3 MR. POLYZOGOPOULOS: Don't --

4 BY MR. STALEY:

5 177 Q. I don't want to know what your
6 attorney told you. I just wanted to know why
7 you chose --

8 A. To basically end contact with him
9 for the time being.

10 178 Q. Okay. Now, with respect to the
11 three email accounts I've mentioned, are you the
12 only person that had access to those accounts?

13 A. Delavaco, he had an
14 administrative person that I think had access to
15 all of them. I believe that was Nikki.

16 179 Q. Okay.

17 A. And then the Gmail ones, you
18 know, were supposed to be secure. So they
19 should be just me.

20 180 Q. Okay. And I'm just wondering,
21 sir, in addition to the three email addresses
22 that we have just mentioned, do you have control
23 over any other email accounts?

24 A. I do.

25 181 Q. Okay. Tell me about those

1 accounts, sir.

2 A. One is a corporate email address
3 for one of my entities for advisory work.

4 182 Q. Okay. Any others?

5 A. And I have another personal
6 email.

7 183 Q. And what are those email
8 addresses?

9 R/F MR. POLYZOGOPOULOS: Don't answer
10 that.

11 BY MR. STALEY:

12 184 Q. Sir, do you have or have you ever
13 used a ProtonMail email account?

14 A. I have not.

15 185 Q. To your knowledge, sir, have you
16 ever emailed with anyone who used a ProtonMail
17 account?

18 A. Not that I'm aware of, no.

19 186 Q. Have you ever used or do you have
20 a Yahoo! email account?

21 A. Have I ever? I think when I was
22 a teenager I may have had one.

23 187 Q. Not since then?

24 A. No.

25 188 Q. Sir, I understand that you have

1 social media. It's a Twitter, which is now an X
2 account, which is under "A Rudensky"?

3 A. I think maybe when they launched
4 the platform, I may have created an account.
5 But I've never been -- I have an Instagram
6 account for my kids and stuff. That's about it.

7 189 Q. Sir, have you ever used or posted
8 on an Internet forum?

9 A. No.

10 190 Q. Okay. Have you ever posted on
11 Stockhouse?

12 A. No.

13 191 Q. What about Reddit? Have you ever
14 posted anything on Reddit?

15 A. To be honest, I don't even know
16 what Reddit really is.

17 192 Q. Okay. Probably not dissimilar to
18 all of us then.

19 Okay. Mr. Polyzogopoulos, I am
20 proposing to take a ten-minute break now and we
21 will pick this up.

22 MR. POLYZOGOPOULOS: Okay.

23 -- RECESSED AT 10:57 a.m. --

24 -- RESUMING AT 11:09 a.m. --

25

1 BY MR. STALEY:

2 193 Q. So, Mr. Rudensky, as your counsel
3 will be aware, in this action we have obtained
4 Norwich Orders that, among other things, provide
5 us with identifying information about posts and
6 posters, people who put up some of the
7 defamatory posts.

8 And so based upon that, I'm going to
9 ask you some questions. And the identifying
10 information includes IP addresses and mobile
11 phone numbers associated with various accounts.

12 So I'd like -- and the first
13 defamatory post that we pleaded about was from
14 July 2020.

15 So from July 2020 to the present, can
16 you identify for me, please, all telephone
17 numbers that you have used?

18 R/F MR. POLYZOGOPOULOS: Don't answer
19 that.

20 BY MR. STALEY:

21 194 Q. From July 2020 to the present,
22 can you identify for me the IP addresses of all
23 mobile devices, including mobile phones, iPads
24 and similar devices, and any computers that you
25 have used?

1 R/F MR. POLYZOGOPOULOS: Don't answer
2 that.

3 BY MR. STALEY:

4 195 Q. And I would like you, sir, to
5 identify for me all of the devices that you have
6 used from July 2020 to the present to access the
7 Internet, whether they are computers, mobile
8 phones, or iPads or other devices, please.

9 R/F MR. POLYZOGOPOULOS: Don't answer
10 that.

11 BY MR. STALEY:

12 196 Q. Now, sir, I'm going to ask
13 Mr. Yegendorf to pull up your Affidavit of
14 Documents.

15 And are you able -- do we need to
16 share the screen with you or -- you've got it.
17 Okay. We will make this a little bit smaller.

18 And, sir, if we look at Schedule A to
19 the Affidavit of Documents, you have listed
20 three documents in your possession, control, or
21 power that you did not object to producing for
22 inspection.

23 You've listed them there, sir?

24 A. I see that.

25 197 Q. Okay. And then at the next tab

1 would be Schedule B. And, sir, you -- there are
2 no documents that you have that you object to
3 producing on the grounds of privilege.

4 A. No.

5 198 Q. Do you see that, sir?

6 MR. POLYZOGOPOULOS: No. We just put
7 "N/A" in terms of we haven't set out the
8 boilerplate objections, but obviously those are
9 in place.

10 BY MR. STALEY:

11 199 Q. Okay. Well, I would like,
12 please, a detailed Schedule B that lists all
13 documents over which privilege is claimed,
14 please. I don't want the boilerplate. I want a
15 proper Schedule B.

16 MR. POLYZOGOPOULOS: For what time
17 period?

18 MR. STALEY: It's relevant --
19 Schedule B for the action complies with the
20 Rules of Civil Procedure.

21 U/A MR. POLYZOGOPOULOS: We'll take that
22 under advisement.

23 Has your client done that?

24 BY MR. STALEY:

25 200 Q. I'm here asking the questions

1 today.

2 Going back to Schedule A. Schedule A
3 includes an order from the Securities and
4 Exchange Commission. I will have Mr. Yegendorf
5 go forward to that in your materials.

6 And then Schedule B, if we go there,
7 go there next -- I think it is the wrong way --
8 is a summary of trading.

9 If we go back to the schedule itself,
10 Schedule A -- I'm sorry, I'm taking you around
11 here, Dylan, but it says "Aphria Trade Summary".

12 Can you tell me, sir, how this summary
13 was prepared and who prepared it?

14 A. I had reached out to my broker's
15 assistant and requested them to pull -- make a
16 spreadsheet and provide screen shots of, you
17 know, Haywood Security, trade summaries for that
18 particular security and the derivatives that
19 were used as well.

20 201 Q. So I take it what you said is
21 someone prepared this for you?

22 A. I asked my broker to pull all of
23 my Aphria transactions and compile the
24 information that was provided.

25 202 Q. Okay. And just --

1 Mr. Polyzogopoulos, just so that we do -- so our
2 request is consistent with what we had done
3 earlier with other parties, with respect to
4 Schedule B, the undertaking we are asking for
5 from you is for all privileged communications
6 that are asserted, with the exception being
7 we're not asking for communications between
8 Mr. Rudensky and his legal counsel, so long as
9 nobody other than his legal counsel is copied on
10 the communication.

11 And so our client did earlier produce
12 detailed -- more detailed Schedule B's than the
13 request we are making of you is consistent with
14 what my client did under the supervision of
15 Justice Osborne, and so I want to be clear that
16 I'm narrowing it in that manner, but we are
17 going to -- we're going to get this one way or
18 another, so that is what I am putting to you
19 right now.

20 MR. POLYZOGOPOULOS: Just so that I
21 understand, you're saying you want everything
22 listed other than lawyer-client communications?

23 MR. STALEY: Where the lawyer and
24 client are the only people on the communication.
25 Where there is any third-party, those should be

1 disclosed.

2 U/A MR. POLYZOGOPOULOS: I understand.

3 Okay. I will take that under advisement.

4 BY MR. STALEY:

5 203 Q. So I just -- I need -- just
6 skipping through a number of questions here that
7 I have in my notes about Mr. Defrancesco that I
8 have otherwise covered, but I do want to make
9 sure that I cover this.

10 I did ask you, sir, about your
11 communications with Mr. Defrancesco and when you
12 last communicated with him. You told me it
13 was -- I think it was over, I believe, a year
14 and a half ago, if I recall correctly.

15 And I just want to ask you, sir, in
16 connection with the defamatory manifestos that
17 are pleaded in this action, have you at any
18 point in time ever discussed the defamatory
19 manifestos with Mr. Defrancesco?

20 A. Not that I recall.

21 204 Q. Okay. When you say not that you
22 recall, is there anything that you could refer
23 to that might refresh your memory as to whether
24 you did that?

25 A. I don't believe we discussed

1 that.

2 205 Q. And have you at any point in time
3 communicated with Mr. Defrancesco about this
4 lawsuit?

5 A. I think early on, when I received
6 that phone call, I think I let him know I had
7 that call come in and, you know, and thought to
8 get, you know, his thoughts on it.

9 206 Q. Okay. That was a call with
10 Mr. Kassam?

11 A. Correct.

12 207 Q. Okay. So tell me what you can
13 recall about that conversation, when it
14 happened, and what was discussed.

15 A. Which conversation? With --

16 208 Q. The one with Mr. Defrancesco
17 after you spoke to Mr. Kassam.

18 A. I think I probably just
19 summarized what I was -- kind of relayed to me
20 on the phone, what do you think about this.

21 I think I highlighted that it sounded
22 like he thought that you were involved in some
23 form. And if I recall, I think he probably, you
24 know, in typical Andy fashion, would have been
25 like it's just -- for himself, I think he

1 basically said, like, I have nothing to do with
2 this. It doesn't really affect me.

3 209 Q. Okay. And just -- have you told
4 me everything that you recall about the
5 conversation?

6 A. That would have been a long time
7 ago, but, yeah, I think that would have been
8 probably the gist of it, given what I remember
9 from the phone call.

10 And I don't think he really -- you
11 know, for himself, when I highlighted it, like
12 how he suggested that he thinks that, you know,
13 you have your hands on this, I don't think he --
14 I don't think he cared too much.

15 210 Q. Okay.

16 A. And I think he suggested that --
17 you know, that he would know better than to pull
18 me into, you know, a made-up fight.

19 211 Q. And when you spoke to him at that
20 time, did you cold call him, or did you text him
21 or otherwise message him to set up the call?
22 How did that -- the call come about?

23 A. I don't recall.

24 212 Q. Okay.

25 A. Usually with Andy I would pick up

1 the phone.

2 213 Q. Okay. I'd like you to check your
3 records, please, and let me know whether you
4 have any record of communicating with
5 Mr. Defrancesco surrounding that call, including
6 setting it up, and produce that to me, please,
7 if there is something.

8 A. Most of that communication with
9 Andy would have been on WhatsApp phones and, you
10 know, the numbers that were used are no longer
11 in service, and I --

12 214 Q. And what numbers were used that
13 are no longer in service?

14 A. My Canadian numbers.

15 215 Q. And what numbers are they?

16 MR. POLYZOGOPOULOS: For what period
17 of time? For around the time of the call with
18 Mr. Defrancesco?

19 BY MR. STALEY:

20 216 Q. Yes.

21 A. It would have been the phone
22 number that your client called me on.

23 217 Q. Well, I need to ask -- you
24 need -- I need you to tell me what it is,
25 because I need to have it from your mouth.

1 A. I will have to check what that
2 phone number was. I don't even remember.

3 218 Q. Okay.

4 U/T MR. POLYZOGOPOULOS: We will let you
5 know.

6 BY MR. STALEY:

7 219 Q. Okay. And are you telling me,
8 sir, you no longer have an access to any
9 WhatsApp chats you had with Mr. Defrancesco? Is
10 that your evidence?

11 A. At that period of time?

12 220 Q. Yes. Yes.

13 A. Yeah, that would have been
14 correct. That carrier was a Canadian carrier.
15 The phone, all that would have been -- I never
16 backed up my chats. So no, I wouldn't have any
17 records of that.

18 221 Q. Subsequent to the conversation
19 with Mr. Defrancesco you just referred to after
20 you spoke with Mr. Kassam, have you had any
21 subsequent discussions with Mr. Defrancesco
22 about this lawsuit?

23 A. Post that?

24 222 Q. Yes.

25 A. None that I recall.

1 223 Q. So, again, I'd like to ask you,
2 sir, to just check and see if you have any
3 records of any such communications that you --
4 at this point you tell me you can't recall.

5 A. Yeah. It would have been verbal
6 with him, but, yeah, normally we would just talk
7 on WhatsApp phone.

8 224 Q. Okay. So I'm now going to talk
9 to you a little bit about James Stafford. And I
10 was wondering if you could tell me, sir, when
11 and how you were first introduced to James
12 Stafford.

13 A. I was originally introduced to
14 him during my time at Delavaco. Andy was --
15 Andy was engaging him for profiling a company,
16 and he would have introduced me at that time.

17 225 Q. And what company were they
18 engaged in profile?

19 A. I don't -- I don't recall which
20 one.

21 226 Q. Was it ReconAfrica?

22 A. No. This was late 2017, maybe
23 2018.

24 227 Q. So tell me, what was the
25 profiling work that was done by the Delavaco

1 Group?

2 A. That Mr. Stafford did?

3 228 Q. Yes. So who was going to profile
4 who? So help me -- who was going to profile
5 whom?

6 A. Andy was trying to show him an
7 investment that -- that he thought was, you
8 know, was a story that he would like a bigger
9 audience to be introduced to.

10 So he was trying to engage
11 Mr. Stafford to, I guess, take them on as a
12 client.

13 229 Q. Was it Cool Holdings?

14 A. As the first one?

15 230 Q. Well, you tell me. Was
16 Cool Holdings --

17 A. I don't believe that was the
18 first company.

19 231 Q. Okay. Was it one of the
20 companies that Mr. Stafford and Mr. DeFrancesco
21 worked together on?

22 A. Was?

23 232 Q. Yes.

24 A. I don't specifically recall which
25 of the -- before Cool Holdings what he may have

1 worked on.

2 233 Q. I'm not asking that. I'm just
3 asking whether Cool Holdings was one of the ones
4 that they worked on together?

5 A. Oh, yes. That was one, yes.

6 234 Q. Okay. And tell me the nature of
7 the work they did together on Cool Holdings.

8 A. Andy -- I don't know if I was on
9 the initial call or not, but I think Andy gave a
10 kind of high-level rundown of what the company
11 was, the opportunity.

12 And, you know, I'm going to assume
13 that Mr. Stafford thought that, you know, it was
14 something that he liked.

15 And then typically Andy would say,
16 because Andy is more of a generalist:

17 Let me set you up with
18 management, let them take you through
19 the finer details of the company, and
20 get, you know, a better grasp on some
21 specifics.

22 235 Q. Okay. So tell me, what was the
23 nature of the work that they did together on
24 Cool Holdings?

25 A. After that, the company would

1 have engaged Mr. Stafford. He would have gone
2 through his process with the company for his due
3 diligence, whatever material facts he would be
4 trying to acquire from them, with him and his
5 attorney who, as I learned over time working
6 with him, were pretty focused on having support
7 for all of the facts, figures that would be
8 potentially included in any write-up.

9 So management, once they would have
10 run Mr. Stafford through the company, the
11 business, they would have run that list:

12 I need backup support for claim,
13 this fact. I need to see this
14 accounting.

15 I know there was some back-and-forth
16 that they would provide certain things, you
17 know, in a corporate dec and the attorney would
18 say no, that:

19 I need something of substance to
20 back up these numbers, these are under
21 question.

22 Because I think at the time some of
23 the claims from the company, which subsequently
24 were challenged by the government, were
25 misleading.

1 And that's what Mr. Stafford and his
2 attorney always tried to avoid is a company just
3 putting stuff in his hands that were inaccurate.

4 236 Q. And so would it be fair to say
5 that Mr. Defrancesco was looking to Mr. Stafford
6 and his company to help promote Cool Holdings?
7 Is that fair?

8 A. I guess that's a term you can
9 use. I always think that, you know, guys like
10 to, you know, more shine the light that -- you
11 know, you're trying to introduce it to a much
12 larger audience.

13 You know, that one was problematic
14 with what happened with the story. But, you
15 know, typically, you know, some of these
16 acquired names that they are never going to be
17 discovered any other way is, you know, shining a
18 light on some of the positives and the
19 highlights in it to a larger audience.

20 237 Q. Now, when you say it was
21 problematic with what happened in the story,
22 what do you mean by that?

23 A. Well, without their relationship
24 with Apple, you know, some of the work that
25 Mr. Stafford put out, you know, got picked up by

1 CNBC and, you know, was a smaller company.

2 And then you start having a
3 partnership with Apple, put on headlines through
4 major media outlets. There was an explosion of
5 interest.

6 238 Q. And you are aware, sir, that the
7 SEC charges against Mr. Defrancesco relate to,
8 among other things, Cool Holdings?

9 A. I do.

10 239 Q. And tell me what specifically, to
11 your recollection, did Mr. Stafford do to help
12 promote or inform people about the -- about
13 Cool Holdings?

14 A. My understanding is that he had
15 pieces of content prepared by professional
16 writers to highlight the story in long form
17 content.

18 As you guys know, Mr. Stafford runs a
19 high traffic platform and posted his summary of
20 the company on -- on the site, which, I don't
21 know what the numbers are, but, you know, heavy
22 traffic would have been reading that profile
23 that would go on his platform.

24 240 Q. And this is OilPrice.com?

25 A. I believe that was where it was

1 posted.

2 241 Q. And you told me about -- about
3 Mr. Stafford becoming engaged with or dealing
4 with Mr. Defrancesco.

5 Can you just -- from the time that you
6 were working with Mr. Defrancesco, can you
7 describe to me the nature of the relationship
8 between Mr. Stafford and Mr. Defrancesco and
9 their companies?

10 A. Their -- by that, what do you
11 mean? How they -- during the period I was
12 there, how they --

13 242 Q. Yeah, what type -- the nature of
14 work that they did, how they interacted, the
15 nature of the assignments that Mr. Stafford
16 understood.

17 A. Yeah, my understanding was that,
18 one, that Mr. Stafford was very selective in the
19 companies he would take on, limited number.

20 Andy showed him several other
21 opportunities over the course of my time there,
22 and I think they worked on multiple files
23 together.

24 But I think it would be a reach out in
25 some form to Mr. Stafford's side saying,

68

1 Hey, are you free for a call? I
2 want to show you this new deal we're
3 getting involved with, you know, I'd
4 love for you to take a look at it, see
5 what you think.

6 So on multiple occasions, there would
7 have been issuers that would have been presented
8 to the two of them, but I think it was strictly
9 a professional relationship. I don't know if
10 they had any real personal, you know,
11 relationship in that window.

12 243 Q. Okay. And you said they worked
13 on multiple files together. We talked about
14 Cool Holdings.

15 Are you able to recall any of the
16 others that they worked on together?

17 A. When I say they worked on it, it
18 would be an introduction, because it is not Andy
19 or Delavaco who is engaging those services. It
20 would be Andy giving a high-level general --
21 general overview of the opportunity: What do
22 you think? Let me hook you up with a company.

23 And ultimately, it's the company that
24 would make the final decision. But Andy would
25 make the introduction to the issuer and, you

1 know, would likely have some relationship with
2 people in saying, This is a good idea, and, you
3 know, encourage them to engage those services.

4 244 Q. Okay. And earlier I asked you --
5 you've told me they worked on multiple files
6 together. Are you able to identify the other
7 files beyond Cool Holdings?

8 A. I believe one other one was
9 Breaking Data.

10 245 Q. Okay.

11 A. I don't believe anything in the
12 marijuana space was ever covered, because that
13 was Andy's real niche at the time.

14 Potentially -- I think Sol Global was
15 another. It may have been one of the one-offs
16 in there.

17 Those would be -- those would be three
18 that come to mind. I think after Cool Holdings,
19 I think, you know, those type of services were
20 not being explored by Andy and what went on in
21 that window.

22 246 Q. Okay. And help me, to the --
23 how, to your knowledge, was Mr. Defrancesco or
24 his company compensated for the work that they
25 did bringing these opportunities to light?

1 A. Well, probably with Andy's model,
2 and even when you listed off, you know, all of
3 the various entities and issuers, Andy's
4 business is sourcing assets privately, raising
5 capital around them, bringing them public.

6 He's laser focused on his own deals
7 98 per cent of the time is how I would describe
8 it. So he's -- and with -- and combine that
9 with his lifestyle and cash burn and very active
10 on the deal side, he would -- he would always
11 discourage me from -- you know, me trading on a
12 name and say, Focus on stocks.

13 So we never venture outside the box.
14 It would be his own businesses that if -- the
15 core of what he did.

16 So ultimately, he would be having
17 large equity stakes in these issuers and putting
18 various people around -- around them at an
19 earlier stage and, you know, working to build
20 these businesses to a point that they stand on
21 their own two feet.

22 I think when you look at the
23 Cool Holdings situation, as much as everyone
24 wants to paint him with a very negative brush
25 that, you know, it was a pump-and-dump and this,

1 Andy stuck with that name for seven to
2 eight years.

3 And at the end of the day, my
4 understanding is I think he probably lost
5 significant money, but he stuck with the name
6 for probably nearly a decade.

7 But you take a snapshot of that one
8 window, they were, He emptied it out, he's gone,
9 he's abandon it, and he moved on. That's
10 obviously how people would spin that anyways.

11 And at the end, you know, he truly
12 wants to try to build stuff and what he did
13 early on in the marijuana space.

14 You know, with Aphria from the onset
15 and some of the Florida businesses he was
16 involved with, he was an early mover in a space
17 that attracted a lot of eyes.

18 And I always thought that if he didn't
19 have the significant burn and personal burn and
20 interest to do the next one, do the next one,
21 three or four of those names, he should have
22 been much better under what he did, particularly
23 the big one in Canada.

24 247 Q. Which being? Being which one?

25 A. Being Aphria. He was in it, I

1 think, to help raise the original money when
2 nobody else was around, 2013 maybe, 2014, maybe
3 earlier than that.

4 And then you have a space that
5 explodes. It's a multibillion -- billion dollar
6 market cap, and he should have done -- he should
7 have had life-changing money on that. And that
8 was probably a hard pill to swallow.

9 But, you know, when I came in, I don't
10 know how much exposure he had to that name and
11 he -- Andy with the pride and everything, but
12 if -- you know, still portrayed that he had a
13 meaningful stake in the business but, you know,
14 I think that it wasn't what it was three or
15 four years prior.

16 If he just sat and did nothing, it
17 would have been a significant amount of money he
18 would have made. But, you know, it's hard to
19 say when, like:

20 Oh, you're doing -- stock is \$15,
21 you must -- you must be doing great,
22 and, you know, congratulations.

23 It's tough to say:

24 I really don't have that much
25 anymore.

1 248 Q. So what do you mean when you say
2 it was a hard pill for him to swallow?

3 A. Well, if you were -- you know,
4 had the idea no one else is around, you had --
5 I'm going to assume, like, I wasn't working
6 there at the time, but he had a significant, you
7 know, equity interest in the company. Then you
8 have this marijuana craze and all these things,
9 you know, and an explosive growth environment,
10 you know, big finances being done, the
11 government opening -- starting to open up the
12 doors?

13 Then -- I don't know what the numbers
14 were, but let's just say hypothetically you own
15 10 per cent and the stock goes to a billion
16 dollars, but you exit at between 5 and \$7 maybe,
17 and you have very little exposure to what you
18 had. But then you have people on the street
19 coming up when, you know, many years later,
20 like, You killed it, great job, it would be
21 tough when you're like -- knowing that they
22 think you own, you know, hundreds of millions of
23 dollars in a name.

24 You know, Andy is not the guy to be
25 like, Oh, yeah, I exited to years ago. Right?

1 So -- and you -- he's a salesman. He would
2 have, you know, accepted it.

3 I think a lot of people thought that
4 he had a tremendous interest in that name,
5 especially in that window when, you know, it was
6 high flying and growing.

7 But as I recall it, it was options
8 more, hanging around. He helped raise a bunch
9 of money for the companies with his network.
10 But certainly from building it from the
11 vision -- and it goes back to kind of what I saw
12 it on a couple occasions, if you sat and did
13 nothing in that, financially for him it would
14 have been a very different outcome, but he's on
15 to the next deal.

16 Say it was the example -- I don't know
17 where he entered. Say it was a dollar, it was
18 at five. That's still a great trade for
19 anybody.

20 You're not expecting the explosion
21 that you have in the space, and now it's 15 and,
22 you know, I think that would be difficult. And
23 I think he always kind of suggested that he was
24 still a major participant on the ownership side
25 in that name for, you know, in that window.

1 249 Q. So you've told me about how
2 Mr. Defrancesco made his money, but I was
3 earlier trying to have you tell me where
4 Mr. Stafford -- where the company became
5 involved to help promote.

6 How did they get paid?

7 A. He would negotiate something with
8 the issuer.

9 250 Q. And what was the nature of what
10 he would get in return with the issuer?

11 A. He would outline some -- some
12 cash and equity participation in some form.

13 251 Q. Okay. So just so I'm clear,
14 he -- your understanding was that he would --
15 they would receive both a cash payment and then
16 he would have an interest that's tied to the
17 success of the stock?

18 A. Oh, not the success. I think,
19 you know, some companies didn't want to empty
20 out, you know, as much cash. I think it would
21 be a combination of the two.

22 I believe that, you know, him and his
23 attorneys always, you know, had disclosures or
24 which wanted one. One was cash, one was equity.
25 That was my understanding.

1 252 Q. But did -- you said that he had
2 equity. He would belong the equity; right?

3 A. He would belong the equity, yeah.
4 We would be an owner of it, yes.

5 253 Q. Okay. So I should just ask you,
6 like, when -- when and how did you first get
7 introduced or come to know Jim Stafford?

8 A. Well, one of the original --
9 whatever would have been one of the first
10 awareness campaigns that Andy would have been
11 working on, I would have been introduced in some
12 form to him, either connecting, you know, at
13 times to -- Andy may say:

14 Oh, can you connect these guys to
15 management, set up a call for them?

16 So I would help out if, you know,
17 requests like that was to come in.

18 254 Q. Okay. And throughout the time
19 you were at the Delavaco Group, did -- how much
20 interaction, if any, did you have with
21 Mr. Stafford?

22 A. When I was doing some work or was
23 engaged for one of the files and Andy introduced
24 him to. I think I was pushing some
25 conversations along or someone wasn't

1 responding, you know, he may reach out and say:

2 Hey, management hasn't got back
3 to me on this point or this review.
4 And we either went to Andy and then
5 Andy went to me, or he went direct to me and
6 said:

7 I need a response from the
8 company.

9 So then I might have to reach out to
10 the company and say:

11 Hey, you know, can you get back
12 to Mr. Stafford? He is looking for X,
13 Y, and Z.

14 255 Q. And apart from the engagement you
15 had with him professionally when you are at
16 Delavaco, did you socialize with him outside of
17 work, either while you were there or subsequent
18 to leaving Delavaco?

19 A. During our time at Delavaco, I
20 think it was -- I was strictly just working on,
21 you know, when he would be engaged on -- on
22 certain accounts or files, but, you know,
23 personally nothing that I really recall.

24 It was kind of business. They were
25 always fairly quick conversations, maybe chat

1 about the markets a bit, that type of stuff in
2 that period.

3 256 Q. Okay. And did you socialize with
4 him at all?

5 A. By socializing, you mean like
6 physically spend time with him?

7 257 Q. Yes.

8 A. I think I met him physically for
9 the first time -- 2019, 2020, maybe was the
10 first time that I physically met him.

11 258 Q. And so how often, if at all, did
12 you socialize with him during the time you were
13 at Delavaco?

14 A. He lived overseas, so I think he
15 happened to be -- I was in Florida at the time,
16 and I think he -- I don't know what the
17 circumstances are, if it was specifically to
18 meet with Andy and, you know, some of the guys,
19 or if he was just in town. A couple of times,
20 as I recall, in that window.

21 259 Q. And can you tell me what
22 engagement have you had with Mr. Stafford
23 subsequent to leaving the DeFrancesco Group --
24 or Delavaco Group? Sorry.

25 A. I speak to James quite regularly

1 after that. We have some overlapping
2 investments in a handful of companies, catch up
3 on those. But, yeah, I speak to James.

4 260 Q. And how often do you speak to
5 him?

6 A. I speak to him pretty regularly.
7 It varies. You know, sometimes we won't talk
8 for a few weeks; sometimes we'll talk a couple
9 of times in a week. But yeah, we communicate, I
10 described.

11 261 Q. And in the course of your
12 discussions, do you discuss this litigation?

13 A. No, not really, outside of me
14 saying, like, at times saying, like, me getting
15 dragged into this thing and my views on that.

16 But no, kind of work, investments,
17 looking for other opportunities. He sees stuff,
18 I may see stuff, much like most guys do in the
19 business, guys who may see one or two good
20 opportunities in a year to see if they are being
21 shown anything.

22 It's been a challenging year so there
23 hasn't been much stuff, but we had some old
24 legacy stuff that he is an investor in, I'm an
25 investor in, and, What do you think of that,

1 what direction, what's a new area, so -- Canada,
2 families.

3 262 Q. And have you done any business
4 with him since leaving Delavaco Group?

5 A. What do you mean by business?

6 263 Q. Well, are you working with him on
7 any projects?

8 A. No. All our stuff would be --
9 like my small advisory stuff would be all
10 independent, and no, there would be no overlap.

11 264 Q. And any financial arrangements of
12 any sort with him?

13 A. I think I paid him a small
14 referral fee for one -- one introduction that he
15 made to me, maybe, if I recall, 10- or \$12,000,
16 because he introduced me to someone I did some
17 business with. But aside from that, I would say
18 no.

19 265 Q. And no other financial
20 arrangements with him at all since you left
21 Delavaco Group?

22 A. No.

23 266 Q. Okay. Now, we talked a few
24 minutes ago about the awareness or the marketing
25 or promotional campaign, whatever you want to

1 describe it, that Mr. Stafford did for
2 Cool Holdings, and you told me that
3 Mr. Defrancesco had a position in Cool Holdings.

4 Did you also have a position in
5 Cool Holdings?

6 A. I did.

7 267 Q. Tell me about that position.

8 A. I had acquired it on a private --
9 the vast majority of it, I had acquired it on a
10 private placement.

11 Like, for like dollar amount?

12 268 Q. Just the nature of it. You told
13 me earlier that when you were working with
14 Mr. Defrancesco you had a chance to go into some
15 of his stuff he was investing in. Is this one
16 of those?

17 A. Yeah, but it wasn't very early.
18 I think it was later -- later on, I think, when
19 Andy probably got involved. So I think I
20 entered at like nearly \$4. Andy put capital in
21 at \$4. There wasn't like any really any deep
22 discounted shares that I had.

23 I don't know what Andy may have had
24 prior, but that was kind of how I entered.

25 269 Q. And in connection with the

1 awareness campaigns, was one of -- was
2 Mr. Stafford doing an awareness campaign for
3 Facedrive?

4 A. I don't know what his arrangement
5 was with Facedrive, whether he was engaged,
6 whether he was doing it independently. I don't
7 know what his --

8 270 Q. Do you believe he was promoting
9 the stock? Is that a fair way to describe it?

10 A. Well, I guess separating it from
11 if you're being -- and I don't know this, but if
12 you're being paid to do what -- you know, what
13 Andy was doing, in my mind, that would be paid
14 advertisement.

15 I know that he also has a segment
16 where he likes companies and he will do it
17 because he thinks it's a good opportunity. So
18 to separate the two --

19 271 Q. Let's not try to separate the
20 two. Whether it's being paid or whether he
21 likes it, was Mr. Stafford promoting Facedrive?

22 A. I don't understand or have
23 knowledge to exactly about what he was doing on
24 that specifically.

25 272 Q. And did you have a position at

1 Facedrive personally?

2 A. I traded I think on one occasion.

3 273 Q. Okay. And did Delavaco Group
4 have a position at Facedrive?

5 A. Do you know the time period of
6 when, that name? I think I had left then.

7 274 Q. I don't have any idea. I'm not
8 sure.

9 A. I --

10 275 Q. I'm just asking if you're aware
11 of it.

12 A. I wasn't aware that during my
13 time that Andy had ever traded the name.

14 276 Q. Okay. And to the extent I'm
15 asking you about personal trading and some of
16 the names that are relevant here, I'm going to
17 ask you to produce to me trading records to show
18 the trading you did in relation to those names.

19 U/A MR. POLYZOGOPOULOS: We will take that
20 under advisement.

21 BY MR. STALEY:

22 277 Q. Okay. And I'm not sure, I don't
23 know if I asked you this, but in connection with
24 Aphria, did you have a position at Aphria? Of
25 course you did. You produced that to me. Okay.

1 I'm losing my --

2 A. Yeah, I traded it on occasion.

3 MR. POLYZOGOPOULOS: That's the one we
4 haven't objected to.

5 BY MR. STALEY:

6 278 Q. That is. That is. Yes. It's
7 just one of those things that's -- I have been
8 up since 5:30.

9 So just -- now I'm now going to ask
10 you just about some of the names of people from
11 Mr. Stafford's companies that I understand may
12 have been involved in some of the awareness
13 campaigns. I'll call them awareness campaigns,
14 because it's neutral. So if these are names
15 that ring a bell with you.

16 Anes Alic?

17 A. No.

18 279 Q. Charles Kennedy?

19 A. No.

20 280 Q. Nick Cunningham?

21 A. No.

22 281 Q. Tom Kool, with a capital -- with
23 a K?

24 A. No.

25 282 Q. Josh Owens?

1 A. No. These are -- these are names
2 related to a specific campaign or names that
3 you --

4 283 Q. They are names associated with
5 Mr. Stafford who are of interest to us in light
6 of allegations in this litigation.

7 Now, sir, I referred earlier to the
8 SEC complaint against Mr. Defrancesco and others
9 in relation to Cool Holdings. Remember, I asked
10 you some questions about that?

11 A. Yes.

12 284 Q. I can take you to it if I need
13 to, but there is a paragraph in there where it
14 says that Mr. Defrancesco directed a Delavaco
15 associate, who is described as Associate A, to
16 coordinate with Mr. Diaz and a Mr. Rezk,
17 R-E-Z-K, on a promotion.

18 You are the Associate A, are you, to
19 your knowledge, sir?

20 R/F MR. POLYZOGOPOULOS: Don't answer
21 that.

22 BY MR. STALEY:

23 285 Q. And tell me, sir, who are
24 Mr. Diaz and Mr. Rezk?

25 A. I believe they were senior

1 management at the company. One of them may have
2 been the CEO or President, but they were senior
3 management at Cool Holdings.

4 286 Q. Have you, sir, had any
5 discussions or other communications with
6 Mr. Stafford or anyone on his behalf in relation
7 to the SEC complaint?

8 A. We share -- during the time
9 period that this is ongoing? Is that what
10 you're asking?

11 287 Q. Yes.

12 A. We have -- we shared the same
13 U.S. attorney, so they needed -- we needed
14 clearance that they could represent me on the
15 matter.

16 288 Q. So just when you say "U.S.
17 attorney", that has two meanings. One is there
18 is a U.S. attorney that works with the
19 government, and there is a U.S. lawyer.

20 Are you talking --

21 A. A U.S. lawyer. He covered
22 Mr. Stafford as well.

23 289 Q. Okay.

24 A. I guess there had to be some
25 waiver, when I said I'll have a problem and he

1 said, well ...

2 290 Q. Okay. And did each of you pay
3 for your own share of that, or did somebody pay
4 for the other?

5 R/F MR. POLYZOGOPOULOS: Don't answer
6 that.

7 BY MR. STALEY:

8 291 Q. Now, sir, at any time relevant to
9 this litigation, which would be from
10 July of 2020 onward, I am just wondering, sir,
11 how you have -- how do you communicate with
12 Mr. Stafford when you are not speaking to him on
13 the phone?

14 A. By that do you mean do I text
15 with him or --

16 292 Q. Texts? WhatsApp? You know,
17 iMessages? Emails? How do you communicate with
18 him?

19 A. The vast majority of our
20 communication are digital calls and then, you
21 know, WhatsApp messages.

22 293 Q. Has your counsel reviewed your
23 WhatsApp messages to produce any that are
24 relevant to this litigation?

25 A. Pretty much all of my

1 conversations are, you know, whenever is
2 imposed, they auto-delete for everybody that is
3 on my device.

4 294 Q. So the answer to my question is
5 that your lawyer, to your knowledge, has not
6 looked at the communications? That's your
7 answer?

8 A. I wouldn't have any to provide.

9 295 Q. Have you ever traded on
10 Mr. Stafford's behalf or for Mr. Stafford?

11 A. What do you mean by that?

12 296 Q. Have you ever executed trades for
13 him?

14 A. Like in his account?

15 297 Q. I'm just asking, have you ever
16 executed trades for him?

17 A. No.

18 298 Q. Okay. And has he ever traded on
19 your behalf?

20 A. No.

21 299 Q. So I'm going to have
22 Mr. Yegendorf pull up Mr. Stafford's
23 Statement of Defence and go to paragraph 6.
24 I just want to refer you, sir, to
25 paragraph 6, and particularly the third sentence

1 that begins three lines down:

2 "Stafford has also invested in
3 some of Rudensky's business dealings
4 over the years and the two share a
5 casual friendship[...]"

6 Do you see that?

7 A. Yeah.

8 300 Q. Would you agree with what
9 Mr. Stafford has said about you in the sentence
10 I just read to you?

11 A. Yeah, number 6, I would agree.
12 That's what I kind of explained.

13 301 Q. And what are the business
14 dealings into which Mr. Stafford has invested?

15 A. I think, as I kind of explained,
16 that, you know, companies that we are
17 co-invested in or opportunities that I may have
18 shown him or vice versa. I think it would be,
19 you know, the investments that we both have a
20 common interest in.

21 302 Q. Yeah. That really hasn't
22 answered my question. There's obviously a lot
23 of names that are mentioned in this action that
24 are of interest, and I'm really trying to figure
25 out whether they are one of them.

1 So can you just tell me what the names
2 are?

3 R/F MR. POLYZOGOPOULOS: No. Don't answer
4 that.

5 BY MR. STALEY:

6 303 Q. So I'm looking for you, sir, in
7 relation to the third sentence in paragraph 6
8 where it says:

9 "Mr. Stafford has invested in
10 some of Mr. Rudensky's business
11 dealings over the years[...]"

12 Can you tell me specifically what
13 dealings is being referred to there, to your
14 knowledge?

15 MR. POLYZOGOPOULOS: Counsel, these
16 are questions for Mr. Stafford, not my client.

17 BY MR. STALEY:

18 304 Q. They are not, because your
19 witness has adopted that paragraph as being
20 true, so I'm entitled to ask him questions about
21 it.

22 So tell me, sir, what are the business
23 dealings into which Mr. Stafford has invested?

24 MR. POLYZOGOPOULOS: You asked him
25 already all of the names that have come up in

1 the course of this lawsuit, and he's told you
2 whether he's invested in it or not.

3 BY MR. STALEY:

4 305 Q. It's obviously a relevant
5 question. I'm entitled to get -- I'm going to
6 get an answer today or I'm going to get an
7 answer on a forced reattendance so it's up to
8 you.

9 MR. POLYZOGOPOULOS: When you bring
10 Mr. Stafford back, you can ask him these
11 questions.

12 BY MR. STALEY:

13 306 Q. I'm asking the witness. He's
14 already told me he agreed with him.

15 Sir, when is the last time that
16 Mr. Stafford invested in some of your business
17 dealings?

18 A. Like an opportunity that I may
19 have shown him or like a --

20 307 Q. Well, you told me that
21 Mr. Stafford has invested in some of your
22 business dealings over the years.

23 So when is the most recent one that he
24 invested in?

25 A. I think it's been a while since

1 he deployed any cash into -- I'm not
2 particularly sure.

3 308 Q. Okay. Can you please check your
4 records and let me know, please, when that took
5 place and what it was?

6 R/F MR. POLYZOGOPOULOS: No. We are not
7 going to do that.

8 BY MR. STALEY:

9 309 Q. Okay. And, sir, I'd like you to
10 tell me what is the oldest investment that
11 Mr. Stafford had made into your business
12 dealings?

13 R/F MR. POLYZOGOPOULOS: We're not going
14 to answer that.

15 BY MR. STALEY:

16 310 Q. Okay. And I'd like you to tell
17 me when that happened and what -- what the
18 business dealing was, sir, what the investment
19 was.

20 A. Let me just be clear, when we say
21 "business dealings", it would be like I'm
22 investing money in this company and, like, it --
23 it's, you know, it's not anything too formal,
24 just like anyone would be showing a trade, their
25 investment they would have, like, I bought this,

1 you know, I invested in a placement.

2 It would be if he goes on a market and
3 buys it. That's --

4 311 Q. Well, that's what I'm trying to
5 find out, and the problem is I'm getting
6 refusals. So I'm trying to figure out what the
7 nature of it is and what they specifically are.
8 But we will deal with this when we get you back
9 after a motion.

10 A. And you want these names because
11 you want to check if they are related to --

12 312 Q. I'm trying to check against
13 anything that may be relevant in this lawsuit.
14 And also, it goes to whether -- reasons why you
15 might do things to help Mr. Stafford; right?

16 So those are all matters I think the
17 Court will conclude you're going to have to
18 answer them one way or the other.

19 When was the last time you
20 communicated with Mr. Stafford?

21 A. Several days ago.

22 313 Q. And was it in connection with
23 this examination?

24 A. No.

25 314 Q. And what was the nature of that

1 engagement?

2 R/F MR. POLYZOGOPOULOS: Don't answer
3 that. Don't answer that.

4 BY MR. STALEY:

5 315 Q. Is Mr. -- is Mr. Stafford
6 currently invested in any of your business
7 ventures?

8 A. Well, I don't have any ventures.

9 316 Q. Co-investments? Is there
10 co-investments? Is that a better way to
11 describe it?

12 A. Investing in the same company is
13 how I would describe it. There's a handful of
14 investments I have money and I have bought
15 shares in the market or placements that, yeah,
16 there would be overlap.

17 317 Q. Now, sir, I'm going to take you
18 back to -- I'm just going to refer to something,
19 and I'm happy to pull it up, but I'm just going
20 to use it as a placeholder to remind you.

21 In the affidavit you swore in
22 connection with the Motion to Set Aside the
23 Default Judgement, you swore that you received a
24 phone call from Mr. Stafford on January 22nd
25 of last year informing you about the default

1 judgement hearing that was about to take place.

2 And I just wanted to ask you, before
3 you received that call from Mr. Stafford, had
4 you had any prior communications with him about
5 this lawsuit?

6 A. Nothing that I recall.

7 318 Q. And prior to that call on
8 January 22nd of last year, had you or
9 Mr. Stafford communicated in any way about the
10 defamatory manifestos or the other unlawful
11 statements as pleaded in this action?

12 A. Did we -- are you asking did we
13 discuss --

14 319 Q. Yes.

15 A. -- these pieces going out and so
16 on?

17 320 Q. Yes, yes.

18 A. Not that I recall.

19 321 Q. And in connection with
20 Mr. Stafford, did you understand from your
21 engagements with Mr. Stafford that he had views
22 favourable or unfavourable about Anson Funds and
23 Mr. Kassam?

24 A. Is there a time period where --

25 322 Q. Sure. Let's go from July 2020 to

1 the present.

2 A. Did he express any? I don't
3 recall anything -- anything that they
4 potentially did to harm him that would have had
5 him angry, but I don't really recall him -- I
6 mean, any anger or resentment towards them and,
7 you know, me also thinking, like, Did these guys
8 do something to him? Nothing that I am aware
9 of.

10 323 Q. Okay. So I just wanted to ask
11 you now -- I'm going to change the subject.
12 I've been talking about Mr. Stafford. I'm now
13 going talk to Mr. Kassam and Anson.

14 When and how were you first introduced
15 to Mr. Kassam and Anson Funds?

16 A. I don't know if I've ever
17 physically met Moez. I may have, but I think
18 likely through Andy is how I got any sort of
19 connection or communication from anyone on the
20 fund side.

21 324 Q. Okay. And when you say "Andy",
22 you are talking about Mr. DeFrancesco?

23 A. Yes, correct.

24 325 Q. And were those in relation to
25 companies where each of them had an interest or

1 an investment?

2 A. Yeah. As I explained, I think,
3 you know, they were friendly and, you know,
4 somewhat described as partners on some of these
5 ventures.

6 I think we all know people have used
7 that language loosely, but, yeah, they would
8 have had, you know, in some instances, if I
9 recall, like significant capital in some of
10 Andy's companies that he was working on and, you
11 know, I think they had a very friendly
12 relationship for, you know, years.

13 326 Q. And was one of the companies they
14 worked on together Aphria?

15 A. I think they -- as I recall, I
16 think that the fund, you know, was a supporter
17 of the company and supported Andy.

18 327 Q. Sol Gold another one?

19 A. What was the other one?

20 328 Q. Sol Gold?

21 A. I'm not familiar with that name.

22 329 Q. Any others? So it's S-O-L
23 G-O-L-D?

24 A. Oh, Global?

25 330 Q. No. Sol Gold, S-O-L Gold.

1 A. Gold?

2 331 Q. Gold.

3 A. I don't remember any mining deals
4 when I was there.

5 332 Q. Sorry. I'm sorry. Sorry.

6 Sol Global. Sorry. That's right.

7 A. Yeah.

8 333 Q. Okay.

9 A. I believe they owned a
10 significant stake in that company.

11 334 Q. Okay. And any others that you
12 recall where they were both investors and had
13 stakes together?

14 A. I think those were the two -- two
15 that I would say I'm pretty confident that, you
16 know, they had a bit interest and worked on them
17 together in whatever form that was.

18 335 Q. Okay. You -- obviously we know
19 you had a conversation with Mr. Kassam in
20 September of 2021. You knew him before you had
21 that telephone call?

22 A. Like I said, I knew through some
23 of our dealings. I don't know if I met him, but
24 yeah, I know who Moez is and, you know, there
25 was overlap with work and we would communicate

1 at times, but I don't think we socialized.

2 336 Q. And you knew who he was when you
3 spoke to him in September of 2021?

4 A. Yes, I knew who he was.

5 337 Q. So, sir, there are some other
6 names I'm going to just put to you now and just
7 ask you some questions about.

8 So other than in connection with this
9 lawsuit, because I see, for example,
10 Mr. Doxtator has graced us with his presence
11 today, other than in connection with
12 developments in this lawsuit -- and I'm now
13 speaking of the period since July of 2020 --
14 have you had any communications, direct or
15 indirect, with Robert Doxtator?

16 A. None that I recall.

17 338 Q. You say none that you recall. Do
18 you recall whether you had any or not? I would
19 have thought that would have been something you
20 would have a memory of.

21 A. At some point there may have
22 been -- I may have had a phone conversation, but
23 I don't think we ever text, I don't think we
24 ever met.

25 339 Q. Okay. Tell me what you recall

1 about the telephone conversation with
2 Mr. Doxtator.

3 A. I think I said I may have had a
4 call. I don't know if it actually happened at
5 that period or not.

6 340 Q. Okay. Would it have happened at
7 an earlier period? You think you had a
8 conversation but you are not sure when?

9 Is that your evidence?

10 A. Potentially. I don't know
11 whether it was during the Andy days or not, but
12 potentially.

13 341 Q. Do you recall what that
14 conversation would have been about?

15 A. No.

16 342 Q. Okay. So Mr. Doxtator was
17 somebody who you knew of outside of and
18 independent of this lawsuit; is that right?

19 A. No. I only knew that he had a
20 large Twitter following, was -- just word of
21 mouth that he was a very prominent, due
22 diligence individual and had a social media
23 presence.

24 I didn't know him by name until this
25 action.

1 343 Q. So, sir, other than in connection
2 with developments in this lawsuit, since
3 July of 2020, have you had any direct or
4 indirect communications with Jacob Doxtator?

5 A. None that I recall.

6 344 Q. And then have you, since
7 July of 2020, had any communications with Nathan
8 Anderson?

9 A. None that I recall.

10 345 Q. Okay. And, again, all of these
11 are not that you can recall? Do you -- you are
12 leaving it open that you may have had some
13 communications with him?

14 A. I don't believe so.

15 346 Q. And how about same with
16 Mr. Alan Spektor?

17 A. None that I recall.

18 347 Q. Okay. Again, do you believe you
19 didn't have, or how -- what is the strength of
20 your belief on that?

21 A. With Alan Spektor?

22 348 Q. Yes.

23 A. I don't believe I had a
24 conversation with him.

25 349 Q. Same question for

1 Michael Serruya, S-E-R-R-U-Y-A.

2 A. Not that I recall.

3 350 Q. Okay. Same, that you don't think
4 so; is that fair?

5 A. He was one of Andy's guys. Is
6 there any possibility I could have been on a
7 call with him? It was a long time ago, so
8 it's --

9 351 Q. Same question for Danny Guy.

10 A. I don't recall.

11 352 Q. Bradley Morris?

12 A. I speak to Brad.

13 353 Q. So tell me, who is Bradley Morris
14 and how do you know him?

15 A. He worked at Delavaco.

16 354 Q. Okay. And what's the nature of
17 your engagement with him since July of 2020?

18 A. He is still at Sol Global as I
19 understand, but, you know, friendly
20 relationship. We are friends. We talk.

21 355 Q. There are a few more that I'm
22 going to run through. Michael Miller?

23 A. Is there any context on who he
24 is?

25 356 Q. He is, I'm told, an associate of

1 Mr. Robert Doxtator.

2 A. No.

3 357 Q. Now, someone named
4 John Mastromattei, M-A-S-T-R-O-M-A-T-T-E-I, who
5 apparently goes by the name Johnny Lambo.

6 A. Not that I recall.

7 358 Q. Brady Cobb?

8 A. I know Brady.

9 359 Q. Okay. Did you have any
10 engagement with him subsequent to July 2020, to
11 your recollection?

12 A. Maybe one or two conversations,
13 but I don't know when those were.

14 360 Q. So I understand that he had a
15 senior position at Sol Global. Was it in the
16 context of that that you engaged with him?

17 A. I believe he left and then he
18 started another business, and then he went off
19 to do his own thing. But yeah, I had spoken to
20 him in that window.

21 361 Q. Any discussions in relation to
22 the issues in relation to this lawsuit?

23 A. Nothing that I recall.

24 362 Q. Sayan Navaratnam,
25 N-A-V-A-R-T-H-A-M-A-N [sic]?

1 A. That's the Facedrive guy?

2 363 Q. It is, yes.

3 A. No. I don't recall having any
4 conversations with him.

5 364 Q. Jason Spadafora?

6 A. What's he related to?

7 365 Q. I believe he is a cannabis
8 investor.

9 A. That name is not familiar.

10 366 Q. Newt Glassman?

11 A. That name is not -- oh, I know
12 who he is, but he's not familiar to me.

13 367 Q. Paul Roth?

14 A. That name is not familiar to me.

15 368 Q. Okay. Josh Owens?

16 A. What's that? Who is he?

17 369 Q. A former Stafford employee or
18 consultant.

19 A. That is not familiar.

20 370 Q. Nick Cunningham?

21 MR. POLYZOGOPOULOS: Counsel, you
22 asked these names already.

23 BY MR. STALEY:

24 371 Q. Sorry. You are correct. I did.
25 That's correct.

1 I'm not sure I've asked this question
2 in this way, but let me just make sure. If you
3 do, I know I will get an objection.

4 Is it your understanding that at some
5 point Mr. Stafford and Mr. Kassam had a falling
6 out?

7 A. I was never aware that they even
8 had a relationship.

9 372 Q. Okay. Would it be your
10 understanding that Mr. Kassam and
11 Mr. Defrancesco had a falling out?

12 A. At some point, that is my
13 understanding.

14 373 Q. And why did you understand they
15 had a falling out?

16 A. I think, as I said earlier, I
17 believe that, you know, I just kind of heard --
18 heard things on Bay Street that there was an
19 issue.

20 I think, as I recall, I think it was
21 more on the fund side that they had a problem
22 with Andy. As I think I stated, I asked Andy,
23 like:

24 Is there anything that ever
25 happened between you? You guys used

1 to be close.

2 And he kind of said:

3 Not that I know of.

4 374 Q. And just so I'm clear, have you
5 ever spoken to Mr. Defrancesco and asked him why
6 from his perspective he had a falling out with
7 Mr. Kassam?

8 A. I think I said I asked him at
9 least on one occasion, like:

10 Is there anything that you've
11 never told me?

12 You know, I was hearing that they were
13 quite angry or upset with him, and he kind of
14 said like, no, nothing.

15 375 Q. Okay. So, Mr. Rudensky, you are
16 aware that there has been produced in this
17 action a WhatsApp exchange between Mr. Kassam
18 and Mr. Doxtator that is dated October 1, 2020?

19 And my colleague can pull it up if
20 that would be helpful to you. And there is an
21 exchange that I believe, Dylan, begins at
22 2020-10-01, 11:18 a.m.

23 A. Do you want me to read that?

24 376 Q. I'm happy -- I'm not proposing to
25 take you through the text in general, but you

1 are aware, sir, that Mr. Rudensky [sic], in a
2 chat with Mr. Kassam --

3 MR. POLYZOGOPOULOS: Sorry. You just
4 said Mr. Rudensky.

5 BY MR. STALEY:

6 377 Q. I'm sorry.

7 I'm sorry. Mr. Doxtator, in a chat
8 with Mr. Kassam, identified you as being
9 involved in preparing the Defamatory Manifesto.

10 Are you aware of that, sir?

11 A. I am aware of that.

12 378 Q. Okay. And do you have any idea
13 as to how Mr. Rudensky [sic] would have come to
14 that understanding or belief?

15 A. You said Mr. Rudensky.

16 379 Q. Sorry. I'm sorry.

17 Can I take it, sir, that you,
18 yourself, have not had any direct engagement
19 with Mr. Robert Doxtator in connection with your
20 involvement or participation in any of the
21 Defamatory -- in the Defamatory Manifesto; is
22 that fair?

23 A. That I haven't had it -- yes,
24 that's fair.

25 380 Q. Okay. And in the text that you

1 have got here, there are various points where
2 Mr. Robert Doxtator is saying that you were
3 saying things and doing things.

4 I'm just wondering, do you have any
5 idea how Mr. Doxtator would have come to have
6 the understandings he has in this chat?

7 A. As I understand, they were trying
8 to negotiate some sort of arrangement between
9 the two of them, and your client was looking for
10 names.

11 And given the Andy backdrop and my
12 association, I think it kind of fed and
13 potentially made sense and to impact that I left
14 and that Andy didn't get wiped out in Aphria,
15 but, yeah, that -- no, I don't know how that
16 would have come to be -- come to be, you know,
17 with the thoughts outside of kind of putting
18 that presentation together.

19 381 Q. Okay. And I understand that it's
20 your evidence and you've had no involvement in
21 the preparation of the Defamatory Manifesto; is
22 that fair?

23 A. That's correct.

24 382 Q. So to the extent that
25 Mr. Robert Doxtator is saying that you did, he's

1 either making it up or he is misinformed; is
2 that your evidence?

3 A. That he made claims that I was
4 preparing, writing --

5 383 Q. Yeah.

6 A. Misinformed. Or it's just an
7 inaccurate statement.

8 384 Q. Yeah. So just going back to the
9 time that this chat took place, which was
10 October of 2020, at that point in time, did you
11 have any adversity or animosity to
12 Robert Doxtator to your knowledge?

13 A. No.

14 385 Q. Okay. And were you aware of any
15 reason at that time why he would want to harm
16 you or say false things about you?

17 A. Not that I'm aware of.

18 386 Q. Okay. And I take it, sir, that
19 in addition to denying that you were involved in
20 preparing or drafting the Defamatory Manifesto,
21 you also deny that you were involved in running
22 a tip line associated with the Defamatory
23 Manifesto?

24 A. Was that actually a real thing
25 that existed?

110

1 387 Q. I'm asking you.

2 A. I've always thought out of all
3 the claims that the tip line was the most
4 ridiculous accusation, because I didn't even
5 know those things existed.

6 And me running a call centre, I think
7 it's outrageous. It's an outrageous thought
8 that I would be sitting there manning a desk of
9 phones of people.

10 So the answer is no. I think that's
11 the most outrageous thing out of any of the
12 accusations put towards me.

13 388 Q. So I'm now going to just ask some
14 more specific questions about Aphria. I know
15 we've covered this generally. I want to just
16 drill down in some more details on this.

17 A. Before you get -- is there any
18 way I could take a five-minute bathroom break?

19 389 Q. Sure. Yeah. Why don't we
20 take -- how much do you want, John
21 Polyzogopoulos? How much do you want to take?
22 I'm not going to -- I'm going to be a little bit
23 longer, probably an hour and a half longer, so
24 would it make sense to take half an hour for
25 lunch and come back and try to finish it all up?

111

1 MR. POLYZOGOPOULOS: Would you be all
2 through?

3 MR. STALEY: Pardon me?

4 THE WITNESS: I'll take less than
5 five minutes.

6 MR. STALEY: Well, we're going to take
7 a break at some point, so the question is when,
8 because I want to confer with my team as well
9 before I finish up, so...

10 MR. POLYZOGOPOULOS: If counsel --
11 maybe we should go off the record for a second.

12 MR. STALEY: Let's go off the record.
13 Sure.

14 -- RECESSED AT 12:27 p.m. --

15 -- RESUMING AT 1:02 p.m.

16 BY MR. STALEY:

17 390 Q. So, Mr. Rudensky, I'm now going
18 to spend a little bit of time digging a little
19 bit deeper into Aphria. We've talked about it,
20 but I want to get into some of the details of
21 Aphria.

22 And as I understand Aphria,
23 Mr. Defrancesco, either directly or through
24 whatever entity he used, was a significant
25 investor and promoter of Aphria.

1 Is that your understanding?

2 A. Early on, he was -- he would have
3 had a significant stake, to my understanding,
4 and he helped bring that company to market.

5 391 Q. And he would have been long
6 Aphria, to your understanding?

7 A. At that point, yeah, I think he
8 would have had a very large piece of equity.

9 392 Q. Okay. And were you aware at any
10 point in time when Mr. DeFrancesco was an
11 investor in Aphria, were you aware of what
12 position, if any, Anson Funds had in Aphria?

13 A. No, outside of maybe just being
14 told that they were potentially participating in
15 a financing during the time I was working with
16 Andy. But aside from that, I would have no way
17 of knowing what they were doing.

18 393 Q. Okay. So you may or may not
19 recall this, but I will put to you. On
20 December 3 of 2018, Hindenburg Research
21 published a report about Aphria. It was titled
22 Aphria Shell Game with a Cannabis Business on
23 the Side.

24 Are you aware of that research report
25 by Hindenburg?

1 A. I am.

2 394 Q. Okay. And then on
3 December the 6th, 2018, Hindenburg Research
4 published a follow-up report titled Aphria
5 Part 2: We Believe the Rot Runs Deeper.

6 Are you familiar with that research
7 report as well?

8 A. I remember those coming out, but
9 the contents, not the specifics.

10 395 Q. And at the time it was -- it came
11 out, you were working at Delavaco?

12 A. Yes, I would have been working
13 there.

14 396 Q. And can you tell us what to your
15 understanding or to your knowledge is Hindenburg
16 Research?

17 A. As I understand, I think they put
18 out reports trying to look for, you know,
19 untoward activity by market participants.

20 I know they've had a few major
21 unmaskings. But I think yeah, I think they look
22 to dive deep into entities and do research and,
23 you know, I guess do an analysis of whether the
24 evaluation kind of supports their findings.

25 397 Q. And you understand it to be an

1 independent research firm?

2 A. That's my understanding, yes.

3 398 Q. And the Founder and Principal of
4 Hindenburg is Nate Anderson?

5 A. As I understand it, yes.

6 399 Q. Have you ever met or spoken with
7 Mr. Anderson?

8 A. I don't think I've ever had any
9 communication with him.

10 400 Q. Okay. And would it be fair to
11 say that Hindenburg's approach generally is to
12 take a short position, issue research, and then
13 cover the short, in terms of their business
14 model?

15 A. I'm more aware of what they are
16 profiling. I don't know business-wise on a
17 trading front what they can or can't do.

18 401 Q. Okay. Would it be fair to say
19 that they're -- Hindenburg Research tends to
20 publish research reports that are critical of
21 the subject company?

22 A. Yes, I as I understand it.

23 402 Q. Okay. And going back to the
24 research reports that I have mentioned to you,
25 it was your understanding, sir, that

1 Mr. Defrancesco was a focal point of the
2 reports?

3 A. I know there may have been
4 another group that profiled as well. I don't
5 recall if Hindenburg focused on Andy or it was
6 more the company. I don't recall.

7 403 Q. Okay. And just to refresh my
8 memory, and if you don't recall it doesn't
9 matter to me, but the reports made a number of
10 allegations, including that -- identifying a
11 number of entities from which Mr. Defrancesco
12 and other Aphria insiders may have made improper
13 profits through their dealings with Aphria.

14 Does that ring a bell for you?

15 A. Yeah, that sounds familiar.

16 404 Q. Okay. And the entities that were
17 described there include -- I'm going to give you
18 the names -- Nuuvera, N-U-U-V-E-R-A, Marigold
19 Acquisitions, MMJ Colombia Partners, and
20 MMJ International Partners.

21 Were you involved in any of those
22 entities?

23 A. Can you read the list again?

24 405 Q. Sure. Nuuvera, Marigold
25 Acquisitions, MMJ Colombia Partners, MMJ

1 International Investments.

2 A. I believe I was an investor in
3 the last two.

4 406 Q. Okay.

5 A. But -- yeah, I think in the last
6 two I was an investor, the Colombia one as an
7 investor, not Nuuvera.

8 407 Q. Okay. And you would have had
9 those opportunities to invest because of your
10 work at the Delavaco Group?

11 A. Yeah. When the assets were being
12 acquired and capital moving around, there was a
13 group of investors that participated in those.

14 408 Q. Okay. And at the time that the
15 Hindenburg reports came out, were you long,
16 personally long in Aphria?

17 A. I'm not sure. I'd have to -- if
18 I was, like I never really had a very large
19 exposure ever to that name.

20 Those trading records would show that
21 I traded small amounts and I had an option
22 strategy around them, so potentially.

23 409 Q. I'm happy to have you look at the
24 records and let me know by way of undertaking
25 whether you were long in Aphria at that time.

1 A. That would have been --

2 R/F MR. POLYZOGOPOULOS: No, no, no, no.

3 The records speak for themselves as to
4 his position at any given date.

5 MR. STALEY: Well, I will take that as
6 a refusal, and if I can't figure it out from the
7 records, I will move on it, so...

8 MR. POLYZOGOPOULOS: Yeah.

9 BY MR. STALEY:

10 410 Q. And you recall, sir, that after
11 the Hindenburg report came out Aphria's share
12 price dropped substantially; is that fair?

13 A. I recall that, yeah.

14 411 Q. And to your knowledge, at the
15 time the Hindenburg reports came out, was -- did
16 Mr. DeFrancesco or his companies, were they long
17 Aphria?

18 A. I don't know -- my recollection
19 is I think Andy had very little exposure to the
20 name in that window.

21 I think whatever shares that him or
22 the family would have had through those
23 transactions that you listed, I think they would
24 have been liquidated fairly quickly, so...

25 412 Q. My question really was --

118

1 A. It was little exposure, if any,
2 to the name is how I recall.

3 413 Q. Okay. Okay. So my question to
4 you, though, is at the time are you -- was it
5 your understanding that Mr. Defrancesco or his
6 companies were long Aphria?

7 A. Like I say, I would think he -- I
8 would lean towards saying that he had no
9 exposure, and if he did it would be very little,
10 is how I remember, but I could be mistaken.

11 414 Q. And I take it -- do you have any
12 access -- do you have access now to any of the
13 trading records that would allow us to know that
14 one way or the other?

15 A. No. I have no -- that was
16 many years ago. I have no authority on any of
17 this. I don't know if they even exist.

18 415 Q. Okay. And you're aware, sir --
19 and if you aren't you will tell me -- you are
20 aware, sir, that Mr. Defrancesco faced lawsuits
21 and other legal proceedings as a result of the
22 Hindenburg report?

23 A. I recall that, yeah, there was
24 some class actions brought against management.
25 I don't know if those are ongoing or settled.

1 416 Q. And you understood that
2 Mr. Defrancesco also had faced negative
3 publicity as a consequence of the Hindenburg
4 report?

5 A. I do recall that, yes.

6 417 Q. Okay. And at the time the
7 Hindenburg report came out and shortly after,
8 did you discuss the Hindenburg report with Mr.
9 Defrancesco?

10 A. I always kind of took the
11 approach with, you know, if there was something
12 like that that, you know, he's had 50 people
13 send it to him.

14 What am I going to say to him in any
15 way that might make him feel better or not? So
16 likely we discussed it, but the whole world
17 would have been sending him that piece. And
18 guys who potentially had large positions may
19 have given him a hard time, but I thought why
20 add another, you know, person, oh, is this true?
21 Is this not? What do you think?

22 So I kind of left him alone. Likely
23 discussed it in some form, but I thought he had
24 his hands full and he could deal with it how he
25 saw fit.

1 418 Q. And just from the interaction you
2 had with him, did you have any understanding as
3 to how he reacted to the Hindenburg reports?

4 A. I don't know if he was in the
5 country at the time when that came out or not,
6 so I don't recall if he was in Toronto or if he
7 was in Florida.

8 Obviously unhappy, pictures of him and
9 all that stuff that makes you look bad. But
10 yeah, I don't think anyone would like that type
11 of attention drawn on him for sure.

12 419 Q. Okay. I'm going to ask
13 Mr. Yegendorf to pull up the transaction summary
14 that is a schedule that is attached to
15 Mr. Rudensky's Affidavit of Documents.

16 A. What was the date that report
17 came out?

18 420 Q. It was December 3, 2018. The
19 second one was December the 6th.

20 Now, this shows on the top of the page
21 account number 1. Account number 1 is your
22 Henry George Limited account; is that correct?

23 A. I'd have to check. One was my
24 personal account and one was my corporate
25 account.

121

1 421 Q. And this page, as I understand
2 it, summarizes your long positions in Aphria?

3 A. Yeah, and then I think there is a
4 corresponding tab for the derivatives, because
5 I'm involved and write cover calls against stock
6 like that.

7 422 Q. And, again, if I am misreading
8 this, you know, I invite you to tell me. But as
9 I read the -- this table or this summary, it
10 appears to me that you lost in excess of \$72,000
11 on your long positions in Aphria; is that fair?

12 A. No, because I had derivatives
13 that offset. A lot of that would be me writing
14 cover calls. I had derivatives offsetting that.

15 So the derivatives, I think it nets
16 out to a very small gain of about 1,000 shares,
17 and I committed to selling them, taking the
18 premium. So I think combined with my
19 derivatives that I was using against the long
20 position, it worked out to almost flat.

21 So on that equity side, it may show
22 negative, but the derivatives were a positive.

23 423 Q. So if I look over the next page,
24 if you pull over to the next page of the PDF, it
25 shows there a net -- as I read it a net loss in

1 that account of \$72, 592.

2 Am I correct in that?

3 A. On that portion of the trade,
4 yes.

5 424 Q. And there is also in account
6 number 2, there is a net loss of \$5,400,
7 roughly; is that fair?

8 A. Yeah.

9 425 Q. Okay. And, again, looking at
10 this -- and I don't pretend to be a trader, and
11 I venture into this warily -- but if I look at
12 this, it looks like to the extent that you
13 incurred losses as shown in accounts 1 and 2 on
14 pages 16 and 17, the losses -- this would
15 probably go up, Dylan, up to the next page --
16 the losses appear to have been -- or most losses
17 were sustained after the Hindenburg report was
18 released; is that fair?

19 A. You'd have to check what
20 derivatives I had in that window as well and the
21 net that was out, but overall --

22 426 Q. But again, I'm just looking at --
23 I'm looking here simply if these are your long
24 positions, to the extent that you -- I hear you.

25 I am happy to be educated about your

123

1 derivatives. We will come back to those. But
2 to the extent that you suffered losses in your
3 long positions, am I correct in understanding
4 that most of the losses were sustained after the
5 Hindenburg report was released?

6 A. I'd have to see what the --
7 they're a pair of trades. You can't just pick
8 one side and say it's a long or short. You
9 can't just focus on the one side. What was the
10 net number on it?

11 427 Q. Okay. So where will I see the
12 pair trades in your trading records?

13 A. There should be another sheet
14 that shows the options that were written against
15 the loan position, and then the Heywood Option
16 summary.

17 428 Q. Okay.

18 A. Because, like, if I say I bought
19 1,000 shares at \$10 and then I wrote a \$10 call
20 and was given \$2, I've given -- I've now fronted
21 myself \$2. So if it gets lifted at 9, I'm still
22 up net \$1.

23 429 Q. Yes.

24 A. And it would show that I'm
25 down -- the way you're looking at it, it would

124

1 show, oh, he lost a dollar. Well, I actually
2 made a dollar.

3 430 Q. Okay. So if I go down to
4 pages -- I think it's 18 and 19 of the PDF.

5 A. Oh, I think they missed the
6 derivatives, yeah.

7 431 Q. Okay. So let's just -- so there
8 is the derivatives here. So these would be the
9 gains. So these are the derivatives that you
10 would say offset; right?

11 A. Yeah, that you pair against those
12 windows. Yeah.

13 432 Q. So if I take a look at the gains
14 here and I put a placeholder in for
15 December 3, 2018, -- I am just doing this myself
16 here.

17 If I take a look -- and maybe you can
18 highlight it, Dylan, down at the bottom -- you
19 will agree with me that most of the gains you
20 had on the derivatives occurred before the
21 Hindenburg report; is that fair?

22 A. Yeah. That's what it looks like.

23 433 Q. Okay. And then similarly, if I
24 take a look at the account number 2 --

25 MR. POLYZOGOPOULOS: But counsel, most

1 of those dates are 2019, so that's after.

2 BY MR. STALEY:

3 434 Q. That's my point. That's exactly
4 my point.

5 MR. POLYZOGOPOULOS: You are saying
6 the gains were after?

7 BY MR. STALEY:

8 435 Q. No. The gains were before.
9 That's my point is that most of the gains
10 occurred before the Hindenburg report.

11 He's trying to pretend that -- that he
12 had hedges in to offset the losses when the
13 stock dropped, and it's clear from looking at
14 his trading summary that the gains he had were
15 principally before the Hindenburg report.

16 It's already with the 1 and 20,
17 17,000, the very first one.

18 So you agree with me, sir, that
19 most -- if I look at the majority of the
20 55.9 thousand dollars in gains in account
21 number 1, the majority of that was before the
22 Hindenburg report; right?

23 A. From what you are showing.

24 436 Q. Right. Okay. And then
25 similarly, with respect to account number 2, it

126

1 looks like in this one, there is -- this is a
2 smaller -- smaller gains than in the other one,
3 and it looks like in this one there is a bit
4 more towards the -- after the Hindenburg report;
5 right?

6 A. Overall, even just looking at
7 what you did on the name, it's an ongoing name.
8 It's not like you --

9 437 Q. And overall in that name, you
10 ended up as of net loss; right?

11 A. No. I think it was a net gain
12 from when I started trading it.

13 438 Q. Oh, I don't see that here, sir.

14 A. When you add the options against,
15 I think it was break even. It was about flat,
16 so...

17 MR. POLYZOGOPOULOS: So, counsel, add
18 up the 55,942 plus the 28 -- 23,865, minus the
19 losses above. It should net out to a small
20 gain.

21 BY MR. STALEY:

22 439 Q. But you agree with me, sir, the
23 gains, to the extent that you incurred gains,
24 were incurred principally prior to when the
25 Hindenburg report was released; is that fair?

127

1 A. You are using that event -- also
2 a month prior there was a huge speculation that
3 there was a takeout coming, you know, all over
4 the news.

5 So it was like, I don't know, you
6 don't use that event in there? You pick and
7 choose how you want to present it? Overall, I
8 made a slight profit not a lot. Not a lot of
9 money that I traded in the name.

10 Overall, there's two big events in
11 that window. One was a huge speculation that a
12 takeout was coming. It fell through then. They
13 got hit with that report.

14 440 Q. So are any --

15 A. That's a big exposure to the
16 name.

17 441 Q. At any point in time after the
18 Hindenburg report was released, did
19 Mr. Defrancesco express to you a belief that
20 Anson or Moez Kassam were responsible in any way
21 for the Hindenburg after your reports?

22 A. No. If I recall, I think they
23 were still on friendly terms.

24 And I think, you know, there was a
25 positive write-up shortly after at some point,

1 which I think Andy credited to him for kind of
2 offsetting some of the comments that came from
3 the one report.

4 So I think they were pretty friendly
5 at the time, especially when there was a
6 positive profile, I think, shortly after.

7 442 Q. Okay. Do you have any knowledge,
8 information, or belief that Mr. Kassam or anyone
9 else at Anson Funds provided information to
10 Hindenburg Research that was used in the two
11 Hindenburg reports I have been asking you about?

12 A. Do I have any knowledge of it?

13 443 Q. Information or belief?

14 A. No. I have no knowledge.

15 444 Q. Information or belief?

16 A. I really don't have an opinion on
17 it.

18 445 Q. Have you at any time been privy
19 to any communications between Anson Funds and
20 Hindenburg Research in relation to Aphria?

21 A. While I was working at Delavaco?

22 446 Q. Or at any time, other than what
23 you received in the context of productions in
24 this lawsuit.

25 A. I have not, not that I'm aware

1 of.

2 447 Q. I'm going to, just before I go on
3 to another topic, go back and ask you a few more
4 questions about a subject matter we spoke about
5 before we took a -- the lunch break.

6 You told me earlier that both you and
7 Mr. Defrancesco/Delavaco had investments in
8 ReconAfrica. Why don't you tell sort of when
9 you put the investments on and the nature of the
10 positions held.

11 A. I'm not sure about what Andy did,
12 because I don't think I was -- I had left the
13 firm or I wasn't trading for him when he may
14 have bought it.

15 I bought a -- I think I bought it
16 pretty early, like sub 1 dollar. And I think
17 COVID hit, and I basically sold it flat,
18 thinking that the world was coming to an end and
19 oil was going to zero. So I think I sold it
20 flat, maybe even at a small loss, because COVID
21 hit, and I thought the world was over for
22 five years, so there was no need for oil.

23 So I sold it flat, and that's how I
24 originally entered the name.

25 448 Q. And was Mr. Defrancesco or

130

1 Delavaco promoting or a promoter of ReconAfrica?

2 A. No, not to my knowledge. I
3 didn't know -- to the best of my knowledge, I
4 didn't know he ever owned a share.

5 449 Q. Can you tell me when you -- do
6 you know when you first invested in Recon and
7 when you liquidated your position?

8 A. It would have been just before
9 COVID, because I remember when COVID hit, I sold
10 it early on, as all these things were basically
11 being destroyed. So in or around the start of
12 COVID I sold it at around or about flat.

13 450 Q. Were you aware at the time that
14 Mr. Stafford also invested in ReconAfrica?

15 A. In or around the same time that I
16 may have?

17 451 Q. Yes. At any time when you were
18 an investor, were you aware that Mr. Stafford
19 was also investing in ReconAfrica?

20 A. I had an understanding that he
21 was an investor in the company, yes.

22 452 Q. And how did you come to have that
23 understanding?

24 A. I think through our discussions,
25 I think, you know, he told me he was a

1 shareholder.

2 453 Q. Okay. And when you invested in
3 ReconAfrica, is that because he identified that
4 to you as an opportunity?

5 A. Yeah. I think he originally
6 highlighted that, you know, they were looking
7 for elephant sized wells and it was either a
8 zero or, you know, a big success.

9 But I think he always, you know,
10 outlined to me this is either going to --
11 nothing in between, it's either a zero or it's
12 really going to work out, so buyer beware.

13 454 Q. Are there any other investments
14 that you made based on recommendations from
15 Mr. Stafford?

16 A. None that I recall right now.

17 455 Q. Now, were you aware at the time
18 that Mr. Stafford or his company were hired to
19 have an awareness campaign for ReconAfrica,
20 including through OilPrice.com?

21 A. What's the time period?

22 456 Q. Well, the pieces were published
23 in June of 2020.

24 A. I wouldn't have been privy to
25 those dealings.

1 457 Q. Okay. Were you aware that
2 OilPrice.com was promoting ReconAfrica?

3 A. At some point I knew that there
4 were profilings being done, but I don't know
5 what the arrangement was. I don't know if there
6 was a press release. I don't recall.

7 458 Q. Okay. Were you involved in any
8 way in any of Mr. Stafford's or OilPrice.com's
9 promotional efforts in relation to ReconAfrica?

10 A. What do you mean by that?

11 459 Q. Well, were you involved in -- he
12 was promoting -- as I understand it, there was a
13 promotion contract. Were you involved?

14 A. I was not.

15 460 Q. Okay. To your knowledge, did
16 Mr. Defrancesco have any engagement with
17 Mr. Stafford in relation to ReconAfrica?

18 A. Not -- did they have -- like was
19 Andy involved in this in some way? Is that what
20 you're asking?

21 461 Q. Yeah.

22 A. Not that I was aware of.

23 462 Q. Okay.

24 A. I think around that period I
25 don't think me and Andy were really speaking

133

1 that much, so I don't know what he was doing.

2 463 Q. And are you aware that The Globe
3 and Mail ran negative news stories about
4 ReconAfrica?

5 And I can give you a date. It's --
6 one of them was June 20, 2021.

7 A. Was that the story about the
8 elephants?

9 464 Q. I don't know.

10 A. I think there was an article
11 about the elephants being in danger about the
12 drilling or something.

13 465 Q. Yeah, sorry. I'm told that it is
14 the elephant story.

15 A. Yeah. So, yeah, I recall that.

16 466 Q. And did you have a position in
17 ReconAfrica at the time?

18 A. I don't believe so. What was the
19 date that that was out?

20 467 Q. June 2021.

21 A. Yeah, I don't think -- I think --
22 yeah, I don't believe I owned any equity at that
23 time.

24 468 Q. Okay. And are you aware of an
25 entity called Viceroy Research Group?

134

1 A. I've heard the name, but that's
2 about it.

3 469 Q. And I understand, sir, that they
4 publish research reports. Does that ring a bell
5 with you?

6 A. I really don't know much about
7 what they do.

8 470 Q. Okay. Are you aware that in
9 June of 2021 they published a research report on
10 ReconAfrica, No Oil? Pump Stock?

11 A. I'm not familiar with that.

12 471 Q. And do you have any knowledge,
13 information, or belief that Mr. Kassam or
14 Anson Funds were responsible for the Globe
15 stories on ReconAfrica, including the June 2021
16 story I referred you to earlier?

17 A. Do I believe or have knowledge
18 that they were behind the elephant story?

19 472 Q. Yes.

20 A. No, I have no knowledge that --

21 473 Q. Okay. And do you have any
22 knowledge, information, or belief that
23 Mr. Kassam or anyone at Anson Funds or Anson
24 Funds was involved in the preparation of the
25 Viceroy short report on ReconAfrica?

135

1 A. I would have no knowledge on that
2 or no thoughts on it.

3 474 Q. So you, I think, are aware that
4 we have produced in this action some transcripts
5 of what are alleged to be calls.

6 And I'm going to have Mr. Yegendorf
7 pull up what we have called the third call,
8 which is, I think, production AA 1660.

9 Okay. So, sir, this is the third call
10 transcript, but first I want to start by asking
11 you, have you reviewed this transcript in
12 preparing to be examined today?

13 A. I have read it, yes.

14 475 Q. Okay. So, again, I'm going to
15 tell you some things and ask you some questions.
16 The metadata on the Word document or the Word
17 version shows that it was created on
18 August 21, 2020, and last modified on that date.

19 So I just want to ask you, sir, did
20 you around that time have a conversation with
21 Robert Doxtator and James Stafford?

22 A. Is that the question?

23 476 Q. Yes, it is.

24 A. I reviewed this. I don't recall
25 being part of this conversation.

1 477 Q. Okay. So I asked a different
2 question. Do you recall around this time period
3 having a conversation with Robert Doxtator and
4 James Stafford?

5 A. I do not.

6 478 Q. Now, you said you don't recall.
7 Is that saying it did not happen or I have no
8 recollection that it happened?

9 A. I don't recall being part of this
10 type of conversation.

11 479 Q. Okay. And I appreciate that this
12 may not be a fully accurate transcript, sir, but
13 I -- it's my understanding, sir, and we will
14 seek to prove that the CM in this transcript is
15 Mr. Stafford, TM is you, and insider is Robert
16 Doxtator.

17 Do you -- what is your evidence on
18 that?

19 A. That those are the other members
20 in here.

21 480 Q. Those are the three people in the
22 conversation?

23 A. It's a Word document undated. I
24 really don't have a comment. I don't ever
25 recall being part of this discussion, and I

137

1 can't speak to who some of these other members
2 may or may not be.

3 481 Q. So I'm going to have
4 Mr. Yegendorf pull up -- let me find it on my
5 version.

6 Okay. So I'm going to have
7 Mr. Yegendorf pull up page 3 of 12 of the PDF.

8 MR. POLYZOGOPOULOS: So, counsel, I
9 just want to interject at this point to say that
10 the witness has not identified participating in
11 this conversation or the document that's the
12 alleged transcript.

13 MR. STALEY: We understand. I'm
14 not -- we're not there's not any suggestion that
15 he has authenticated this document.

16 MR. POLYZOGOPOULOS: I just want to
17 say that any answering of questions relating to
18 this document is without prejudice to the
19 position that this document is not admissible,
20 is not authentic, and any answers relating to it
21 are also inadmissible.

22 MR. STALEY: Well, it is what it is.
23 The Court well make sense of it in its own time.
24 I'm just going to ask my questions right now.

25 MR. POLYZOGOPOULOS: I understand. I

1 just don't want it to be taken that answering
2 any questions on it is any admission or
3 acknowledgement as to the authenticity of the
4 transcript or that this conversation ever took
5 place involving my client. That's all.

6 BY MR. STALEY:

7 482 Q. Okay. So I want to look at the
8 second paragraph that's highlighted in red.
9 It's there. It's says:

10 "I've known Moez for a bit and he
11 has told me now anything over a
12 million short is stressful and not as
13 easy as it used to be".

14 Have you ever had a conversation of
15 that nature with Mr. Kassam?

16 A. I don't recall having that type
17 of conversation.

18 483 Q. Okay. So I'm now going to move
19 ahead and ask you about the phone conversation
20 that you had with Mr. Kassam on
21 September 30, 2021. And we have an audio
22 recording. I'm not proposing to read it to you.
23 I think you understand what was in there.

24 Before that call with Mr. Kassam, when
25 was the last time you had spoken to him or

1 anyone else at Anson?

2 A. Prior to that, he had been
3 reaching out over Instagram to me requesting a
4 business meeting. He wanted to see me in person
5 to show me an interesting deal.

6 At that point, I wasn't downtown,
7 wasn't working with Andy. I thought it was a
8 little strange that out of the blue I was being
9 offered a way to profit.

10 So I think there was multiple attempts
11 through Instagram messages to meet up, hey can
12 you meet, can you meet? Like, I'm not downtown.
13 If I come down, we'll let you know.

14 So I don't know if it was one or
15 two months prior to that call, but I guess the
16 intention of meeting as related to me that it
17 was a business opportunity.

18 484 Q. And when you met with him rising
19 out of that invitation, or when you had the call
20 that -- I mean, not invitation, at that point in
21 time were you aware that Anson Funds had
22 commenced litigation in relation to statements
23 made about Mr. Kassam and Anson?

24 A. I believe I was aware that he was
25 taking action against Robert, you know, at some

1 point.

2 485 Q. And how were you aware of that,
3 sir?

4 A. I don't recall how I became made
5 aware of that. Basically it's a gossipy place.
6 I was told in some form.

7 486 Q. Was it from Mr. Stafford or
8 Mr. Defrancesco you learned that?

9 A. I don't specifically recall who
10 told me that the fund was suing Robert.

11 487 Q. And following the conversation
12 you had with Mr. Kassam, what did you -- who, if
13 anyone -- again, if you talked to your lawyer, I
14 don't want to hear about that -- who, if anyone,
15 other than your lawyer, did you talk to about
16 the call with Mr. Kassam?

17 A. Other than an attorney?

18 488 Q. Yes.

19 A. I believe -- I believe I reached
20 out and let Andy know about the call. I think I
21 said that earlier.

22 I think I'll likely would have asked
23 James if he received a similar call since he was
24 one of the names that was mentioned.

25 Probably there were a couple other

141

1 people that were closer because I was trying to
2 make sense of what they thought this was. I'm
3 not a lawyer and understanding what people
4 typically do in these kind of situations, but
5 certainly taken aback by what was relayed to me
6 over the phone.

7 489 Q. And what, if anything, do you
8 recall about the conversations you had with
9 Mr. Stafford and Mr. Defrancesco subsequent to
10 your discussion with Mr. Kassam?

11 A. I think with the two of them
12 ultimately I wanted to know did they receive a
13 similar phone call. And if I recall, neither of
14 them had.

15 This was about Andy, you were covered
16 in this phone call, you know, did you get a
17 call? I think that he told me he did not. And
18 James was similar. He was like, okay, well, I
19 did. So maybe you guys are going to get the
20 same type of threat or offer.

21 490 Q. And is that all you can recall
22 about the conversation?

23 A. Yeah. It was four years ago, so
24 it's probably when I was trying to understand
25 for myself if other people were getting these

142

1 similar type of calls, someone trying to get to
2 the bottom of something.

3 491 Q. Now, jumping ahead to
4 January of 2023, you received a call on
5 January 22nd, 2023, from Mr. Stafford to tell
6 you about the default judgement motion.

7 Do you remember that call?

8 A. Yeah. I recall that he was
9 giving me the heads up that I needed to get in
10 touch with an attorney on this matter.

11 492 Q. And did he text you or message
12 you in advance or just cold call you?

13 A. I don't specifically recall.
14 Most of the time he would just pick up the phone
15 or --

16 493 Q. Can you just check your records
17 to see if there is a record of a text or other
18 communication in advance of that call?

19 U/T MR. POLYZOGOPOULOS: Yeah, we can do
20 that. I don't believe there is, but we will
21 check again.

22 BY MR. STALEY:

23 494 Q. And, sir, you remember that after
24 that call you attended by video before
25 Justice Osborne? Do you remember that?

1 A. I do.

2 495 Q. And Justice Osborne asked you who
3 had alerted you, and you told him that you would
4 rather not say. Do you remember that?

5 A. I recall that.

6 496 Q. Is there a reason why at that
7 time you wouldn't tell the judge who told you
8 about the default judgement motion?

9 R/F MR. POLYZOGOPOULOS: Don't answer that.
10 It's not relevant to anything.

11 I think he said in the transcript that
12 he'd like to consult with a lawyer.

13 BY MR. STALEY:

14 497 Q. When you told -- when you refused
15 to tell the judge how -- who told you, was that
16 because Mr. Stafford told you not to advise that
17 he gave you the heads up?

18 A. I thought I needed a professional
19 to tell me what I should and should not say. I
20 was putting myself out there, and I wanted to
21 make sure I had proper legal advice going
22 forward.

23 So I was trying to manage the
24 situation as best as I could not to make -- you
25 know, create more issues by saying, you know,

1 anything that might be incorrect or
2 inappropriate.

3 498 Q. So, Mr. Rudensky, you are aware
4 that in this lawsuit the plaintiffs' complaint
5 is about some posts on Stockhouse from 2020?

6 A. I do.

7 499 Q. And Stockhouse is a website that
8 provides stock market news and analysis?

9 A. I don't go on Stockhouse, but I
10 know there is a forum on there.

11 500 Q. I was going to ask you that.
12 There is a place on there where users can make
13 posts and comment on companies and --

14 A. As I understand it, yes.

15 501 Q. Okay. And in relation to the
16 posts that the plaintiff complains about --
17 plaintiffs complain about, do you have any
18 knowledge, information, or belief as to who is
19 responsible for making those posts?

20 A. I do not.

21 502 Q. Okay. And you are well -- sorry.
22 You are aware as well, sir, that in this action
23 the plaintiffs complain about what are described
24 as the defamatory manifestos?

25 A. I am aware.

1 503 Q. And those manifestos have been
2 published on different websites; you are aware
3 of that, sir?

4 A. I am.

5 504 Q. Do you have any knowledge,
6 information, or belief as to who is responsible
7 for preparing and posting the defamatory
8 manifestos?

9 A. I have no thoughts on who might
10 be doing it, who is ultimately behind it, no.

11 505 Q. Both the stock watch posts and
12 the defamatory manifestos make various
13 allegations of misconduct directed at Mr. Kassam
14 and against Anson Funds.

15 Do you have any knowledge,
16 information, or belief that the allegations of
17 misconduct directed to them are true?

18 A. I'm in no position to know what
19 they do within their business and if they are
20 within regulatory guidelines or not.

21 506 Q. Okay. So, sir, if I can have
22 Mr. Yegendorf to pull up your statement -- your
23 Amended Statement of Defence at paragraph 14.

24 And I want to draw your attention,
25 sir, to the second sentence, starting the second

1 line of paragraph 14, where you say:

2 "Any harm to the plaintiffs'
3 reputation or business allegedly
4 experienced is a direct result of the
5 plaintiffs' own conduct, including
6 being the subjects of criminal and/or
7 securities regulatory investigations,
8 proceedings and orders in the
9 United States".

10 What evidence do you have of the
11 plaintiffs being the subject of criminal and/or
12 securities regulatory investigations in the
13 United States?

14 A. Well, I think -- I don't know the
15 exact date, but I know they SEC put out a
16 bulletin that they entered into some settlement
17 agreement on some regulatory infraction that
18 came out and was published.

19 So, you know, obviously it's an issue
20 that they have resolved. But --

21 507 Q. And is that the one that you have
22 produced as tab 1 of your Affidavit of
23 Documents?

24 A. Yeah, I guess if that's the
25 settlement, fine, whatever. Whatever was pulled

1 from the government site.

2 508 Q. So do you have any knowledge,
3 information, or belief about the plaintiffs' own
4 conduct being subject to criminal and/or
5 securities regulatory investigations,
6 proceedings and orders other than the SEC matter
7 that we just referred to?

8 A. Only other one is the Bloomberg
9 piece that highlighted that the DOJ and I
10 believe the SEC had named a basket of hedge
11 funds for their trading activity, your client
12 being named in that.

13 And I don't know if there was a couple
14 of follow-ups on that from that publisher, but
15 outside of that, that would be my only knowledge
16 that there may still be a pending problem.

17 509 Q. Beyond that, anything that you
18 are aware of, sir?

19 A. Specifically?

20 510 Q. Yes.

21 A. Nothing that I am specifically
22 aware of outside of what I have seen in the
23 media.

24 511 Q. Okay. And the SEC order that's
25 attached to your Affidavit of Documents, how did

1 you get a copy of that?

2 A. I think I just went on their
3 website.

4 512 Q. You got it either personally or
5 did someone provide it to you?

6 A. I think -- I don't recall if I
7 just went on. I think maybe it was shown on my
8 news feed on Stockwatch, not 'house.
9 Potentially saw it on there, and then just
10 looked it and passed it over to my attorney, but
11 I'm not entirely sure.

12 MR. POLYZOGOPOULOS: Or I might have
13 Googled the plaintiffs' names and found it
14 myself. I can't remember either.

15 THE WITNESS: The only other piece
16 that comes to mind is the Andrew Les interview,
17 which I think covered what was going on and him
18 giving his personal story.

19 I think it also potentially mentioned
20 those proceedings. I don't know if it mentioned
21 anyone else by name, but that whole basket of,
22 you know, the problems he's dealing with and his
23 sleepless nights and anxiety going through the
24 process.

25 But I think that's the other piece

1 that comes to mind that there is something
2 that's still potentially ongoing.

3 BY MR. STALEY:

4 513 Q. Sir, just -- I'm happy to take
5 this as an undertaking, because I'm now getting
6 near the end and I am just covering up some
7 boilerplate.

8 I would like you to disclose to me the
9 names and addresses of persons who might
10 reasonably be expected to have knowledge of
11 transactions or occurrences at issue in the
12 action.

13 U/A MR. POLYZOGOPOULOS: I'll take that
14 under advisement.

15 BY MR. STALEY:

16 514 Q. And have you retained any experts
17 yet in connection with this proceeding?

18 MR. POLYZOGOPOULOS: No.

19 BY MR. STALEY:

20 515 Q. Okay. I'd like you to, whenever
21 you do so, if you do, to disclose to me the
22 findings, opinions, and conclusions of any
23 experts engaged by or on behalf of Mr. Rudensky
24 that are relevant to a matter at issue in the
25 action and the experts that they address.

1 MR. POLYZOGOPOULOS: We will comply
2 with the Rules of Civil Procedure on the
3 delivery of expert evidence.

4 BY MR. STALEY:

5 516 Q. And are there any -- are you,
6 sir, covered by any insurance policies in
7 relation to the claims in this action?

8 MR. POLYZOGOPOULOS: I'm not aware of
9 any insurance. Mr. Rudensky, can you confirm?

10 THE WITNESS: What do you mean by
11 that?

12 BY MR. STALEY:

13 517 Q. Do you have any insurance
14 covering you on the defence of this claim?

15 A. Like if I was -- if I were to
16 lose, do I have some insurance company involved,
17 is that what you're asking?

18 518 Q. Yeah.

19 A. No.

20 519 Q. Okay. And one thing that I
21 neglected to do earlier, when I was asking about
22 your trading and ReconAfrica, I would like you
23 to produce to me, please, records of your
24 trading in ReconAfrica throughout the period
25 that you were trading in that name, please.

151

1 U/A MR. POLYZOGOPOULOS: We will take that
2 under advisement.

3 MR. STALEY: Okay.

4 Mr. Polyzogopoulos, I want to just take a brief
5 break and confer with my client before I decide
6 whether or not I'm done, so if you give us
7 10 minutes, I may be done, but I will let you
8 know.

9 MR. POLYZOGOPOULOS: Sure.

10 -- RECESSED AT 1:59 p.m. --

11 -- RESUMING AT 2:06 p.m. --

12 520 Q. Thank you. Subject to the
13 answers to undertakings, questions taken under
14 advisement, and refusals, those are my questions
15 for today.

16 A. Thank you, counsel.

17 -- Concluded at 2:06 p.m.

18

19

20

21

22

23

24

25

1 REPORTER'S CERTIFICATE

2
3
4 I, Amy Armstrong, CVR-RVR, Realtime
5 Verbatim Reporter, certify;

6 That the foregoing proceedings were
7 taken before me at the time and place therein
8 set forth at which time the witness was put
9 under oath by me;

10 That the testimony of the witness and
11 all objections made at the time of the
12 examination were recorded by oral stenography by
13 me and were thereafter transcribed;

14 That the foregoing is a true and
15 accurate transcript of my shorthand notes so
16 taken. Dated this 28th day of March, 2024.

17
18 
19

20 PER: AMY ARMSTRONG

21 REALTIME VERBATIM REPORTER #7305
22
23
24
25

[& - 194]

1

&	117 34:19	142 38:13	168 45:24
& 39:11	117/2 6:22	142/19 6:9	169 46:4
1	118 34:25	143 38:17	17 10:4 122:14
1 1:15 7:4	119 35:5	143/9 6:22	17,000 125:17
106:18 120:21	11:09 50:24	144 38:25	170 46:16
120:21 122:13	11:18 106:22	145 39:2	171 46:20
123:22 125:16	12 9:10 137:7	146 39:4	172 47:1
125:21 129:16	12,000 80:15	147 39:6	173 47:7
146:22	120 35:8	148 39:9	174 47:13
1,000 121:16	121 35:10	149 39:11	175 47:16
123:19	122 35:16	149/13 6:14	176 47:22
10 8:20 73:15	123 35:19	15 9:19 72:20	177 48:5
80:15 123:19	124 35:23	74:21	178 48:10
123:19 151:7	125 36:1	150 39:14	179 48:16
100 32:3	126 36:7	151 39:17	18 10:8 124:4
101 32:12	127 36:12	151/1 6:14	18/19 6:18
102 32:18	128 36:22	152 39:21	180 48:20
103 32:20	129 37:1	153 39:23	181 48:25
104 32:25	12:27 111:14	154 40:12	182 49:4
105 33:4	13 9:13	155 40:23	183 49:7
106 33:12	130 37:4	156 41:14	184 49:12
107 33:14	131 37:7	157 41:19	185 49:15
108 33:18	132 37:10	158 41:23	186 49:19
109 33:21	133 37:12	159 42:14	187 49:23
10:01 7:1	134 37:16	16 9:25 122:14	188 49:25
10:57 50:23	135 37:19	160 42:22	189 50:7
11 9:2	136 37:21	161 43:5	19 10:13 124:4
110 33:23	137 37:24	162 43:23	19/16 6:19
111 33:25	138 38:3	163 44:13	19/6 6:19
112 34:5	139 38:6	164 45:5	190 50:10
113 34:10	14 9:16 145:23	165 45:9	191 50:13
114 34:13	146:1	166 45:18	192 50:17
115 34:15	140 38:8	1660 135:8	193 51:2
116 34:17	141 38:10	167 45:21	194 51:21

[195 - 266]

2

195 52:4	2018 61:23	21/19 6:19	237 65:20
196 52:12	112:20 113:3	210 58:15	238 66:6
197 52:25	120:18 124:15	211 58:19	239 66:10
198 53:5	2019 78:9	212 58:24	24 11:4
199 53:11	125:1	213 59:2	240 66:24
1:02 111:15	202 54:25	214 59:12	241 67:2
1:59 151:10	2020 28:1	215 59:15	242 67:13
2	51:14,15,21	216 59:20	243 68:12
2 1:16 7:9	52:6 78:9	217 59:23	244 69:4
113:5 122:6,13	87:10 95:25	218 60:3	245 69:10
123:20,21	99:13 101:3,7	219 60:7	246 69:22
124:24 125:25	102:17 103:10	22 10:24	247 71:24
20 10:17	106:18 109:10	22/1 6:19	248 73:1
125:16 133:6	131:23 135:18	220 60:12	249 75:1
20-00653410...	144:5	221 60:18	25 11:8
1:1	2020-10-01	222 60:24	25/11 6:20
20/14 6:19	106:22	223 61:1	250 75:9
20/25 6:19	2021 26:18,21	224 61:8	251 75:13
20/8 6:19	27:3,12 98:20	225 61:17	252 76:1
200 53:25	99:3 133:6,20	226 61:21	253 76:5
2006 11:3	134:9,15	227 61:24	254 76:18
13:11	138:21	228 62:3	255 77:14
2007 11:3	2023 142:4,5	229 62:13	256 78:3
13:12	2024 2:17	22nd 94:24	257 78:7
2009 11:15	152:16	95:8 142:5	258 78:11
13:9 15:10	203 56:5	23 11:1	259 78:21
201 54:20	204 56:21	23,865 126:18	26 11:12
2013 72:2	205 57:2	230 62:15	260 79:4
2014 72:2	206 57:9	231 62:19	261 79:11
2015 13:9,14,15	207 57:12	232 62:23	262 80:3
22:11 23:1	208 57:16	233 63:2	263 80:6
2017 22:12,14	209 58:3	234 63:6	264 80:11
23:1 25:19	21 10:21	235 63:22	265 80:19
26:20 61:22	135:18	236 65:4	266 80:23

[267 - 375]

3

267 81:7	293 87:22	315 94:5	345 101:10
268 81:12	294 88:4	316 94:9	346 101:15
269 81:25	295 88:9	317 94:17	347 101:18
26th 2:16	296 88:12	318 95:7	348 101:22
27 11:16	297 88:15	319 95:14	349 101:25
270 82:8	298 88:18	32 12:13	35 13:6
271 82:19	299 88:21	320 95:17	350 102:3
272 82:25	2:06 151:11,17	321 95:19	351 102:9
273 83:3	3	322 95:25	352 102:11
274 83:7	3 1:16 7:12	323 96:10	353 102:13
275 83:10	112:20 120:18	324 96:21	354 102:16
276 83:14	124:15 137:7	325 96:24	355 102:21
277 83:22	30 12:2 138:21	326 97:13	356 102:25
278 84:6	300 89:8	327 97:18	357 103:3
279 84:18	301 89:13	328 97:20	358 103:7
28 11:19	302 89:21	329 97:22	359 103:9
126:18	303 90:6	33 12:16	36 13:13
280 84:20	304 90:18	33/9 6:21	360 103:14
281 84:22	305 91:4	330 97:25	361 103:21
282 84:25	306 91:13	331 98:2	362 103:24
283 85:4	307 91:20	332 98:5	363 104:2
284 85:12	308 92:3	333 98:8	364 104:5
285 85:23	309 92:9	334 98:11	365 104:7
286 86:4	31 12:7	335 98:18	366 104:10
287 86:11	31/13 6:20	336 99:2	367 104:13
288 86:16	31/17 6:20	337 99:5	368 104:15
289 86:23	31/21 6:20	338 99:17	369 104:17
28th 152:16	31/25 6:20	339 99:25	37 13:16
29 11:23	31/8 6:20	34 12:25	370 104:20
29/25 6:20	310 92:16	340 100:6	371 104:24
290 87:2	311 93:4	341 100:13	372 105:9
291 87:8	312 93:12	342 100:16	373 105:14
29107 152:19	313 93:22	343 101:1	374 106:4
292 87:16	314 93:25	344 101:6	375 106:15

[376 - 494]

4

376 106:24	404 115:16	434 125:3	465 133:13
377 107:6	405 115:24	435 125:8	466 133:16
378 107:12	406 116:4	436 125:24	467 133:20
379 107:16	407 116:8	437 126:9	468 133:24
38 13:23	408 116:14	438 126:13	469 134:3
380 107:25	409 116:23	439 126:22	47 15:20
381 108:19	41 10:12,13	44 15:7	470 134:8
382 108:24	14:9	440 127:14	471 134:12
383 109:5	410 117:10	441 127:17	472 134:19
384 109:8	411 117:14	442 128:7	473 134:21
385 109:14	412 117:25	443 128:13	474 135:3
386 109:18	413 118:3	444 128:15	475 135:14
387 110:1	414 118:11	445 128:18	476 135:23
388 110:13	415 118:18	446 128:22	477 136:1
389 110:19	416 119:1	447 129:2	478 136:6
39 14:1	417 119:6	448 129:25	479 136:11
390 111:17	418 120:1	449 130:5	48 15:25
391 112:5	419 120:12	45 15:12	480 136:21
392 112:9	42 14:21	450 130:13	481 137:3
393 112:18	420 120:18	451 130:17	482 138:7
394 113:2	421 121:1	452 130:22	483 138:18
395 113:10	422 121:7	453 131:2	484 139:18
396 113:14	423 121:23	454 131:13	485 140:2
397 113:25	424 122:5	455 131:17	486 140:7
398 114:3	425 122:9	456 131:22	487 140:11
399 114:6	426 122:22	457 132:1	488 140:18
4	427 123:11	458 132:7	489 141:7
4 1:16 7:14 81:20,21	428 123:17	459 132:11	49 16:6
40 14:6	429 123:23	46 15:15	49/9 6:21
400 114:10	43 15:1	460 132:15	490 141:21
401 114:18	430 124:3	461 132:21	491 142:3
402 114:23	431 124:7	462 132:23	492 142:11
403 115:7	432 124:13	463 133:2	493 142:16
	433 124:23	464 133:9	494 142:23

[495 - account]

5

495 143:2	52/1 6:21	7	90 29:4
496 143:6	52/9 6:21	7 4:4 7:22	90/3 6:22
497 143:14	520 151:12	73:16	91 29:16
498 144:3	53 16:24	70 21:14	92 30:3
499 144:7	53/21 6:14	71 21:22	92/13 6:22
4front 37:4	54 17:3	72 22:4 122:1	92/6 6:22
5	55 17:6	72,000 121:10	93 30:18
5 7:16 73:16	55,942 126:18	73 22:10	94 30:25
5,400 122:6	55.9 125:20	7305 152:21	94/2 6:22
50 16:12	56 17:14	74 22:16	95 31:5
119:12	56/2 6:14	75 22:18	96 31:11
500 144:11	57 17:19	76 22:23	97 31:16
501 144:15	58 18:3	77 23:3	98 31:20 70:7
502 144:21	59 18:12	78 23:13	99 31:24
503 145:1	592 122:1	79 24:8	a
504 145:5	5:30 84:8	8	a.m. 7:1 50:23
505 145:11	6	8 7:25	50:24 106:22
506 145:21	6 7:19 88:23,25	80 24:18	a.rudensky
507 146:21	89:11 90:7	80,000 20:20	46:2
508 147:2	60 18:17	81 25:8	aa 135:8
509 147:17	60/4 6:9	82 25:16	aback 141:5
51 16:16	61 18:22	83 26:6	abandon 71:9
51/18 6:21	62 19:1	83/19 6:14	able 23:19 24:8
510 147:20	63 19:12	84 26:16	52:15 68:15
511 147:24	64 19:21	85 26:19	69:6
512 148:4	65 20:2	85/20 6:21	above 126:19
513 149:4	66 20:11	86 27:2	accepted 74:2
514 149:16	67 20:17	87 27:14	access 48:12,14
515 149:20	68 20:23	87/5 6:21	52:6 60:8
516 150:5	69 21:3	88 28:4	118:12,12
517 150:13	6th 113:3	89 28:25	account 16:6,9
518 150:18	120:19	9	17:5,24,25
519 150:20		9 8:3 123:21	24:20 45:14
52 16:21			46:13,21,25
			47:18,24 49:13

[account - amounts]

6

49:17,20 50:2 50:4,6 88:14 120:21,21,22 120:24,25 122:1,5 124:24 125:20,25 accounting 64:14 accounts 15:6 16:4 18:2,8 26:1,3 27:1 45:10,11 48:11 48:12,23 49:1 51:11 77:22 122:13 accreditations 11:6 accurate 20:1 33:20 136:12 152:15 accusation 110:4 accusations 110:12 acknowledge... 138:3 acquire 64:4 acquired 35:14 36:25 65:16 81:8,9 116:12 acquisitions 115:19,25 action 9:21 24:6 51:3 53:19 56:17	89:23 95:11 100:25 106:17 135:4 139:25 144:22 149:12 149:25 150:7 actions 118:24 active 25:4 70:9 activity 41:20 42:9 113:19 147:11 actually 46:11 100:4 109:24 124:1 add 119:20 126:14,17 added 46:3 addition 48:21 109:19 address 46:6,7 49:2 149:25 addresses 48:21 49:8 51:10,22 149:9 admin 13:19 administrative 48:14 admissible 137:19 admission 138:2 adopted 90:19 advance 142:12 142:18 adversity 109:11	advertisement 82:14 advice 26:10 47:6 143:21 advise 143:16 advisement 6:12 53:22 56:3 83:20 149:14 151:2 151:14 advisements 6:2,11 advisor 11:14 13:21 15:10 16:7 17:2 26:8 advisors 1:10 2:6 17:10 31:24 advisory 12:22 13:11 30:23 31:2 49:3 80:9 affect 58:2 affidavit 52:13 52:19 94:21 120:15 146:22 147:25 affirmed 7:2,6 africa 37:24 aggressive 27:17 42:7 ago 45:7 56:14 58:7 73:25 80:24 93:21 102:7 118:16 141:23	agree 19:12 20:17 89:8,11 124:19 125:18 126:22 agreed 91:14 agreement 146:17 ahead 138:19 142:3 alan 101:16,21 alerted 143:3 alic 84:16 allegation 30:13 allegations 85:6 115:10 145:13,16 alleged 135:5 137:12 allegedly 30:14 146:3 allen 2:8 allow 118:13 alongside 28:23 40:5 altria 37:21 amended 9:22 9:24 145:23 amm 39:18 amount 24:13 29:1 72:17 81:11 amounts 116:21
--	--	--	--

[amy - article]

7

amy 2:19 152:4 152:20	105:22,22 108:11,14	31:8,13,17,21 31:25 49:9	aphria's 117:11
analysis 113:23 144:8	112:16 115:5 117:19 128:1	51:18 52:1,9 85:20 87:5	app 41:2
anderson 101:8 114:4,7	129:11 132:19 132:25 139:7	88:4,7 90:3 91:6,7 92:14	apparently 103:5
andrew 1:14 2:8,15 3:10 4:3	140:20 141:15 andy's 22:15	93:18 94:2,3 110:10 143:9	appear 6:8,13 6:18 122:16
andrew.ruden... 45:18	22:17,18 35:12 35:14 36:16	answered 89:22	appears 29:18 121:10
andy 12:19 15:3 25:22	69:13 70:1,3 97:10 102:5	answering 137:17 138:1	apple 65:24 66:3
26:11 27:8,14 27:17 29:11	anes 84:16 anger 96:6	answers 137:20 151:13	appreciate 136:11
33:22 34:16 35:7,21 36:3	angry 96:5 106:13	anxiety 148:23 anybody 74:19	approach 114:11 119:11
37:3,8,14,17,22 38:1,4,11,22	animosity 109:11	anymore 44:1 72:25	approved 24:11
39:7,12,19 42:23 44:5,8	another's 16:15 anson 1:10,10	anyways 46:18 71:10	ar 45:11 46:2
44:16 46:24 47:1,4 57:24	1:11 2:6,6,7 16:2,3 17:22	apart 21:14,22 77:14	ardelavaco.c... 45:13
58:25 59:9 61:14,15 62:6	18:8 42:16 43:6 44:4	aphria 54:11 54:23 71:14,25	area 17:18 26:25 80:1
63:8,9,15,16 67:20 68:18,20	95:22 96:13,15 112:12 127:20	83:24,24 97:14 108:14 110:14	areas 17:11 27:19
68:24 69:20 71:1 72:11	128:9,19 134:14,23,23	111:19,21,22 111:25 112:6	armstrong 2:19 152:4,20
73:24 76:10,13 76:23 77:4,5	139:1,21,23 145:14	112:11,12,21 112:22 113:4	arr 45:24
78:18 81:19,20 81:23 82:13	answer 18:4,19 19:6,9,16 20:8	115:12,13 116:16,25	arrangement 17:17 20:5
83:13 96:18,21 97:17 100:11	20:14,25 21:1 21:6,8,19 22:1	117:17 118:6 121:2,11	27:5 28:22 82:4 108:8
	25:11 29:25	128:20	132:5 arrangements 80:11,20
			article 133:10

[aside - basket]

8

aside 80:17 94:22 112:16 asked 16:16,17 25:13 47:25 54:22 69:4 83:23 85:9 90:24 104:22 105:1,22 106:5 106:8 136:1 140:22 143:2 asking 32:20 33:14 34:14 35:2 53:25 55:4,7 63:2,3 83:10,15 86:10 88:15 91:13 95:12 110:1 128:11 132:20 135:10 150:17 150:21 assembling 28:7 asserted 55:6 assets 70:4 116:11 assignments 67:15 assistance 6:3 assistant 13:20 54:15 associate 85:15 85:15,18 102:25 associated 51:11 85:4	109:22 association 33:2 34:21 108:12 assume 17:4 63:12 73:5 attached 120:14 147:25 attempts 139:10 attended 142:24 attending 2:16 attention 120:11 145:24 attorney 48:1,6 64:5,17 65:2 86:13,17,18 140:17 142:10 148:10 attorneys 8:19 9:9,24 10:7 75:23 attracted 71:17 audience 62:9 65:12,19 audio 138:21 august 135:18 authentic 137:20 authenticated 137:15 authenticity 138:3	authority 11:21 118:16 auto 88:2 available 19:18 32:14 46:3 avoid 65:2 aware 17:20 19:3 28:14 33:17 36:19 43:19,24 47:14 49:18 51:3 66:6 83:10,12 96:8 105:7 106:16 107:1 107:10,11 109:14,17 112:9,11,24 114:15 118:18 118:20 128:25 130:13,18 131:17 132:1 132:22 133:2 133:24 134:8 135:3 139:21 139:24 140:2,5 144:3,22,25 145:2 147:18 147:22 150:8 awareness 76:10 80:24 82:1,2 84:12 84:13 131:19	b b 1:8 2:1 33:21 53:1,12,15,19 54:6 55:4 b's 55:12 ba 10:19 back 18:9,10 31:5 42:8 54:2 54:9 64:15,20 74:11 77:2,11 91:10 93:8 94:18 109:8 110:25 114:23 123:1 129:3 backdrop 108:11 backed 60:16 background 10:10 19:22 30:15 backup 64:12 bad 120:9 bank 12:9,9,11 banking 20:12 base 41:5 based 47:6 51:8 131:14 basically 28:22 43:20 48:8 58:1 129:17 130:10 140:5 basis 24:6 26:15 30:4,10 basket 147:10 148:21
---	--	---	---

[bathroom - buys]

9

bathroom 110:18	82:8 85:25 98:9 101:14,18	blank 7:21 bloom 36:18,24	broker 17:1 54:22
bay 44:2,19 105:18	101:23 103:17 104:7 105:17	39:11 bloomberg	broker's 54:14 brought 23:25
beacon 14:8,12 14:14,22 23:14	106:21 113:5 116:2 133:18	147:8 blue 139:8	118:24 brush 70:24
24:9 bearbeech	133:22 134:17 139:24 140:19	bogged 44:18 boilerplate	build 70:19 71:12
12:15 13:2,3 becoming 67:3	140:19 142:20 147:10	53:8,14 149:7 border 40:10	building 74:10 built 41:12
beecher 13:4 begins 89:1	bell 29:24 84:15 115:14	born 23:6 bottom 124:18	bulletin 146:16 bunch 74:8
106:21 behalf 86:6	134:4 belong 76:2,3	142:2 bought 92:25	burn 28:14 70:9 71:19,19
88:10,19 149:23	best 24:4 130:3 143:24	94:14 123:18 129:14,15,15	business 17:13 23:18,20 25:23
belief 101:20 107:14 127:19	bets 27:18 better 58:17	box 70:13 brad 102:12	64:11 70:4 72:13 77:24
128:8,13,15 134:13,22	63:20 71:22 94:10 119:15	bradley 102:11 102:13	79:19 80:3,5 80:17 89:3,13
144:18 145:6 145:16 147:3	beware 131:12 beyond 24:21	brady 103:7,8 brands 37:12	90:10,22 91:16 91:22 92:11,18
believe 10:25 11:2,3,15 12:8	69:7 147:17 big 71:23 73:10	38:3,25 break 14:15	92:21 94:6 103:18 112:22
12:14 16:4,8 16:23 20:21	127:10,15 131:8	50:20 110:18 111:7 126:15	114:13,16 139:4,17
22:12,14 24:25 26:18 29:13	bigger 62:8 billion 72:5	129:5 151:5 breaking 69:9	145:19 146:3 businesses
33:20 34:9 35:15,17 36:15	73:15 bit 10:9 42:3	brief 151:4 briefly 39:13	35:14 36:16 70:14,20 71:15
36:18 37:8,22 38:4,11,22	52:17 61:9 78:1 98:16	bring 91:9 112:4	buyer 131:12 buying 36:9
48:15 56:13,25 62:17 66:25	110:22 111:18 111:19 126:3	bringing 69:25 70:5	buys 93:3
69:8,11 75:22	138:10		

[c - closely]

10

c	cannabis 40:15	certificate	chose 48:7
c 3:1 31:24	104:7 112:22	152:1	circumstances
35:10	cannex 37:4	certify 152:5	19:4 78:17
calhoun 31:11	canntrust	challenged	civil 14:19 23:9
call 57:6,7,9	32:18,22 33:1	64:24	53:20 150:2
58:9,20,21,22	canopy 37:16	challenging	claim 64:12
59:5,17 63:9	cap 72:6	25:5 27:25	150:14
68:1 76:15	capital 12:15	79:22	claimed 53:13
84:13 94:24	13:2,3 24:14	champignon	claims 21:12
95:3,7 98:21	29:23 30:22	37:12	64:23 109:3
100:4 102:7	31:1,7,16 39:9	chance 81:14	110:3 150:7
110:6 123:19	70:5 81:20	change 46:5,7	class 118:24
135:7,9 138:24	84:22 97:9	96:11	clean 39:9
139:15,19	116:12	changed 24:14	46:14
140:16,20,23	care 24:22	26:23 29:23	cleaning 46:24
141:13,16,17	44:24	changing 47:17	clear 55:15
142:4,7,12,18	cared 58:14	72:7	75:13 92:20
142:24	carrier 60:14	character 46:2	106:4 125:13
called 12:15	60:14	charged 47:8	clearance
29:22 59:22	cash 26:4 28:14	charges 66:7	86:14
133:25 135:7	28:15 41:6,12	charles 84:18	client 19:14
calls 87:20	42:4 70:9	chat 41:2 44:22	20:6 21:12
121:5,14 135:5	75:12,15,20,24	77:25 107:2,7	53:23 55:11,14
142:1	92:1	108:6 109:9	55:22,24 59:22
campaign	casual 89:5	chats 60:9,16	62:12 90:16
80:25 82:2	catch 79:2	check 59:2 60:1	108:9 138:5
85:2 131:19	caused 40:16	61:2 92:3	147:11 151:5
campaigns	cent 70:7 73:15	93:11,12	client's 30:15
76:10 82:1	centre 110:6	120:23 122:19	clients 16:15
84:13,13	ceo 86:2	142:16,21	close 17:14
campbell 13:4	certain 27:19	checked 44:7	43:22 44:11
canada 37:19	41:6 64:16	checking 41:8	106:1
71:23 80:1	77:22	cheques 28:8	closed 37:3
canadian 59:14	certainly 74:10	choose 127:7	closely 41:14
60:14	141:5		

[closer - connection]

11

closer 38:17 141:1 cm 136:14 cnbc 66:1 cobb 103:7 cold 58:20 142:12 colleague 106:19 colombia 115:19,25 116:6 combination 75:21 combine 70:8 combined 121:18 come 31:5 40:6 57:7 58:22 69:18 76:7,17 90:25 107:13 108:5,16,16 110:25 123:1 130:22 139:13 comes 14:18 148:16 149:1 coming 46:14 73:19 113:8 127:3,12 129:18 commenced 7:1 139:22 comment 136:24 144:13	comments 128:2 commercial 1:6 commission 54:4 committed 121:17 common 89:20 communicate 79:9 87:11,17 98:25 communicated 56:12 57:3 93:20 95:9 communicating 59:4 communication 8:19 47:6 55:10,24 59:8 87:20 96:19 114:9 142:18 communicati... 55:5,7,22 56:11 61:3 86:5 88:6 95:4 99:14 101:4,7 101:13 128:19 community 45:2 companies 15:4 15:17,22 29:6 30:24 31:7 32:5 35:12,13 36:15 62:20 67:9,19 74:9	75:19 79:2 82:16 84:11 89:16 96:25 97:10,13 117:16 118:6 144:13 company 2:16 14:17 20:12 27:23 29:21 30:11 32:13,17 34:1,24 36:25 38:9 61:15,17 62:18 63:10,19 63:25 64:2,10 64:23 65:2,6 66:1,20 68:22 68:23 69:24 73:7 75:4 77:8 77:10 86:1 92:22 94:12 97:17 98:10 112:4 114:21 115:6 130:21 131:18 150:16 compensated 28:5,11 69:24 compensations 28:16 compile 54:23 complain 144:17,23 complains 144:16 complaint 85:8 86:7 144:4	complies 53:19 comply 150:1 computers 51:24 52:7 concerned 42:3 43:1 conclude 93:17 concluded 151:17 conclusions 149:22 conduct 18:24 146:5 147:4 confer 41:1 111:8 151:5 confident 98:15 confirm 7:6 150:9 confirmed 23:23 congratulations 72:22 connect 76:14 connecting 76:12 connection 8:15,22 9:3 20:4 41:20 56:16 81:25 83:23 93:22 94:22 95:19 96:19 99:8,11 101:1 107:19 149:17
---	---	--	---

[consequence - daughter]

12

consequence 119:3 consistent 55:2 55:13 consult 143:12 consultant 104:18 contact 47:5 48:8 content 66:15 66:17 contents 113:9 context 102:23 103:16 128:23 contract 132:13 control 48:22 52:20 conversation 57:13,15 58:5 60:18 98:19 99:22 100:1,8 100:14 101:24 135:20,25 136:3,10,22 137:11 138:4 138:14,17,19 140:11 141:22 conversations 76:25 77:25 88:1 103:12 104:4 141:8 cool 62:13,16 62:25 63:3,7 63:24 65:6	66:8,13 68:14 69:7,18 70:23 81:2,3,5 85:9 86:3 coordinate 85:16 copied 55:9 copy 148:1 core 70:15 corp 29:22 31:6 39:9 corporate 29:17 31:4 49:2 64:17 120:24 corporations 29:18 31:3 correct 11:18 12:1 13:8 22:8 22:9 45:23 57:11 60:14 96:23 104:24 104:25 108:23 120:22 122:2 123:3 corrections 10:1 correctly 56:14 corresponding 121:4 costs 20:20 counsel 6:3 8:23 9:16 19:19 51:2 55:8,9 87:22	90:15 104:21 111:10 124:25 126:17 137:8 151:16 counterclaim 1:12,18 2:3,10 3:3 country 120:5 couple 74:12 78:19 79:8 140:25 147:13 course 8:4 67:21 79:11 83:25 91:1 court 1:1,5 93:17 137:23 cover 16:20 56:9 114:13 121:5,14 covered 56:8 69:12 86:21 110:15 141:15 148:17 150:6 covering 15:6 15:12 149:6 150:14 covid 129:17 129:20 130:9,9 130:12 craze 73:8 create 143:25 created 50:4 135:17 credited 128:1	cresco 36:12,14 criminal 146:6 146:11 147:4 critical 114:20 cronos 35:10 35:11 36:14 crosscutting 24:15 crossing 40:10 crunches 27:22 cunningham 84:20 104:20 curaleaf 37:7 current 45:12 currently 11:5 11:17,19 94:6 cv 1:1 cvr 2:19 152:4
d			
d 2:1 4:1 33:25 39:15 97:23 danger 133:11 danny 102:9 dark 29:22 31:6 data 69:9 date 32:19 117:4 120:16 133:5,19 135:18 146:15 dated 106:18 152:16 dates 125:1 daughter 23:5			

[day - different]

13

day 9:9 23:21 27:5 42:10 71:3 152:16 days 40:8 93:21 100:11 deadlines 42:11 deal 29:2,2,3 35:12 68:2 70:10 74:15 93:8 119:24 139:5 dealing 23:12 67:3 92:18 148:22 dealings 19:14 89:3,14 90:11 90:13,23 91:17 91:22 92:12,21 98:23 115:13 131:25 deals 28:7,12 28:23 29:6,8 70:6 98:3 dec 64:17 decade 71:6 december 112:20 113:3 120:18,19 124:15 decide 46:20 151:5 decided 46:6 decision 68:24 decisions 19:18 23:7	deep 81:21 113:22 deeper 111:19 113:5 defamatory 35:1 51:7,13 56:16,18 95:10 107:9,21,21 108:21 109:20 109:22 144:24 145:7,12 default 94:23 94:25 142:6 143:8 defence 9:22,24 10:2 88:23 145:23 150:14 defendant 3:10 defendants 1:12,18 2:10 3:2 definitively 33:6 defrancesco 12:19 15:3 29:5 32:6,21 33:2,15 34:1 34:21 39:24 40:1,24 44:14 45:6 47:7 56:7 56:11,19 57:3 57:16 59:5,18 60:9,19,21 62:20 65:5 66:7 67:4,6,8	69:23 75:2 78:23 81:3,14 85:8,14 96:22 105:11 106:5 111:23 112:10 115:1,11 117:16 118:5 118:20 119:2,9 127:19 129:7 129:25 132:16 140:8 141:9 defrancesco's 47:22 degree 11:1 degrees 10:18 delavaco 12:20 14:11 22:8,12 25:20,21,25 26:9,17,21,23 27:3 30:20,21 36:17 45:15 46:9,23 48:13 61:14,25 68:19 76:19 77:16,18 77:19 78:13,24 80:4,21 83:3 85:14 102:15 113:11 116:10 128:21 129:7 130:1 delayed 24:5 delete 88:2 delivery 150:3 deny 109:21	denying 109:19 deployed 92:1 derivatives 54:18 121:4,12 121:14,15,19 121:22 122:20 123:1 124:6,8 124:9,20 describe 13:16 26:7,14 27:13 41:16 42:2 67:7 70:7 81:1 82:9 94:11,13 described 79:10 85:15 97:4 115:17 144:23 description 5:2 desk 110:8 destroyed 130:11 detailed 53:12 55:12,12 details 63:19 110:16 111:20 developments 99:12 101:2 device 88:3 devices 8:1 51:23,24 52:5 52:8 dial 42:8 diaz 85:16,24 different 13:11 25:13 74:14
---	--	---	---

[different - education]

14

136:1 145:2 difficult 27:9 27:15 28:2 74:22 dig 47:13 digging 111:18 digital 87:20 diligence 64:3 100:22 direct 77:5 99:14 101:3 107:18 146:4 directed 85:14 145:13,17 direction 23:8 80:1 directly 111:23 discipline 20:4 disciplined 19:13,23 disclose 149:8 149:21 disclosed 56:1 disclosures 75:23 discounted 81:22 discourage 70:11 discovered 65:17 discovery 2:15 discuss 42:14 79:12 95:13 119:8	discussed 9:5 9:10,13 56:18 56:25 57:14 119:16,23 discussion 9:8 136:25 141:10 discussions 60:21 79:12 86:5 103:21 130:24 dissimilar 50:17 dive 113:22 document 8:10 135:16 136:23 137:11,15,18 137:19 documents 7:20 8:5,7 10:5 52:14,19,20 53:2,13 120:15 146:23 147:25 doe 1:15,16,16 1:16 doing 8:12 12:22 14:3 24:21 26:8,14 30:6,14,21,22 31:1 41:25 44:24 72:20,21 76:22 82:2,6 82:13,23 108:3 112:17 124:15 133:1 145:10	doj 147:9 dollar 34:23 72:5 74:17 81:11 124:1,2 129:16 dollars 73:16 73:23 125:20 doors 73:12 douglas 3:5 downtime 45:3 downtown 139:6,12 doxdator 3:15 doxtator 1:15 1:15 2:2 99:10 99:15 100:2,16 101:4 103:1 106:18 107:7 107:19 108:2,5 108:25 109:12 135:21 136:3 136:16 drafting 109:20 dragged 79:15 draining 27:22 dramatic 42:5 draw 145:24 drawn 120:11 drill 110:16 drilling 133:12 dropped 117:12 125:13 due 64:2 100:21	dump 70:25 dutchman 35:5 dylan 3:6 54:11 106:21 122:15 124:18 e e 1:8,8,8 2:1,1,1 3:1,1 4:1 33:21 39:15,15 85:17 102:1 103:4 115:18 earlier 18:12 23:13 55:3,11 69:4 70:19 72:3 75:3 81:13 85:7 100:7 105:16 129:6 134:16 140:21 150:21 early 26:18 27:12 28:7,19 28:21 29:10,12 29:13 40:4 43:8 57:5 71:13,16 81:17 112:2 129:16 130:10 earth 38:25 easy 138:13 economics 10:22 educated 122:25 education 10:14
---	--	--	--

[educational - experienced]

15

educational 10:9 effort 25:2 efforts 132:9 eight 71:2 either 35:18,23 36:14 76:12 77:4,17 109:1 111:23 131:7 131:10,11 148:4,14 electric 34:10 34:23 electronic 7:25 elephant 131:7 133:14 134:18 elephants 133:8,11 email 41:1 45:10,11,14 46:7,8,17 47:18 48:11,21 48:23 49:2,6,7 49:13,20 emailed 49:16 emails 87:17 employed 22:24 23:4,17 employee 104:17 employer 23:10 employment 22:5 24:17 30:8	emptied 71:8 empty 75:19 encourage 69:3 ended 18:16 126:10 energy 37:24 enforcement 21:18 engage 44:23 62:10 69:3 engaged 61:18 64:1 67:3 76:23 77:21 82:5 103:16 149:23 engagement 30:9 77:14 78:22 94:1 102:17 103:10 107:18 132:16 engagements 95:21 engaging 19:13 61:15 68:19 entered 74:17 81:20,24 129:24 146:16 entering 20:5 entirely 14:3 148:11 entities 36:23 49:3 70:3 113:22 115:11 115:16,22	entitled 19:21 30:7 90:20 91:5 entity 111:24 133:25 entrepreneur 27:18 entrepreneurial 14:17 environment 24:14 29:11 73:9 equity 36:5 39:7,8 40:17 40:21 70:17 73:7 75:12,24 76:2,2,3 112:8 121:21 133:22 especially 74:5 128:5 esq 3:4,5,6,7,8 3:11,12 essentially 25:25 44:23 evaluation 113:24 event 127:1,6 events 127:10 everybody 88:2 evidence 60:10 100:9 108:20 109:2 136:17 146:10 150:3 exact 146:15	exactly 82:23 125:3 examination 2:15 4:4 7:3 8:4,15,16,21,22 9:4,7,11,14,20 93:23 152:12 examined 10:5 135:12 example 74:16 99:9 exception 55:6 excess 121:10 exchange 54:4 106:17,21 executed 88:12 88:16 execution 26:11 exhausted 28:3 exhibits 5:1 exist 118:17 existed 109:25 110:5 exit 73:16 exited 73:25 expanding 24:16 expected 149:10 expecting 74:20 experience 46:5 experienced 146:4
---	---	---	--

[expert - florida]

16

expert 150:3	51:18 52:1,9	39:1,3,5,10	financing
experts 149:16	85:20 87:5	97:21 104:9,12	112:15
149:23,25	90:3 92:6,13	104:14,19	find 93:5 137:4
explained	94:2 117:2	113:6 115:15	findings 113:24
89:12,15 97:2	143:9	134:11	149:22
explanation	face 27:21	families 80:2	fine 146:25
44:13	faced 18:23	family 15:3	finer 63:19
explodes 72:5	118:20 119:2	23:11 24:22	finish 110:25
explore 30:8,15	facedrive 32:8	26:1,25 117:22	111:9
explored 69:20	82:3,5,21 83:1	fashion 57:24	fired 13:24
explosion 66:4	83:4 104:1	favourable	firm 8:22 14:5
74:20	fact 64:13	95:22	14:6,18,20
explosive 73:9	facts 64:3,7	fed 108:12	16:5 24:7
exposure 36:19	faded 27:7,12	fee 80:14	114:1 129:13
72:10 73:17	fair 18:22	feed 148:8	firms 18:5
116:19 117:19	19:25 20:20,24	feel 119:15	first 10:10
118:1,9 127:15	21:4 22:13	feet 70:21	11:12 23:5
express 43:5	24:10 29:9	fell 127:12	27:7 29:11
96:2 127:19	32:15 65:4,7	fenton 3:5	31:11 51:12
extent 29:5	82:9 102:4	fight 58:18	61:11 62:14,18
30:25 40:23	107:22,24	figure 89:24	76:6,9 78:9,10
41:23 83:14	108:22 114:10	93:6 117:6	96:14 125:17
108:24 122:12	114:18 117:12	figures 64:7	130:6 135:10
122:24 123:2	121:11 122:7	file 1:1	fit 119:25
126:23	122:18 124:21	files 67:22	five 28:19
extra 46:2	126:25	68:13 69:5,7	74:18 110:18
eyes 71:17	fairly 77:25	76:23 77:22	111:5 129:22
f	117:24	final 68:24	flat 121:20
f 6:17 18:19	falling 43:11,24	finances 73:10	126:15 129:17
19:6,16 20:8	43:25 44:15	financial 19:14	129:20,23
20:14,25 21:19	105:5,11,15	25:9 29:22	130:12
22:1 25:11	106:6	31:6,11,20	floor 17:8
29:25 31:8,13	false 109:16	80:11,19	florida 7:11,12
31:17,21,25	familiar 37:6	financially	11:24 22:20
33:9 49:9	37:20 38:7	74:13	36:16 40:6

[florida - go]

17

71:15 78:15 120:7 flying 74:6 focal 115:1 focus 44:24 70:12 123:9 focused 23:10 23:11 64:6 70:6 115:5 focusing 25:1 follow 113:4 147:14 following 6:1,8 6:13,18 12:21 13:21 41:19 42:1 100:20 140:11 forced 91:7 foregoing 152:6,14 form 47:5 57:23 66:16 67:25 75:12 76:12 98:17 119:23 140:6 formal 42:24 92:23 former 23:10 104:17 forth 64:15 152:8 forum 50:8 144:10 forward 54:5 143:22	found 148:13 founder 114:3 four 12:11 71:21 72:15 141:23 free 68:1 friendly 97:3 97:11 102:19 127:23 128:4 friends 102:20 friendship 89:5 front 7:20 8:1 23:25 25:23 114:17 fronted 123:20 ftb 31:16 full 119:24 fully 136:12 fund 1:11 2:7 96:20 97:16 105:21 140:10 funds 1:10 2:6 16:2,3 17:22 18:1,8 42:16 43:6 95:22 96:15 112:12 128:9,19 134:14,23,24 139:21 145:14 147:11	gains 124:9,13 124:19 125:6,8 125:9,14,20 126:2,23,23 game 112:22 gamestop 38:13,14,15 gap 22:6,24 garbage 46:18 ge 34:12,16 gellman 16:23 16:24,25 17:1 17:15 general 16:10 34:10,23 68:20 68:21 106:25 generalist 63:16 generally 110:15 114:11 generating 26:4 genius 38:3 gentlemen 12:12 george 29:23 31:6 120:22 getting 9:19 38:17 68:3 79:14 93:5 141:25 149:5 gist 58:8 give 29:19 115:17 133:5 151:6	given 14:7 30:14 58:8 108:11 117:4 119:19 123:20 123:20 giving 26:10,15 68:20 142:9 148:18 glassman 104:10 global 39:6 69:14 97:24 98:6 102:18 103:15 globe 133:2 134:14 gmail 46:5,21 47:24 48:17 gmail.com 45:18,22 gmp 12:18 13:7 13:18,24 14:11 15:2,13,16,21 16:1,2,12 17:7 17:20,21 18:7 18:8,13,23 19:3,3,15,25 22:7,11 24:19 go 8:8,12 23:8 23:14 54:5,6,7 54:9 66:23 81:14 88:23 95:25 111:11 111:12 122:15 124:3 129:2,3
	g		
	g 97:23 gain 121:16 126:11,20		

[go - helped]

18

144:9 goes 27:23 44:20 73:15 74:11 93:2,14 103:5 going 10:8 12:2 14:13 17:4 23:14 25:18 29:19 32:4 33:10 42:11 43:1 45:9 51:8 52:12 54:2 55:17,17 61:8 62:3,4 63:12 65:16 73:5 83:16 84:9 88:21 91:5,6 92:7,13 93:17 94:17,18,19 95:15 96:11,13 99:6 102:22 109:8 110:13 110:22,22 111:6,17 114:23 115:17 119:14 120:12 129:2,19 131:10,12 135:6,14 137:3 137:6,24 138:18 141:19 143:21 144:11 148:17,23 gold 38:6 97:18 97:20,25,25	98:1,2 good 7:4,22 23:24 24:2,3 69:2 79:19 82:17 googled 148:13 gossip 44:20 gossipy 44:2 140:5 government 64:24 73:11 86:19 147:1 graced 99:10 graduated 11:2 grasp 63:20 grassroots 37:7 great 72:21 73:20 74:18 green 35:5 37:19 ground 28:17 grounds 53:3 group 12:20 13:11 14:11,15 16:19,21,22,25 17:15 22:8,12 25:20,21 26:9 26:17,21,23 27:3 28:11 30:20,21 36:17 40:5 45:15 62:1 76:19 78:23,24 80:4 80:21 83:3 115:4 116:10	116:13 133:25 growing 74:6 growth 37:16 73:9 gsx 38:8 guess 25:24 44:18 62:11 65:8 82:10 86:24 113:23 139:15 146:24 guide 6:2 guidelines 145:20 guy 73:24 102:9 104:1 guys 28:20 43:18,21 44:10 65:9 66:18 76:14 78:18 79:18,19 96:7 102:5 105:25 119:18 141:19 h h 103:25 half 45:8 56:14 110:23,24 handful 28:20 79:2 94:13 hands 58:13 65:3 119:24 hanging 74:8 happen 41:10 136:7 happened 43:18 44:11	57:14 65:14,21 78:15 92:17 100:4,6 105:25 136:8 happy 94:19 106:24 116:23 122:25 149:4 hard 72:8,18 73:2 119:19 harm 96:4 109:15 146:2 harvests 35:20 hawkins 13:5 haywood 54:17 headlines 66:3 heads 142:9 143:17 hear 44:21 122:24 140:14 heard 105:17 105:18 134:1 hearing 42:19 95:1 106:12 heavy 66:21 hedge 147:10 hedges 125:12 held 12:5 41:3 41:15 129:10 help 62:4 65:6 66:11 69:22 72:1 75:5 76:16 93:15 helped 74:8 112:4
---	---	--	---

[helpful - initials]

19

helpful 106:20	hindenburg's	identified	115:10 131:20
helping 25:23	114:11	29:17 107:8	134:15 146:5
41:3	hired 131:18	131:3 137:10	incorrect 144:1
henry 29:23	hiring 24:15	identify 8:7	incurred
31:6 120:22	history 12:3	51:16,22 52:5	122:13 126:23
hexo 35:16	22:5 30:8,16	69:6	126:24
hey 68:1 77:2	hit 127:13	identifying	independent
77:11 139:11	129:17,21	21:9 51:5,9	80:10 100:18
heywood	130:9	115:10	114:1
123:15	holdings 39:4	iirac 11:10,17	independently
high 10:14 12:3	62:13,16,25	18:24 19:4,13	82:6
12:6 63:10	63:3,7,24 65:6	19:23 20:3,18	index 5:1 6:6
66:19 68:20	66:8,13 68:14	21:14,22 24:1	6:11,16
74:6	69:7,18 70:23	25:10	indirect 99:15
highlight 66:16	81:2,3,5 85:9	imessages	101:4
124:18	86:3	87:17	individual
highlighted	honest 50:15	impact 42:7	17:11,12
57:21 58:11	honours 10:19	108:13	100:22
131:6 138:8	hook 68:22	imposed 25:9	influence 41:25
147:9	horse 29:22	88:2	inform 66:12
highlights	31:6	improper	informal 12:10
65:19	hour 110:23,24	115:12	27:4
hindenburg	house 7:14,15	inaccurate 65:3	information
112:20,25	36:12 148:8	109:7	51:5,10 54:24
113:3,15 114:4	huge 127:2,11	inadmissible	128:8,9,13,15
114:19 115:5	hundreds	137:21	134:13,22
116:15 117:11	73:22	inappropriate	144:18 145:6
117:15 118:22	hypothetically	144:2	145:16 147:3
119:3,7,8	73:14	include 115:17	informing
120:3 122:17	i	included 64:8	94:25
123:5 124:21	idea 69:2 73:4	includes 51:10	infraction
125:10,15,22	83:7 107:12	54:3	146:17
126:4,25	108:5	including 9:21	initial 63:9
127:18,21	ideas 26:15	20:20 21:24	initials 20:6
128:10,11,20		51:23 59:5	

[initiate - jason]

20

initiate 14:2 initiated 43:15 insider 136:15 insiders 115:12 inspection 52:22 instagram 50:5 139:3,11 instances 97:8 institutional 16:9,11 17:24 42:24 insurance 150:6,9,13,16 intention 139:16 interacted 67:14 interaction 76:20 120:1 interest 29:19 36:6,22 42:17 66:5 71:20 73:7 74:4 75:16 85:5 89:20,24 96:25 98:16 interesting 45:2 139:5 interests 15:18 15:23 interject 137:9 international 115:20 116:1	internet 50:8 52:7 interview 148:16 interviewed 21:24 introduce 65:11 introduced 61:11,13,16 62:9 76:7,11 76:23 80:16 96:14 introduction 68:18,25 80:14 invest 33:1 34:20 116:9 invested 89:2 89:14,17 90:9 90:23 91:2,16 91:21,24 93:1 94:6 130:6,14 131:2 investigation 18:24 19:5 21:18 investigations 146:7,12 147:5 investing 29:6 30:22 31:1 40:15 42:20 81:15 92:22 94:12 130:19 investment 13:21 15:6,10	26:10,15 29:1 32:14 42:12 62:7 92:10,18 92:25 97:1 investments 1:11 26:4 40:22 79:2,16 89:19 94:9,10 94:14 116:1 129:7,9 131:13 investor 79:24 79:25 104:8 111:25 112:11 116:2,6,7 130:18,21 investors 98:12 116:13 investments 2:7 invitation 139:19,20 invite 121:8 involved 30:13 47:4,25 57:22 68:3 71:16 75:5 81:19 84:12 107:9 109:19,21 115:21 121:5 132:7,11,13,19 134:24 150:16 involvement 40:15 107:20 108:20	involving 138:5 ip 51:10,22 ipads 51:23 52:8 isodiol 33:25 34:8 issue 14:18 23:25 105:19 114:12 146:19 149:11,24 issued 8:21 20:3 issuer 68:25 75:8,10 issuers 68:7 70:3,17 issues 14:24 23:15,24 24:22 40:16 46:23 47:1,16,20,23 103:22 143:25
			j
			jacob 1:15 101:4 james 1:14 9:14 15:17,22 61:9 61:11 78:25 79:3 135:21 136:4 140:23 141:18 january 94:24 95:8 142:4,5 jason 13:5 104:5

[jeff - know]

21

jeff 13:4	k	108:17 113:24	64:17 65:9,10
jim 16:23,24,25	k 31:20 84:23	119:10,22	65:11,13,15,15
17:1,15 76:7	85:17	128:1 141:4	65:17,24,25
jjr 20:12,13	kassam 1:11	knew 18:11	66:1,18,21,21
job 2:25 73:20	2:7 43:7 57:10	28:14 32:16	68:3,9,10 69:1
john 1:15,15,16	57:17 60:20	42:18 44:1	69:3,19 70:2
1:16 3:11	95:23 96:13,15	98:20,22 99:2	70:11,19,25
103:4 110:20	98:19 105:5,10	99:4 100:17,19	71:11,14 72:9
johnny 103:5	106:7,17 107:2	132:3	72:10,12,13,18
join 14:18	107:8 127:20	know 8:11	72:22 73:3,7,9
joined 22:8,12	128:8 134:13	14:10 15:20	73:10,13,19,22
25:19 26:20	134:23 138:15	16:6,9,10,12,14	73:24 74:2,5
joining 7:9	138:20,24	16:18,18 17:12	74:16,22,25
29:8	139:23 140:12	18:10 23:7	75:19,20,22,23
josh 84:25	140:16 141:10	24:2,24,25	76:7,12,16
104:15	145:13	25:25 27:6,8	77:1,11,21,22
judge 143:7,15	keep 42:10	27:21,22 28:9	78:16,18 79:7
judgement	kelly 3:12	28:13,14,18,20	81:23 82:4,7
94:23 95:1	kennedy 84:18	29:12 34:5	82:11,12,15
142:6 143:8	kids 50:6	35:11 36:4,21	83:5,23 87:16
july 51:14,15	killed 73:20	37:3,14 38:24	87:21 88:1
51:21 52:6	kim 3:8	39:19 41:7,17	89:16,19 92:4
87:10 95:25	kind 12:10,22	42:4,8,8 43:1	92:23 93:1
99:13 101:3,7	12:23 13:20	43:10,10,11,14	96:7,16 97:3,3
102:17 103:10	14:14,17 17:11	43:14,15 44:2	97:6,8,11,12,16
jumping 142:3	23:6,11 25:24	44:4,7,18,21	98:16,18,23,24
june 131:23	27:4,7,12	46:11,24 47:11	98:24 100:4,10
133:6,20 134:9	28:10 42:9,18	47:15 48:5,6	100:24 102:14
134:15	43:3 44:3,7,12	48:18 50:15	102:19 103:8
justice 1:5	46:14 57:19	54:17 57:6,7,8	103:13 104:11
55:15 142:25	63:10 74:11,23	57:24 58:11,12	105:3,17 106:3
143:2	77:24 79:16	58:17,17,18	106:12 108:15
	81:24 89:12,15	59:3,10 60:5	108:16 110:5
	105:17 106:2	62:8 63:8,12	110:14 113:18
	106:13 108:12	63:13,20 64:15	113:20,23

[know - liquidity]

22

114:16 115:3 116:24 117:18 118:13,17,25 119:11,12,20 120:4 121:8 127:3,5,24 130:3,4,6,25 131:6,8,9 132:4,5 133:1 133:9 134:6 139:13,14,25 140:20 141:12 141:16 143:25 143:25 144:10 145:18 146:14 146:15,19 147:13 148:20 148:22 151:8 knowing 73:21 112:17 knowledge 16:1 19:5 21:16 32:21 33:15,24 34:1 34:18 35:4,7,9 41:21 49:15 69:23 82:23 85:19 88:5 90:14 109:12 113:15 117:14 128:7,12,14 130:2,3 132:15 134:12,17,20 134:22 135:1 144:18 145:5	145:15 147:2 147:15 149:10 known 32:8 35:20 36:1 37:25 138:10 kool 84:22 koral 31:20 l l 31:20 33:25 39:6,15 97:22 97:23,25 lambo 103:5 language 97:7 large 23:9 27:18 70:17 100:20 112:8 116:18 119:18 larger 36:25 65:12,19 laser 70:6 late 13:15 22:11,14,25 23:1 26:20 61:22 latitude 30:15 launched 50:3 laura 3:7 lawsuit 14:19 18:13,14 23:12 25:2 57:4 60:22 91:1 93:13 95:5 99:9,12 100:18 101:2 103:22 128:24 144:4	lawsuits 118:20 lawyer 55:22 55:23 86:19,21 88:5 140:13,15 141:3 143:12 lawyers 3:2 8:14 9:5 lean 118:8 learned 64:5 140:8 leave 13:13 27:3 leaving 13:25 14:1,2 23:23 36:4 46:23 77:18 78:23 80:4 101:12 lee 1:14 2:2 left 13:23 15:13 18:25 19:1,2 22:7,11 23:21 23:22 24:19 26:21 28:2 30:20,21 32:11 37:14 40:19 43:12 80:20 83:6 103:17 108:13 119:22 129:12 legacy 46:9,25 79:24 legal 47:6 55:8 55:9 118:21 143:21	les 148:16 level 28:8,17 63:10 68:20 license 14:24 23:15 24:5,9 24:11 licensed 11:14 13:21 life 44:19 72:7 lifestyle 27:21 70:9 lifted 123:21 light 65:10,18 69:25 85:5 liked 63:14 likely 69:1 96:18 119:16 119:22 140:22 likes 82:16,21 limit 47:5 limited 67:19 120:22 limits 30:16 line 6:8,14,18 39:21 109:22 110:3 146:1 lines 89:1 liquidated 117:24 130:7 liquidating 41:11 liquidity 26:3 26:13,25 27:22 28:3 41:6
--	--	---	---

[list - marketing]

23

list 1:6 6:1 38:18 41:7 64:11 115:23 listed 52:19,23 55:22 70:2 117:23 lists 53:12 lithium 39:2 litigation 79:12 85:6 87:9,24 139:22 little 10:9 42:3 52:17 61:9 73:17 110:22 111:18,18 117:19 118:1,9 139:8 lived 78:14 living 11:25 loan 20:5 123:15 long 14:21 55:8 58:6 66:16 102:7 112:5 116:15,16,25 117:16 118:6 121:2,11,19 122:23 123:3,8 longer 24:16 59:10,13 60:8 110:23,23 look 33:6 52:18 68:4 70:22 113:18,21 116:23 120:9	121:23 122:11 124:13,17,24 125:19 138:7 looked 20:2 88:6 148:10 looking 14:17 65:5 77:12 79:17 90:6 108:9 122:9,22 122:23 123:25 125:13 126:6 131:6 looks 122:12 124:22 126:1,3 loosely 97:7 lose 150:16 losing 84:1 loss 121:25 122:6 126:10 129:20 losses 122:13 122:14,16,16 123:2,4 125:12 126:19 lost 71:4 121:10 124:1 lot 46:12,13 71:17 74:3 89:22 121:13 127:8,8 love 68:4 lp 1:10,11 2:6,7 luck 24:3 lunch 110:25 129:5	m m 39:15 103:4 103:4,25 m&a 35:12 36:21 made 21:12 32:13 58:18 72:18 75:2 80:15 92:11 108:13 109:3 115:9,12 124:2 127:8 131:14 139:23 140:4 152:11 mail 133:3 main 26:24 major 66:4 74:24 113:20 majority 17:25 29:14 81:9 87:19 125:19 125:21 make 10:2 21:3 42:11 52:17 54:15 56:8 68:24,25 105:2 110:24 119:15 137:23 141:2 143:21,24 144:12 145:12 makes 43:4 120:9 making 23:6 55:13 109:1 144:19	manage 25:23 143:23 management 1:10 2:6 26:8 63:18 64:9 76:15 77:2 86:1,3 118:24 managing 26:12 manifesto 35:2 107:9,21 108:21 109:20 109:23 manifestos 56:16,19 95:10 144:24 145:1,8 145:12 manner 22:25 55:16 manning 110:8 march 2:17 152:16 marigold 115:18,24 marijuana 69:12 71:13 73:8 marked 5:3 market 24:14 36:10 43:2,4 72:6 93:2 94:15 112:4 113:19 144:8 marketing 80:24
---	---	--	--

[markets - multiple]

24

markets 78:1	meet 25:9	149:1	monetary
master 1:11 2:7	78:18 139:11	mine 37:2	20:19,24 21:3
mastromattei	139:12,12	mining 38:20	money 28:19
103:4	meeting 139:4	98:3	71:5 72:1,7,17
material 64:3	139:16	minor 10:22	74:9 75:2
materials 54:5	members 15:4	minus 126:18	92:22 94:14
matter 18:16	136:19 137:1	minute 50:20	127:9
20:4 86:15	memory 56:23	110:18	monitor 41:14
115:9 129:4	99:20 115:8	minutes 80:24	month 127:2
142:10 147:6	mentioned 13:1	111:5 151:7	monthly 40:6
149:24	14:10,10 18:12	misconduct	months 24:13
matters 19:24	23:13 30:12	145:13,17	139:15
40:9,13 47:3	48:11,22 89:23	misinformed	montréal 12:9
48:1 93:16	114:24 140:24	109:1,6	morning 7:4
mcphee 3:8	148:19,20	misleading	morris 102:11
md 39:4	merchant	64:25	102:13
mean 41:22	12:11 20:12	misreading	motion 93:9
65:22 67:11	merger 37:3	121:7	94:22 142:6
73:1 78:5 80:5	message 58:21	missed 124:5	143:8
87:14 88:11	142:11	mistaken	mountain 39:4
96:6 132:10	messages 87:21	118:10	mouth 59:25
139:20 150:10	87:23 139:11	mmj 115:19,20	100:21
meaningful	met 78:8,10	115:25,25	move 38:18
24:13 72:13	96:17 98:23	mobile 51:10	42:5 117:7
meanings	99:24 114:6	51:23,23 52:7	138:18
86:17	139:18	model 70:1	moved 71:9
meant 6:2	metadata	114:14	mover 29:13
27:16	135:16	moderate 41:17	71:16
media 50:1	michael 102:1	modified	moving 116:12
66:4 100:22	102:22	135:18	multibillion
147:23	miller 102:22	moez 1:11 2:7	34:23 72:5
medivolve	million 138:12	96:17 98:24	multiple 18:15
39:14	millions 73:22	127:20 138:10	67:22 68:6,13
medmen 36:2	mind 69:18	moment 10:3	69:5 139:10
	82:13 148:16		

[n - objections]

25

n	naples 7:13	negotiate 75:7	norwich 51:4
n 1:8 2:1,1 3:1	narrative 25:19	108:8	noted 6:7,13,17
4:1 33:21	narrowing	neither 141:13	notes 56:7
35:10 53:7	55:16	net 121:25,25	152:15
103:25,25	nate 114:4	122:6,21	notice 8:15,17
115:18	nathan 101:7	123:10,22	8:21 23:22
name 29:23	nature 25:21	126:10,11,19	number 56:6
31:2 37:6,20	26:22 40:12	nets 121:15	59:22 60:2
38:7,9 39:1,3,5	63:6,23 67:7	network 74:9	67:19 89:11
39:10,16,20,22	67:13,15 75:9	neutral 84:14	115:9,11
42:19 70:12	81:12 93:7,25	never 14:23	120:21,21
71:1,5 72:10	102:16 129:9	20:24 28:15	122:6 123:10
73:23 74:4,25	138:15	32:16 38:16	124:24 125:21
83:6,13 97:21	navaratnam	43:12 44:17	125:25
100:24 103:5	103:24	46:8 50:5	numbers 8:6,10
104:9,11,14	near 8:1 149:6	60:15 65:16	41:6 51:11,17
116:19 117:20	nearly 71:6	70:13 105:7	59:10,12,14,15
118:2 126:7,7	81:20	106:11 116:18	64:20 66:21
126:9 127:9,16	need 21:10	new 46:13,21	73:13
129:24 134:1	52:15 56:5	47:18,24 68:2	nuuvera
148:21 150:25	59:23,24,24,25	80:1	115:18,24
named 30:12	64:12,13,19	news 127:4	116:7
103:3 147:10	77:7 85:12	133:3 144:8	o
147:12	129:22	148:8	o 31:20 33:25
names 29:19	needed 25:22	newt 104:10	33:25 35:10,10
35:1 36:20	41:7 42:4 46:1	niche 69:13	39:6,15 97:22
40:18 65:16	86:13,13 142:9	nick 84:20	97:23,25 103:4
71:21 83:16,18	143:18	104:20	oath 152:9
84:10,14 85:1	neesons 2:15	nights 148:23	object 52:21
85:2,4 89:23	negative 43:6	nikki 48:15	53:2
90:1,25 93:10	44:22 70:24	non 44:18	objected 84:4
99:6 104:22	119:2 121:22	nonsense 44:20	objection 30:10
108:10 115:18	133:3	normally 61:6	105:3
140:24 148:13	neglected	northern 37:19	objections 30:7
149:9	150:21		53:8 152:11

[obtained - opportunity]

26

obtained 51:3	119:20 124:1,5	57:9,12 58:3	138:7,18
obvious 21:11	126:13	58:15,24 59:2	141:18 144:15
obviously 53:8	oil 129:19,22	60:3,7 61:8	144:21 145:21
71:10 89:22	134:10	62:19 63:6,22	147:24 149:20
91:4 98:18	oilprice.com	68:12 69:4,10	150:20 151:3
120:8 146:19	66:24 131:20	69:22 75:13	old 10:10 46:25
occasion 38:2	132:2	76:5,18 78:3	79:23
38:23 41:10	oilprice.com's	80:23 83:3,14	oldest 92:10
83:2 84:2	132:8	83:22,25 86:23	on6603909
106:9	okay 7:9,12,14	87:2 88:18	2:25
occasions 8:5	7:19,22,23 8:3	92:3,9,16	once 64:9
68:6 74:12	9:2,10,16,25	96:10,21 98:8	ones 48:17 63:3
occurred 19:24	10:17,21,24	98:11,18 99:25	ongoing 86:9
124:20 125:10	11:4,12,16,19	100:6,16	118:25 126:7
occurrences	11:23 12:16,25	101:10,18	149:2
149:11	13:6,13,23	102:3,16 103:9	onset 71:14
october 106:18	14:1,2,6,9 15:1	104:15 105:9	ontario 1:3
109:10	15:15,20 16:24	106:15 107:12	onward 87:10
offer 14:7	17:3,6,19 18:3	107:25 108:19	open 73:11
141:20	19:1 20:2	109:14,18	101:12
offered 139:9	22:10,18,23	112:9,18 113:2	opening 73:11
office 17:14	26:16,19 27:14	114:10,18,23	opinion 128:16
22:15,17,19,19	28:4,25 30:18	115:7,16 116:4	opinions
22:20,22 39:25	31:5 32:3,12	116:8,14 118:3	149:22
40:2,24 44:22	32:18 33:4	118:3,18 119:6	opportunities
offices 17:12	36:12 37:1,4	120:12 122:9	24:17 25:6
offs 69:15	37:10 38:25	123:11,17	29:15 42:20
offset 121:13	39:9,11,14,17	124:3,7,23	67:21 69:25
124:10 125:12	39:23 41:8,19	125:24 128:7	79:17,20 89:17
offsetting	42:10,22 46:16	131:2 132:1,7	116:9
121:14 128:2	48:10,16,20,25	132:15,23	opportunity
oh 37:2 63:5	49:4 50:10,17	133:24 134:8	33:1 34:7,20
72:20 73:25	50:19,22 52:17	134:21 135:9	35:24 36:8,23
75:18 76:14	52:25 53:11	135:14 136:1	63:11 68:21
97:24 104:11	54:25 56:3,21	136:11 137:6	82:17 91:18

[opportunity - people]

27

131:4 139:17 option 29:7 116:21 123:15 options 28:3 74:7 123:14 126:14 oral 152:12 order 54:3 147:24 ordered 20:19 orders 51:4 146:8 147:6 organic 35:5 organized 17:9 origin 36:12 original 72:1 76:8 originally 28:17 61:13 129:24 131:5 osborne 55:15 142:25 143:2 outcome 74:14 outlay 28:15 outlets 66:4 outline 75:11 outlined 131:10 outrageous 110:7,7,11 outside 36:9 70:13 77:16 79:13 100:17 108:17 112:13 147:15,22	overall 122:21 126:6,9 127:7 127:10 overlap 80:10 94:16 98:25 overlapping 79:1 overseas 78:14 oversee 26:3 overview 68:21 owens 84:25 104:15 own 12:22 13:25 14:2,3 17:13 24:20 30:22 31:1,2 33:13,22 34:16 36:24 37:15,23 41:9 70:6,14 70:21 73:14,22 87:3 103:19 137:23 146:5 147:3 owned 32:16 35:15,17 37:8 37:15,17,22 38:2,4,11,16,22 38:23 39:7,19 98:9 130:4 133:22 owner 76:4 ownership 40:18 74:24 owning 38:15 40:21	p p 3:1,1 p.m. 111:14,15 151:10,11,17 pad 7:21 page 4:2 6:8,14 6:18 120:20 121:1,23,24 122:15 137:7 pages 122:14 124:4 paid 20:24 75:6 80:13 82:12,13 82:20 paint 70:24 pair 123:7,12 124:11 paper 7:21 paragraph 85:13 88:23,25 90:7,19 138:8 145:23 146:1 pardon 111:3 part 26:12,24 28:10 30:9 42:9 45:4 113:5 135:25 136:9,25 participant 74:24 participants 2:16 113:19 participate 28:6,12,16,23	participated 29:14 116:13 participating 112:14 137:10 participation 75:12 107:20 particular 54:18 particularly 71:22 88:25 92:2 parties 18:15 55:3 partners 97:4 115:19,20,25 partnership 66:3 party 30:12 55:25 passed 148:10 paul 104:13 pay 20:19 87:2 87:3 payment 21:4 75:15 pdf 121:24 124:4 137:7 peak 38:20 penalty 20:19 20:24 25:9 pending 147:16 people 28:10 36:17 41:17,24 44:21 45:3 46:5,12 51:6
---	---	---	---

[people - polyzogopoulos]

28

55:24 66:12	perspective	placeholder	132:3 137:9
69:2 70:18	106:6	94:20 124:14	139:6,20 140:1
71:10 73:18	pharmacann	placement	points 108:1
74:3 84:10	36:1	81:10 93:1	policies 150:6
97:6 110:9	phone 51:11	placements	political 10:23
119:12 136:21	57:6,20 58:9	94:15	polyzogopou...
141:1,3,25	59:1,21 60:2	plaintiff 2:3	3:11 8:23
period 15:5	60:15 61:7	144:16	18:19 19:6,9
22:25 23:4,17	87:13 94:24	plaintiffs 1:12	19:16 20:8,14
24:12,19,21	99:22 138:19	1:18 3:2 144:4	20:25 21:5,10
25:1,5 27:9,15	141:6,13,16	144:17,23	21:19 22:1
28:1 36:4 38:5	142:14	146:2,5,11	25:11 29:25
45:20 53:17	phones 51:23	147:3 148:13	30:5,11 31:8
59:16 60:11	52:8 59:9	platform 2:16	31:13,17,21,25
67:11 78:2	110:9	50:4 66:19,23	33:9 47:19
83:5 86:9	physically 78:6	pleaded 51:13	48:3 49:9
95:24 99:13	78:8,10 96:17	56:17 95:11	50:19,22 51:18
100:5,7 131:21	pick 25:18	pleadings 9:21	52:1,9 53:6,16
132:24 136:2	50:21 58:25	please 33:8	53:21 55:1,20
150:24	123:7 127:6	51:16 52:8	56:2 59:16
person 48:12	142:14	53:12,14 59:3	60:4 83:19
48:14 119:20	picked 65:25	59:6 92:3,4	84:3 85:20
139:4	pictures 120:8	150:23,25	87:5 90:3,15
personal 10:9	piece 35:21,23	plus 126:18	90:24 91:9
12:23 19:14	35:24 112:8	point 11:9	92:6,13 94:2
22:5 26:4 49:5	119:17 147:9	16:20 17:17	104:21 107:3
68:10 71:19	148:15,25	35:13,22 40:8	110:21 111:1
83:15 120:24	pieces 66:15	43:11 56:18	111:10 117:2,8
148:18	95:15 131:22	57:2 61:4	124:25 125:5
personally 8:18	pill 72:8 73:2	70:20 77:3	126:17 137:8
15:2 77:23	place 44:2 53:9	99:21 105:5,12	137:16,25
83:1 116:16	92:5 95:1	109:10 111:7	142:19 143:9
148:4	109:9 138:5	112:7,10 115:1	148:12 149:13
persons 1:16	140:5 144:12	125:3,4,9	149:18 150:1,8
149:9	152:7	127:17,25	151:1,4,9

[portfolio - producing]

29

portfolio 34:4	posted 50:7,10	presentation	47:13 50:17
portion 122:3	50:14 66:19	108:18	57:18,23 58:8
portrayed	67:1	presented 68:7	70:1 71:4,6
72:12	posters 51:6	president 86:2	72:8 81:19
position 14:4	posting 145:7	press 132:6	110:23 122:15
14:14 24:16	posts 51:5,7	pretend 122:10	140:25 141:24
27:11 32:22	144:5,13,16,19	125:11	problem 40:20
33:16,19 34:2	145:11	pretty 17:24	44:4 86:25
34:6,7 81:3,4,7	potentially	25:1 43:22	93:5 105:21
82:25 83:4,24	41:24 43:15	64:6 79:6	147:16
103:15 112:12	44:4 45:8 64:8	87:25 98:15	problematic
114:12 117:4	69:14 96:4	128:4 129:16	65:13,21
121:20 123:15	100:10,12	prevented 40:9	problems
130:7 133:16	108:13 112:14	price 117:12	148:22
137:19 145:18	116:22 119:18	pride 72:11	procedure
positions 12:5	148:9,19 149:2	primarily 26:2	53:20 150:2
13:17 32:7	power 39:9,18	primary 26:5	proceeding
41:2,12,15,18	52:21	principal 114:3	21:18 23:9
41:21 119:18	prejudice	principally	149:17
121:2,11	137:18	125:15 126:24	proceedings
122:24 123:3	premium	principals 13:2	21:15,23
129:10	121:18	prior 38:24	118:21 146:8
positive 43:6,9	preparation	72:15 81:24	147:6 148:20
44:22 121:22	108:21 134:24	95:4,7 126:24	152:6
127:25 128:6	prepared 9:6	127:2 139:2,15	process 64:2
positives 65:18	54:13,13,21	private 27:23	148:24
possession	66:15	81:8,10	produce 55:11
52:20	preparing 10:5	privately 70:4	59:6 83:17
possibility	107:9 109:4,20	privilege 53:3	87:23 150:23
102:6	135:12 145:7	53:13	produced
post 10:14,18	presence 99:10	privileged 55:5	83:25 106:16
12:3,6,18	100:23	privy 128:18	135:4 146:22
15:10 36:4	present 3:14	131:24	producing
51:13 60:23	51:15,21 52:6	probably 24:24	52:21 53:3
	96:1 127:7	29:13 46:22	

[production - reaching]

30

production 8:6 135:8	proper 53:15 143:21	pumped 46:19	129:4 135:15
productions 128:23	proposing 50:20 106:24	purchased 36:15,18	137:17,24
professional 11:5 66:15 68:9 143:18	138:22	puri 3:16	138:2 151:13
professionally 77:15	protonmail 49:13,16	purpose 6:4	151:14
profile 61:18 62:3,4 66:22 128:6	prove 136:14	pushing 76:24	quick 77:25
profiled 115:4	provide 51:4 54:16 64:16 88:8 148:5	put 8:10 10:7 23:25 51:6 53:6 65:25 66:3 81:20 99:6 110:12 112:19 113:17 124:14 129:9 146:15 152:8	quickly 117:24
profiling 61:15 61:25 114:16	provided 54:24 128:9	putting 55:18 65:3 70:17 108:17 143:20	quiet 25:1
profilings 132:4	public 27:24 30:23 70:5		quite 78:25 106:13
profit 127:8 139:9	publicity 119:3	q	r
profits 115:13	publicly 19:18	quarter 27:8	r 3:1 6:17 18:19 19:6,16 20:8 20:14,25 21:19 22:1 25:11 29:25 31:8,13 31:17,20,21,25 33:9 35:10 38:21 49:9 51:18 52:1,9 85:17,20 87:5 90:3 92:6,13 94:2 102:1,1 103:4,25 115:18 117:2 143:9
projects 80:7	publish 114:20 134:4	question 18:4 21:8 34:6 64:21 88:4 89:22 91:5 101:25 102:9 105:1 111:7 117:25 118:3 135:22 136:2	raise 72:1 74:8
prominent 100:21	published 112:21 113:4 131:22 134:9 145:2 146:18	questions 6:7 6:12,17 19:22 29:20 34:11 35:6,16 36:13 51:9 53:25 56:6 85:10 90:16,20 91:11 99:7 110:14	raising 70:4
promote 65:6 66:12 75:5	publisher 147:14		ran 133:3
promoter 111:25 130:1	pull 52:13 54:15,22 58:17 88:22 94:19 106:19 120:13 121:24 135:7 137:4,7 145:22		rather 143:4
promoting 82:8 82:21 130:1 132:2,12	pulled 146:25		reach 67:24 77:1,9
promotion 85:17 132:13	pump 70:25 134:10		reached 54:14 140:19
promotional 80:25 132:9			reaching 139:3

[reacted - registrations]

31

reacted 120:3	37:17 38:1,15	94:23 95:3	61:3 83:17
read 89:10	39:12,16,20,22	128:23 140:23	92:4 116:20,24
106:23 115:23	40:14 41:4	142:4	117:3,7 118:13
121:9,25	42:25 43:8	recent 91:23	123:12 142:16
135:13 138:22	56:14,20,22	recently 38:23	150:23
reading 66:22	57:13,23 58:4	recessed 50:23	red 39:11 138:8
ready 9:19	58:23 60:25	111:14 151:10	reddit 50:13,14
real 68:10	61:4,19 62:24	recognize 32:7	50:16
69:13 109:24	68:15 74:7	recollection	reenter 40:16
really 39:20	77:23 78:20	66:11 103:11	refer 8:5 56:22
43:12 44:17	80:15 95:6,18	117:18 136:8	88:24 94:18
46:8 50:16	96:3,5 97:9,15	recommenda...	reference 20:11
58:2,10 72:24	98:12 99:16,17	131:14	referral 80:14
77:23 79:13	99:18,25	recon 130:6	referred 8:6
81:21 89:21,24	100:13 101:5,9	reconafrika	20:5 21:23
96:5 116:18	101:11,17	37:25 61:21	35:1 47:2
117:25 128:16	102:2,10 103:6	129:8 130:1,14	60:19 85:7
131:12 132:25	103:23 104:3	130:19 131:3	90:13 134:16
134:6 136:24	105:20 112:19	131:19 132:2,9	147:7
realtime 152:4	115:5,6,8	132:17 133:4	referring 47:9
152:21	117:10,13	133:17 134:10	refresh 56:23
reason 21:9	118:2,23 119:5	134:15,25	115:7
23:3,16 25:8	120:6 127:22	150:22,24	refusal 21:9
46:6 109:15	131:16 132:6	reconnaissance	117:6
143:6	133:15 135:24	37:24	refusals 6:2,16
reasonably	136:2,6,9,25	record 17:2	93:6 151:14
149:10	138:16 140:4,9	25:16 59:4	refused 6:17
reasons 20:3,12	141:8,13,21	111:11,12	143:14
93:14	142:8,13 143:5	142:17	registered 11:9
reattendance	148:6	recorded	11:13,17,20
91:7	recalling 15:10	152:12	registration
recall 15:11	receive 8:16	recording	23:19
25:4 28:1	75:15 141:12	138:22	registrations
32:11,23 33:3	received 8:15	records 33:5	11:24
33:5 34:3 36:3	44:14 57:5	59:3 60:17	

[regular - richardson]

32

regular 26:14	released 122:18	127:21 128:11	respect 13:1
regularly 78:25	123:5 126:25	134:4	48:10 55:3
79:6	127:18	represent	125:25
regulated	relevant 19:10	86:14	responding
23:18	21:11 53:18	representative	77:1
regulator 21:24	83:16 87:8,24	11:9	response 77:7
21:25	91:4 93:13	reputation	responsibilities
regulatory	143:10 149:24	146:3	13:18
11:20 21:17	remember 58:8	request 55:2,13	responsibility
145:20 146:7	60:2 85:9 98:3	requested	26:2,5
146:12,17	113:8 118:10	54:15	responsible
147:5	130:9 142:7,23	requesting	127:20 134:14
relate 66:7	142:25 143:4	139:3	144:19 145:6
related 85:2	148:14	requests 6:7,12	result 118:21
93:11 104:6	remind 94:20	6:17 76:17	146:4
139:16	remotely 2:16	research	resuming 50:24
relating 137:17	report 112:21	112:20,24	111:15 151:11
137:20	112:24 113:4,7	113:3,6,16,22	retail 16:19
relation 40:3	117:11 118:22	114:1,12,19,20	retained
83:18 85:9	119:4,7,8	114:24 128:10	149:16
86:6 90:7	120:16 122:17	128:20 133:25	return 75:10
96:24 103:21	123:5 124:21	134:4,9	returning
103:22 128:20	125:10,15,22	resentment	40:20
132:9,17	126:4,25	96:6	review 10:4
139:22 144:15	127:13,18	resided 40:6	32:4 77:3
150:7	128:3 134:9,25	resigned 24:1	reviewed 9:20
relationship	reported 2:19	resigning 27:6	10:6 87:22
43:9 65:23	reporter 152:5	resolution	135:11,24
67:7 68:9,11	152:21	18:18	rezk 85:16,24
69:1 97:12	reporter's	resolved 18:14	richardson
102:20 105:8	152:1	146:20	12:18 13:7,18
relayed 57:19	reports 113:18	resolving 18:16	13:24 14:11
141:5	114:20,24	resources	15:2,13,16,21
release 132:6	115:2,9 116:15	27:23	16:1,2,12 17:7
	117:15 120:3		17:20,21 18:7

[richardson - senior]

33

18:8,13,23 19:3,3,15,25 22:7,11 23:12 23:22 24:19 ridiculous 110:4 right 8:13 55:19 73:25 76:2 93:15 98:6 100:18 124:10 125:22 125:24 126:5 126:10 131:16 137:24 ring 29:24 84:15 115:14 134:4 rise 19:4 rising 139:18 robert 1:14 2:2 3:4,15 99:15 103:1 107:19 108:2,25 109:12 135:21 136:3,15 139:25 140:10 roles 13:17 room 7:17,18 rot 113:5 roth 104:13 roughly 22:23 24:18 122:7 rounds 28:9 rs 20:6,7 46:3	rs's 20:12 rudensky 1:14 2:8,15 3:10 4:3 7:2,4 8:3,14 18:22 46:4 50:2 51:2 55:8 106:15 107:1,4 107:13,15 111:17 144:3 149:23 150:9 rudensky's 47:16,20 89:3 90:10 120:15 rudensky.arr 45:22,25 rules 53:20 150:2 run 10:8 12:24 64:10,11 102:22 rundown 63:10 running 109:21 110:6 runs 66:18 113:5 rvr 2:19 152:4 s s 3:1 33:21,25 35:10 38:21 39:6 97:22,25 102:1 103:4 salaries 28:15 sales 14:14 26:13	salesman 74:1 salvatori 3:7 sat 17:11 72:16 74:12 saw 74:11 119:25 148:9 sayan 103:24 saying 45:12 55:21 67:25 69:2 79:14,14 108:2,3,25 118:8 125:5 136:7 143:25 says 20:22 54:11 85:14 90:8 138:9 schedule 52:18 53:1,12,15,19 54:2,2,6,9,10 55:4,12 120:14 school 10:14 12:4,6 science 10:23 screen 52:16 54:16 searches 29:17 seating 17:16 sec 47:8 66:7 85:8 86:7 146:15 147:6 147:10,24 second 45:10 46:7 111:11 120:19 138:8 145:25,25	secondary 10:18 secure 48:18 securities 11:20 14:8,14,22 21:25 23:14 54:3 146:7,12 147:5 security 54:17 54:18 see 41:5 52:24 53:5 61:2 64:13 68:4 79:18,19,20 89:6 99:9 123:6,11 126:13 139:4 142:17 seed 28:9 seeing 32:24 seek 136:14 seen 8:20 26:6 147:22 sees 79:17 segment 82:15 segregated 17:13 selective 67:18 selling 43:2 121:17 send 119:13 sending 119:17 senior 85:25 86:2 103:15
--	---	--	---

[sense - situation]

34

sense 108:13 110:24 137:23 141:2 sent 14:19 sentence 88:25 89:9 90:7 145:25 separate 82:18 82:19 separating 82:10 september 98:20 99:3 138:21 series 30:7 serruya 102:1 service 59:11 59:13 serviced 16:7 16:13 services 68:19 69:3,19 set 29:1 46:13 46:20 53:7 58:21 63:17 76:15 94:22 152:8 setting 12:10 47:23 59:6 settled 118:25 settlement 146:16,25 seven 71:1 several 67:20 93:21	share 52:16 86:8 87:3 89:4 117:11 130:4 shared 86:12 shareholder 131:1 shares 36:24 81:22 94:15 117:21 121:16 123:19 sheet 123:13 shell 112:22 shifted 17:17 shine 65:10 shining 65:17 short 12:8 25:6 114:12,13 123:8 134:25 138:12 shorthand 152:15 shortly 24:1 119:7 127:25 128:6 shots 54:16 show 62:6 68:2 83:17 116:20 121:21 123:24 124:1 139:5 showed 67:20 showing 92:24 125:23 shown 79:21 89:18 91:19 122:13 148:7	shows 120:20 121:25 123:14 135:17 sic 103:25 107:1,13 side 16:11 27:11 67:25 70:10 74:24 96:20 105:21 112:23 121:21 123:8,9 sides 44:6 signature 152:19 significant 27:21 71:5,19 72:17 73:6 97:9 98:10 111:24 112:3 similar 17:18 51:24 140:23 141:13,18 142:1 similarly 124:23 125:25 simply 122:23 single 29:3 sir 9:3,20 10:1 10:8 11:8,16 12:2 19:12,23 20:2,17,18,20 20:23 21:4,7 21:14,22 22:4 22:6,8,24 23:16 25:8	27:2 29:16 30:3,19 31:6 31:12 32:4 33:5,12 34:5 45:9 48:21 49:1,12,15,25 50:7 52:4,12 52:18,23 53:1 53:5 54:12 56:10,15 60:8 61:2,10 66:6 85:7,19,23 86:4 87:8,10 88:24 90:6,22 91:15 92:9,18 94:17 99:5 101:1 107:1,10 107:17 109:18 114:25 117:10 118:18,20 125:18 126:13 126:22 134:3 135:9,19 136:12,13 140:3 142:23 144:22 145:3 145:21,25 147:18 149:4 150:6 site 66:20 147:1 sitting 9:25 17:8 110:8 situation 70:23 143:24
---	---	---	--

[situations - staley]

35

situations 141:4	somewhat 97:4	specifically 9:5	63:13 64:1,10
size 41:18	sorry 18:3	42:23 47:10	65:1,5,25
sized 131:7	22:16 27:2	62:24 66:10	66:11,18 67:3
skipping 56:6	47:22 54:10	78:17 82:24	67:8,15,18
slate 46:15	78:24 98:5,5,5	90:12 93:7	75:4 76:7,21
sleepless 148:23	98:6 104:24	140:9 142:13	77:12 78:22
slight 127:8	107:3,6,7,16,16	147:19,21	81:1 82:2,21
slowly 27:7	133:13 144:21	specifics 63:21	85:5 86:6,22
small 12:11	sort 12:4 36:5	113:9	87:12 88:10
24:24,24 30:23	80:12 96:18	speculation	89:2,9,14 90:9
80:9,13 116:21	108:8 129:8	127:2,11	90:16,23 91:10
121:16 126:19	sounded 57:21	spektor 2:8	91:16,21 92:11
129:20	sounds 115:15	101:16,21	93:15,20 94:5
smaller 52:17	sourcing 70:4	spencer 3:8	94:24 95:3,9
66:1 126:2,2	space 29:12	spend 78:6	95:20,21 96:12
snapshot 71:7	40:15 69:12	111:18	104:17 105:5
social 50:1	71:13,16 72:4	spending 22:15	130:14,18
100:22	74:21	22:16 23:6	131:15,18
socialize 77:16	spadafora	spent 44:19	132:17 135:21
78:3,12	104:5	spin 71:10	136:4,15 140:7
socialized 99:1	spam 46:13	spoke 45:5	141:9 142:5
socializing 78:5	speak 19:18	57:17 58:19	143:16
sol 39:6 69:14	25:17 37:13	60:20 99:3	stafford's
97:18,20,25	40:25 43:16	129:4	67:25 84:11
98:6 102:18	44:1 78:25	spoken 103:19	88:10,22 132:8
103:15	79:3,4,6	106:5 114:6	stage 28:7
sold 37:2	102:12 117:3	138:25	70:19
129:17,19,23	137:1	spot 28:1	stake 72:13
130:9,12	speaking 18:9	spreadsheet	98:10 112:3
somebody 43:2	22:21 47:10,15	54:16	stakes 70:17
43:3 87:3	87:12 99:13	staff 13:20	98:13
100:17	132:25	stafford 1:14	staley 3:4 4:4
	specific 85:2	9:14,17 15:17	7:3 9:1 18:21
	110:14	15:22 61:9,12	19:11,20 20:10
		62:2,11,20	20:16 21:2,7

[staley - superior]

36

21:13,21 22:3	126:12	stop 26:16	151:12
25:15 30:2,17	starting 73:11	stories 45:3	subjects 146:6
31:10,15,19,23	145:25	133:3 134:15	subsequent
32:2 33:11	stated 105:22	story 44:6 62:8	60:18,21 77:17
47:21 48:4	statement 9:22	65:14,21 66:16	78:23 103:10
49:11 51:1,20	9:24 10:2	133:7,14	141:9
52:3,11 53:10	20:22 88:23	134:16,18	subsequently
53:18,24 55:23	109:7 145:22	148:18	64:23
56:4 59:19	145:23	strange 139:8	substance
60:6 83:21	statements	strategy 27:20	64:19
84:5 85:22	95:11 139:22	116:22	substantial
87:7 90:5,17	states 40:11,17	street 17:25	35:21
91:3,12 92:8	40:20 47:4	44:2,19 73:18	substantially
92:15 94:4	146:9,13	105:18	117:12
104:23 107:5	stay 40:10	strength	success 75:17
111:3,6,12,16	steer 32:8	101:19	75:18 131:8
117:5,9 125:2	stenography	stressful	suffered 123:2
125:7 126:21	152:12	138:12	suggested 48:2
137:13,22	steps 23:7	strictly 68:8	58:12,16 74:23
138:6 142:22	steven 3:12	77:20	suggestion
143:13 149:3	stint 12:8	structure 16:10	137:14
149:15,19	stock 26:7	structures 31:4	suing 140:10
150:4,12 151:3	41:24,25 72:20	stuck 71:1,5	summaries
stand 45:24	73:15 75:17	stuff 36:9 44:21	54:17
70:20	82:9 121:5	46:9,14 50:6	summarized
standing 23:24	125:13 134:10	65:3 71:12	57:19
24:3	144:8 145:11	78:1 79:17,18	summarizes
starr 38:20,21	stockhouse	79:23,24 80:8	121:2
start 15:8 66:2	50:11 144:5,7	80:9 81:15	summary 54:8
130:11 135:10	144:9	120:9	54:11,12 66:19
started 7:5	stocks 42:16	sub 129:16	120:13 121:9
12:17,18 13:10	70:12	subject 21:16	123:16 125:14
13:19 14:23	stockwatch	21:17 96:11	sunny 3:16
15:5 22:15,16	148:8	114:21 129:4	superior 1:5
29:11 103:18		146:11 147:4	

[supervision - think]

37

supervision 55:14	tab 52:25 121:4 146:22	140:13	telling 9:4 21:7 60:7
support 13:20 25:22 64:6,12	table 121:9	talking 22:19 34:22 86:20	tembo 38:6
supported 97:17	take 11:23 14:13 17:20	96:12,22	ten 28:19 50:20
supporter 97:16	24:22 32:12	team 111:8	tends 114:19
supports 113:24	33:18 46:7	techedu 38:8	term 25:6 65:8
supposed 16:14 16:17 48:18	50:20 53:21	technologies 32:9	terms 18:17 53:7 114:13
sure 8:24 15:24 56:9 83:8,22	54:20 56:3	teenager 49:22	127:23
92:2 95:25	62:11 63:18	telephone 51:16 98:21	testimony 152:10
100:8 105:1,2	67:19 68:4	100:1	text 41:1 58:20 87:14 99:23
110:19 111:13	71:7 83:19	tell 7:6 9:6 10:13 12:4	106:25 107:25
115:24 116:17	85:12 94:17	14:9,12 16:21	142:11,17
120:11 129:11	95:1 106:25	17:6 22:13	texts 87:16
143:21 148:11	107:17 109:18	25:20 26:19,22	thank 151:12 151:16
151:9	110:18,20,21	27:15 33:6	thing 44:16 79:15 103:19
surrounding 59:5	110:24 111:4,6	43:23,24 45:3	109:24 110:11 150:20
suspended 20:18	114:12 117:5	48:25 54:12	things 26:9 28:18 44:23
sustained 122:17 123:4	118:11 124:13	57:12 59:24	46:19 51:4 64:16 66:8
swallow 72:8 73:2	124:17,24	61:4,10,24	73:8 84:7
swore 94:21,23	149:4,13 151:1 151:4	62:15 63:6,22	93:15 105:18
t	taken 2:15 6:12 138:1 141:5	66:10 75:3	108:3,3 109:16
t 1:8 2:1 6:8 60:4 103:4,4,4 103:25 142:19	151:13 152:7 152:16	78:21 81:7	110:5 130:10 135:15
	takeout 127:3 127:12	85:23 90:1,12	think 8:18 13:11 22:10
	takes 27:18	90:22 92:10,16	24:12,14 25:3 25:4,5,16 27:6
	talk 45:3 61:6,8 79:7,8 96:13	99:25 102:13	
	102:20 140:15	113:14 118:19	
	talked 21:15 28:17 68:13	121:8 129:8	
	80:23 111:19	130:5 135:15	
		142:5 143:7,15	
		143:19	
		teller 12:9	

[think - today]

38

29:11 36:5,10	120:10 121:3	thousand	93:19 95:24
37:2,13 38:14	121:15,18	125:20	102:7 109:9,10
40:16 41:4	124:4,5 126:11	threat 141:20	109:15 111:18
42:24,25 43:9	126:15 127:22	three 12:11	112:10,15
46:1,11 48:14	127:24 128:1,4	25:13 48:11,21	113:10 116:14
49:21 50:3	128:6 129:12	52:20 69:17	116:25 117:15
54:7 56:13	129:15,16,19	71:21 72:14	118:4 119:6,19
57:5,6,18,20,21	130:24,25	89:1 136:21	120:5 127:17
57:23,25 58:7	131:5,9 132:24	tied 75:16	128:5,18,22
58:10,13,14,16	132:25 133:10	tilray 33:12,16	130:13,15,17
63:9 64:22	133:21,21	33:19	131:17,21
65:9 67:22,24	135:3,8 138:23	time 8:11 12:14	133:17,23
68:5,8,22	139:10 140:20	13:18 15:5,13	135:20 136:2
69:14,18,19	140:22 141:11	15:15,21,25	137:23 138:25
70:22 71:4	141:17 143:11	16:20 17:16,19	139:21 142:14
72:1,14 73:22	146:14 148:2,6	18:6 19:2 22:6	143:7 152:7,8
74:3,22,23	148:7,17,19,25	22:7,15,16	152:11
75:18,20 76:24	thinking 96:7	23:6 24:12,13	times 25:14
77:20 78:8,14	129:18	25:2 28:2,4	26:6 28:19
78:16 79:25	thinks 58:12	30:20 32:23	39:8 40:4
80:13 81:18,18	82:17	35:22 40:4,8	43:16 45:17
81:19 83:2,6	third 55:25	43:15 44:17	76:13 78:19
89:15,18 91:25	88:25 90:7	45:5,7,19	79:9,14 99:1
93:16 96:17	135:7,9	46:22 48:1,9	timing 27:20
97:2,6,11,15,16	thought 42:15	53:16 56:18	tip 109:22
98:14 99:1,23	45:1 57:7,22	57:2 58:6,20	110:3
99:23 100:3,7	62:7 63:13	59:17,17 60:11	titled 112:21
102:3 105:16	71:18 74:3	61:14,16 64:5	113:4
105:20,20,22	99:19 110:2,7	64:22 67:5,21	tm 136:15
106:8 108:12	119:19,23	69:13 70:7	today 7:7,17,20
110:6,10 112:7	129:21 139:7	73:6 76:18	8:4,12,22 9:25
113:17,21,21	141:2 143:18	77:19 78:6,9	10:5 18:9 54:1
114:8 116:5	thoughts 18:10	78:10,12,15	91:6 99:11
117:19,21,23	57:8 108:17	83:5,13 86:8	135:12 151:15
118:7 119:21	135:2 145:9	87:8 91:15	

[together - u.s.]

39

together 42:21 62:21 63:4,7 63:23 67:23 68:13,16 69:6 97:14 98:13,17 108:18 told 13:6 22:10 24:2,22 27:14 39:24 48:6 56:12 58:3 67:2 69:5 75:1 81:2,12 91:1 91:14,20 102:25 106:11 112:14 129:6 130:25 133:13 138:11 140:6 140:10 141:17 143:3,7,14,15 143:16 tom 84:22 took 24:6,12 32:14 92:4 109:9 119:10 129:5 138:4 top 120:20 topic 129:3 toronto 10:16 10:20 22:20,22 39:25 120:6 touch 142:10 touching 41:5 tough 72:23 73:21	towards 96:6 110:12 118:8 126:4 town 78:19 trade 32:21 33:15 38:5 54:11,17 74:18 92:24 122:3 traded 32:6 34:2 38:2,24 39:13 83:2,13 84:2 88:9,18 116:21 127:9 trader 26:7 42:25 122:10 traders 41:20 trades 88:12,16 123:7,12 trading 12:23 12:23 17:8,21 24:20 25:6,23 26:3 27:11 33:5 42:15,15 54:8 70:11 83:15,17,18 114:17 116:20 118:13 123:12 125:14 126:12 129:13 147:11 150:22,24,25 traffic 66:19,22 training 14:13 trait 45:2 transaction 120:13	transactions 24:25 26:25 54:23 117:23 149:11 transcribed 152:13 transcript 135:10,11 136:12,14 137:12 138:4 143:11 152:15 transcripts 135:4 transfer 23:19 24:5,9 transferred 14:25 23:16 tremendous 74:4 tried 65:2 true 90:20 119:20 145:17 152:14 truly 71:11 truth 7:7 try 71:12 82:19 110:25 trying 30:5 62:6,10 64:4 65:11 75:3 89:24 93:4,6 93:12 108:7 113:18 125:11 141:1,24 142:1 143:23	twitter 50:1 100:20 two 10:25 20:18 22:24,25 24:18,21 34:10 35:6,16 36:13 36:16,20 38:21 39:17 43:10,18 44:6 68:8 70:21 75:21 79:19 82:18,20 86:17 89:4 98:14,14 103:12 108:9 116:3,6 127:10 128:10 139:15 141:11 type 67:13 69:19 78:1 120:10 136:10 138:16 141:20 142:1 typical 57:24 typically 42:2 63:15 65:15 141:4
u			
u 6:8,13 53:21 56:2 60:4 83:19 102:1 115:18,18 142:19 149:13 151:1 u.s. 86:13,16,18 86:19,21			

[ultimately - want]

40

ultimately 24:8 68:23 70:16 141:12 145:10 undated 136:23 under 6:12 50:2 53:22 55:14 56:3 64:20 71:22 83:20 149:14 151:2,13 152:9 understand 11:8,16 12:25 20:23 22:4 29:4 30:5 32:5 49:25 55:21 56:2 82:22 84:11 95:20 102:19 103:14 105:14 108:7 108:19 111:22 113:17,25 114:5,22 121:1 132:12 134:3 137:13,25 138:23 141:24 144:14 understanding 13:8 17:23 22:5 44:3 46:12 66:14 67:17 71:4 75:14,25 105:4 105:10,13 107:14 112:1,3 112:6 113:15	114:2,25 118:5 120:2 123:3 130:20,23 136:13 141:3 understandings 108:6 understood 18:7 40:19 43:12,22,25 67:16 119:1 undertaken 6:7 undertaking 55:4 116:24 149:5 undertakings 6:1,6 151:13 unfavourable 95:22 unhappy 120:8 united 39:2 40:11,17,20 47:4 146:9,13 university 10:16,20 unknown 1:17 unlawful 95:10 unmaskings 113:21 untoward 113:19 ups 147:14 upset 106:13 use 26:5 46:17 65:9 94:20 127:6	used 31:7 43:16 44:10 45:14,16 46:8 49:13,16 49:19 50:7 51:17,25 52:6 54:19 59:10,12 97:6 105:25 111:24 128:10 138:13 users 144:12 using 45:20 121:19 127:1 usually 58:25	verbal 61:5 verbally 23:23 24:1 verbatim 152:5 152:21 veritext 2:15 versa 89:18 version 135:17 137:5 vice 89:18 viceroi 133:25 134:25 video 142:24 views 43:5 79:15 95:21 virtual 2:16 vision 74:11 volume 46:18
		v	
		v 39:15,15 103:25 115:18 valley 39:4 value 39:21 varied 29:2 varies 79:7 various 25:25 26:6 29:6,8 51:11 70:3,18 108:1 145:12 vary 40:7 vast 17:25 29:14 81:9 87:19 venture 70:13 122:11 ventures 94:7,8 97:5 verano 35:19 35:22	
			w
			w 1:8 2:1 3:4 waiver 86:25 walhberg 13:4 walk 12:3 walked 27:5 want 10:1 48:5 53:14,14 55:15 55:21 56:8,15 68:2 75:19 80:25 88:24 93:10,11 106:23 109:15 110:15,20,21 111:8,20 127:7 135:10,19 137:9,16 138:1

[want - yeah]

41

138:7 140:14 145:24 151:4 wanted 14:15 23:8,17 28:15 45:4 47:5 48:6 75:24 95:2 96:10 139:4 141:12 143:20 wants 70:24 71:12 warily 122:11 watch 145:11 water 7:24 way 42:5 54:7 55:17 65:17 82:9 93:18 94:10 95:9 105:2 110:18 112:16 116:24 118:14 119:15 123:25 127:20 132:8,19 139:9 we've 29:16 110:15 111:19 wealth 26:8 website 144:7 148:3 websites 145:2 weed 29:12 week 40:8 79:9 weeks 79:8 wells 131:7 went 10:15 13:7 14:11 24:15 27:8,14	69:20 77:4,5,5 103:18 148:2,7 whatsapp 59:9 60:9 61:7 87:16,21,23 106:17 white 39:11 window 25:4 38:15 68:11 69:21 71:8 74:5,25 78:20 103:20 117:20 122:20 127:11 windows 124:12 wiped 108:14 wise 114:16 wish 24:3 35:25 witness 4:3 19:8,21 21:8 30:6 90:19 91:13 111:4 137:10 148:15 150:10 152:8 152:10 wolf 31:24 wondering 48:20 61:10 87:10 108:4 word 100:20 135:16,16 136:23 work 12:3 13:7 15:2,16,22 16:2 23:18	25:21 26:22 28:18 30:16,23 31:2 40:2 49:3 61:25 63:7,23 65:24 67:14 69:24 76:22 77:17 79:16 98:25 116:10 131:12 worked 39:24 62:21 63:1,4 67:22 68:12,16 68:17 69:5 97:14 98:16 102:15 121:20 working 12:10 12:18,19 13:10 14:16 26:17 39:23 40:1,5 64:5 67:6 70:19 73:5 76:11 77:20 80:6 81:13 97:10 112:15 113:11,12 128:21 139:7 works 86:18 world 119:16 129:18,21 write 28:8 64:8 121:5 127:25 writers 66:16 writing 109:4 121:13	written 123:14 wrong 30:14 54:7 wrote 123:19 x x 4:1 29:2 50:1 77:12 y y 77:13 102:1 yahoo 49:20 yeah 7:8 19:8 25:3 27:25 29:10 58:7 60:13 61:5,6 67:13,17 73:25 76:3 79:3,9 81:17 84:2 89:7,11,21 94:15 97:2,7 98:7,24 103:19 108:15 109:5,8 110:19 112:7 113:21 115:15 116:5,11 117:8 117:13 118:23 120:10 121:3 122:8 124:6,11 124:12,22 131:5 132:21 133:13,15,15 133:21,22 141:23 142:8 142:19 146:24 150:18
---	--	--	---

[year - zoom]

42

year 22:24,25
24:18,21 45:7
45:8 56:13
79:20,22 94:25
95:8
years 18:16
20:18 71:2
72:15 73:19,25
89:4 90:11
91:22 97:12
118:16 129:22
141:23
yegendorf 3:6
52:13 54:4
88:22 120:13
135:6 137:4,7
145:22

z

z 33:21 77:13
85:17
zenabis 33:21
zero 129:19
131:8,11
zoom 2:16

TAB 9

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and –

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM and ALLEN SPEKTOR**

Defendants by Counterclaim

**ANSWERS TO UNDERTAKINGS, UNDER ADVISEMENTS AND
REFUSALS FROM THE EXAMINATION FOR DISCOVERY OF
ANDREW RUDENSKY TAKEN VIA VERITEXT LEGAL
SOLUTIONS, ON THE 26TH DAY OF MARCH 2024**

Undertakings given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Undertaking	Answer
1.	218	60	4	To produce the Canadian telephone numbers in use by Mr. Rudensky in use in or around the time of the call with Mr. Kassam and Mr. DeFrancesco.	416-666-9788
2.	223	61	1	To search records for any other calls with Mr. DeFrancesco in or around the time of the lawsuit.	Mr. Rudensky cannot find any such records.
3.	493	142	19	To check records for any communications with James Stafford in advance of January 22, 2023, call from James Stafford regarding the default judgment motion.	Mr. Rudensky cannot find any such records.
4.	515	150	1	To comply with the <i>Rules of Civil Procedure</i> as it relates to the exchange of expert reports.	This process is ongoing.

Under Advisements given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Under Advisement	Answer
1.	199	53	11	To provide a detailed Schedule B to the Rudensky Affidavit of Documents that lists all documents for which privilege is claimed.	See Supplementary Affidavit of Documents of Andrew Rudensky sworn April 3, 2024 at Tab 1.
2.	202	56	2	To provide all privileged communications that are asserted other than communications between legal counsel and Mr. Rudensky so long as no third-party is included in the communication.	See Supplementary Affidavit of Documents of Andrew Rudensky sworn April 3, 2024 at Tab 1.
3.	276	83	19	To produce personal trading records for FaceDrive and Cool Holdings.	Regarding Cool Holdings, there is no pleading regarding this

Under Advisements given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Under Advisement	Answer
					<p>company, therefore any trading records regarding this company are irrelevant and will not be produced.</p> <p>There is no allegation in the Amended Claim regarding Mr. Rudensky and FaceDrive.</p> <p>Therefore, these records are irrelevant and will not be produced.</p>
4.	513	149	13	To disclose the names and addresses of the individuals who might reasonably be expected to have knowledge of transactions or occurrences at issue in the action.	Since Mr. Rudensky was not involved in the conduct alleged in the Amended Claim, he has no knowledge of any such individuals.
5.	519	151	1	To produce trading records for the period you were trading in Recon Africa.	<p>There is no allegation in the Amended Claim regarding Mr. Rudensky and Recon Africa.</p> <p>Therefore, these records are irrelevant and will not be produced.</p>

Refusals given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Refusal	Answer
1.	60	18	19	What were the terms of the settlement entered into in relation to your civil suit against Richardson GMP?	Refusal maintained. The question is irrelevant.
2.	62	19	6	Was Richardson GMP aware of the circumstances that gave rise to the IIROC investigation into your trading activities at the time you left Richardson GMP?	Refusal maintained. The question is irrelevant.
3.	62	19	16	Do you agree that you were investigated by IIROC for engaging in personal financial dealings with a client at Richardson GMP?	Refusal maintained. The question is irrelevant.
4.	65	20	8	The IIROC discipline matter refers to you entering an agreement with a client. Who is "RS"?	Refusal maintained. The question is irrelevant.
5.	66	20	14	What is "JJR"?	Refusal maintained. The question is irrelevant.
6.	68	20	25	Did you ever pay the IIROC penalty of \$80,000?	Refusal maintained. The question is irrelevant.
7.	69	21	5	You did not pay the IIROC penalty? (rephrase of previous refusal)	Refusal maintained. The question is irrelevant.
8.	70	21	19	Have you ever been subject to any other investigation or enforcement proceeding?	Refusal maintained. The question is irrelevant.

Refusals given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Refusal	Answer
9.	71	22	1	Other than IIROC, have you ever been interviewed by a regulator?	Refusal maintained. The question is irrelevant.
10.	81	25	11	What is the reason you did not meet the IIROC penalty? (rephrase)	Refusal maintained. The question is irrelevant.
11.	91	29	25	Are you aware of a corporation called Dark Horse financial Corp. that then changed its name to Henry George Capital Inc?	Refusal maintained. The question is irrelevant.
12.	95	31	8	Have you invested or provided advisory work through either Dark Horse or Henry George?	Refusal maintained. The question is irrelevant.
13.	96	31	13	Have you provided investment or advisory work through Calhoun First Financial Inc.?	Refusal maintained. The question is irrelevant.
14.	97	31	17	Have you provided investment or advisory work through FTB Capital Inc.?	Refusal maintained. The question is irrelevant.
15.	98	31	21	Have you provided investment or advisory work through Koral Financial Inc.?	Refusal maintained. The question is irrelevant.
16.	99	31	25	Have you provided investment or advisory work through C Wolf Advisors Inc.?	Refusal maintained. The question is irrelevant.

Refusals given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Refusal	Answer
17.	105	33	9	To review trading records to determine if you ever traded in CannTrust.	Refusal maintained. The question is irrelevant.
18.	183	49	9	Do you have control of any other email accounts other than those already disclosed in the litigation?	Refusal maintained. The question is irrelevant.
19.	193	51	18	Identify any telephone numbers you used from July 2020 onward.	See answer to Undertaking #1 above. The balance of the question is refused on the basis of relevance.
20.	194	52	1	Identify any IP addresses used from July 2020 onward.	Refusal maintained. The question is irrelevant.
21.	195	52	4	Identify any devices used to access the Internet from July 2020 onward.	Refusal maintained. The question is irrelevant.
22.	284	85	20	Are you associate "A" referred to in the SEC, who, according to the complaint, was directed by Mr. DeFrancesco to coordinate with Mr. Diaz and Mr. Rezk of Cool Holdings Inc?	Refusal maintained. The question is irrelevant.
23.	290	87	5	Did you and James Stafford pay your own share of legal fees in the SEC complaint you were involved in?	Refusal maintained. The question is irrelevant.
24.	302	90	3	Provide the names of the corporations you and James Stafford have co-invested in.	Refusal maintained. The question is irrelevant.

Refusals given at A. Rudensky Examination for Discovery on March 26, 2024					
No.	Qs #	Pg #	Line #	Refusal	Answer
25.	308	92	6	To check records to determine the most recent business dealing with James Stafford.	Refusal maintained. The question is irrelevant.
26.	309	92	13	To check records to determine the oldest business dealing with James Stafford.	Refusal maintained. The question is irrelevant.
27.	314	94	2	What did you most recently speak about with James Stafford?	Refusal maintained. The question is irrelevant.
28.	409	117	2	Whether you had taken a long position on Aphria on or around December 3, 2018?	See Aphria records that are attached at Tabs 2 and 3 of Mr. Rudensky's Affidavit of Documents sworn February 25, 2024.
29.	496	143	9	Why did you not answer the judge's question regarding who told you about the default judgment motion?	Asked and answered. In any event, refusal maintained. The question is irrelevant.

TAB 1

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and –

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM
and ALLEN SPEKTOR**

Defendants by Counterclaim

SUPPLEMENTARY AFFIDAVIT OF DOCUMENTS

I, **ANDREW RUDENSKY**, of the City of Naples, Florida, in the United States of America, **MAKE OATH AND SAY AS FOLLOWS:**

1. I have conducted a diligent search of my records and made appropriate enquiries of others to inform myself in order to make this Affidavit. This Affidavit discloses, to the full

- 2 -

extent of my knowledge, information and belief, all documents relevant to any matter in issue in this action that are or have been in my possession, control or power.

2. See Schedule "A" of my Affidavit of Documents sworn February 25, 2024.

3. I have listed in Schedule "B" those documents that are or were in my possession, control or power and that I object to producing because I claim they are privileged, and I have stated the grounds for each such claim.


4. I have listed in Schedule "C" those documents that were formerly in my possession, control or power but are no longer in my possession, control or power.

5. I have never had in my possession, control or power any document relevant to any matter in issue in this action other than those listed in Schedules "A", "B", "C".

SWORN by Andrew Rudensky of the City
of Naples, in the State of Florida, USA,
before me at the City of Toronto, in the
Province of Ontario, on April 3, 2024, in
accordance with O. Reg. 431/20,
Administering Oath or Declaration
Remotely.



Commissioner for Taking Affidavits
STEVEN KELLY


andrew rudensky (Apr 3, 2024 15:55 EDT)

ANDREW RUDENSKY

- 3 -

LAWYER'S CERTIFICATE

I CERTIFY that I have explained to the deponent,

- (a) the necessity of making full disclosure of all documents relevant to any matter in issue in the action;
- (b) what kinds of documents are likely to be relevant to the allegations made in the Pleadings; and
- (c) if the action is brought under the simplified procedure, the necessity of providing the list required under rule 76.03.

April 3, 2024



John Polyzogopoulos

SCHEDULE “A”

Documents in my possession, control or power that I do not object to producing for inspection.

See Schedule “A” of my Affidavit of Documents sworn February 25, 2024.

SCHEDULE “B”

Documents that are or were in my possession, control or power that I object to producing on the grounds of privilege.

Documents prepared or obtained for the purpose of providing information to my solicitors or professional advisors to obtain their advice in anticipation of litigation, or documents which were prepared or obtained during this proceeding for the use of my lawyers or professional advisors to assist them in the conduct of this proceeding and correspondence between me and my lawyers to obtain their advice in reasonable anticipation of litigation or during the course of this proceeding.

Documents which came into existence through my act, or the act of my agents in reasonable anticipation of litigation and for the dominant purpose of placing the same before my lawyers or being used in the defence of litigation reasonably contemplated.

SCHEDULE "B"

Doc	Parent/ Attachment	Parent Date	Doc Date	File Type	Title	Author	Recipient	BCC	Privilege Type
1.	P	September 30, 2021	September 30, 2021	Outlook	Re: Moez called me this morning	Andrew Rudensky	James Stafford		Litigation Privileged
2.	P	September 30, 2021	September 30, 2021	Outlook	Re: Moez called me this morning	James Stafford	Andrew Rudensky		Litigation Privileged
3.	P	September 30, 2021	September 30, 2021	Outlook	Moez called me this morning	Andrew Rudensky	James Stafford		Litigation Privileged
4.	P	March 14, 2024	March 14, 2024	Outlook	Andrew this might be useful.	James Stafford	Andrew Rudensky		Litigation Privileged; Common Interest Privileged
5.	A	March 14, 2024	April 6, 2023	Word document	Re: Moez Kassam's Detailed Schedule B-1 (RE:AOD)	Nicole J. Kelly	Won J. Kim		Litigation Privileged; Solicitor-Client Work Product
6.	P	March 27, 2024	March 27, 2024	Outlook	FW: Anon 4 – Robert Doxtator new messages and Affidavit	James Stafford	James Stafford	Andrew Rudensky	Litigation Privileged; Common Interest Privileged
7.	A	March 27, 2024	August 31, 2023	PDF	2023.08.31 Supplementary Affidavit of Documents of Robert Doxtator, Sworn August 31, 2023	Elida Dalma			Litigation Privileged; Solicitor-Client Work Product
8.	A	March 27, 2024	August 28, 2023	PDF	1 – July 2019 – Screenshots of WhatsApp Messages between Robet Doxtator and Moez Kassam				Litigation Privileged; Solicitor-Client Work Product
9.	P	March 15, 2024	March 15, 2024	Outlook	Fwd: Anson Document production – Aphria	James Stafford	Andrew Rudensky		Litigation Privileged; Common Interest Privileged

- 7 -

10.	A	March 15, 2024	March 15, 2024	Image	Image001 (002).jpg	Nicole Kelly			Litigation Privileged; Solicitor-Client Work Product
11.	A	March 15, 2024	July 22, 2020	Outlook	RE: Facedrive edits	Nathan Anderson	Michael Roussel ; Sunny Puri		Litigation Privileged; Solicitor-Client Work Product
12.	A	March 15, 2024	July 22, 2020	Word document	AAI00017372				Litigation Privileged; Solicitor-Client Work Product
13.	A	March 15, 2024	July 23, 2020	Outlook	RE : FD	Sunny Puri	Nathan Anderson ; Michael Roussel		Litigation Privileged; Solicitor-Client Work Product
14.	A	March 15, 2024	July 23, 2020	Word document	AAI00017416	Sunny Puri			Litigation Privileged; Solicitor-Client Work Product
15.	A	March 15, 2024	July 22, 2020	Outlook	Draft	Nathan Anderson	Sunny Puri; Michael Roussel		Litigation Privileged; Solicitor-Client Work Product
16.	A	March 15, 2024	July 22, 2020	Word document	AAI00017526				Litigation Privileged; Solicitor-Client Work Product
17.	A	March 15, 2024	July 23, 2020	Outlook	FD	Michael Roussel	Nathan Anderson	Sunny Puri	Litigation Privileged; Solicitor-

- 8 -

									Client Work Product
18.	A	March 15, 2024	July 23, 2020	Word document	AAI00018930	Michael Roussel			Litigation Privileged; Solicitor-Client Work Product
19.	A	March 15, 2024	July 23, 2020	Outlook	Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside	Nathan Anderson	Moez Kassam		Litigation Privileged; Solicitor-Client Work Product
20.	A	March 15, 2024	July 23, 2020	Outlook	Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside	Nathan Anderson	Daniel Kim		Litigation Privileged; Solicitor-Client Work Product
21.	A	March 15, 2024	July 23, 2020	Outlook	Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside	Nathan Anderson	Amin Nathoo		Litigation Privileged; Solicitor-Client Work Product
22.	A	March 15, 2024	July 23, 2020	Outlook	Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside	Nathan Anderson	Sunny Puri		Litigation Privileged; Solicitor-Client Work Product
23.	A	March 15, 2024	July 23, 2020	Outlook	Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside	Nathan Anderson	Taheer Datoo		Litigation Privileged; Solicitor-Client Work Product
24.	A	March 15, 2024	July 23, 2020	Outlook	Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside	Nathan Anderson	Michael Roussel		Litigation Privileged; Solicitor-Client Work Product

SCHEDULE "C"

Documents that were formerly in my possession, control or power but are no longer in my possession, control or power.

NO.	DATE	FILE TYPE	DOCUMENT
1.	Summer – September of 2021	Instagram Direct Messages	Instagram direct messages between the defendant, Andrew Rudensky, and the plaintiff, Moez Kassam.
2.	2022	WhatsApp Chat Messages	WhatsApp Chat messages between the defendant, Andrew Rudensky, and Andrew DeFrancesco regarding the defendant, Robert Doxtator

ANSON ADVISORS INC. ET AL

and

Court File No. CV-22-00653410-00CL
JAMES STAFFORD ET AL

Plaintiffs

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

SUPPLEMENTARY AFFIDAVIT OF DOCUMENTS

BLANEY MCMURTRY LLP
Lawyers
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)
Tel: (416) 593-2953
jpolyzogopoulos@blaney.com

Steven Kelly (LSO #87293B)
Tel: (416) 593-3904
skelly@blaney.com

Lawyers for the defendant, Andrew Rudensky

TAB 10

X
X

C

Court File No. CV-20-00653410-00CL

Justice Conway

May 3, 2022

Christina
IrwinDigitally signed by Christina Irwin
DN: cn=Christina Irwin, o=Ministry of the
Attorney General, ou=Superior Court of
Justice, email=christina.irwin@ontario.ca,
c=CA
Date: 2022.05.27 13:50:25 -0400**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

(Court Seal)

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP AND MOEZ KASSAM

Plaintiffs

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, AND JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 AND OTHER PERSONS UNKNOWN

Defendants

FRESH AS AMENDED STATEMENT OF CLAIM

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date _____ Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 9th Floor
Toronto ON M5G 1R7

TO: Robert Lee Doxtator
184 Albert Street
Belleville, ON
K8N 3N4

Jacob Doxtator
1150 Salem Road
Prince Edward, ON
K0K 1T0

James Stafford
Address Unknown

Andrew Rudensky
1107 Melvin Ave
Oakville, ON L6J 2V8

TABLE OF CONTENTS

A.	THE PLAINTIFFS.....	4
B.	THE DEFENDANTS	8
C.	OVERVIEW OF CLAIM	11
D.	THE DEFENDANTS' CONSPIRACY AGAINST THE PLAINTIFFS	22
	(i) Beginning in late 2018, Robert develops animus towards Plaintiffs.....	22
	(ii) In Summer 2019, Robert launches a Campaign to spread Unlawful Statements about the Plaintiffs	24
	(iii) In Summer 2020, the Conspiracy spreading Unlawful Statements about the Plaintiffs expands	28
	(iv) The Defamatory Manifesto expands on previously published false statements and falsely states and implies that the Plaintiffs' behaviour was illegal, unethical, and/or in violation of securities laws	33
	(v) The Defendants procured at least eight internet domains to facilitate widespread publication of their Defamatory Manifesto.....	35
	(vi) The Defendants conspire to lead widespread dissemination of the Defamatory Manifesto	40
	(vii) Shortly after its publication, Robert attempts to leverage the Defamatory Manifesto to extract money from the Plaintiffs and magnify his attacks.....	42
	(viii) The Defamatory Manifesto was disseminated widely online in fall 2020 and beyond.....	44
	(ix) The Second Defamatory Manifesto and other defamatory articles ...	47
E.	THE DEFENDANTS ARE LIABLE	50
	(i) The Defendants' Tortious Conspiracy Against Anson	50
	(ii) False light	51
	(iii) Intentional interference with economic relations	51
	(iv) Appropriation of personality.....	52
	(v) Internet harassment.....	52
	(vi) Defamation	53
	The Unlawful Stockhouse Statements are Defamatory.....	53
	The Defamatory Manifesto.....	58
	The Second Defamatory Manifesto	62
	Stafford Unlawful Stockhouse Statements	63

Robert Lee Doxtator's Defamatory Tweets	64
Jacob Doxtator's Defamatory Tweets.....	67
The Unsolicited Emails are Defamatory	70
The Defendants were Malicious	71
F. DAMAGES	74
APPENDIX "A" – "BETTING BRUISER" TWEETS.....	78
APPENDIX "B" – "JOHN MURPHY" TWEETS.....	97
APPENDIX "C" – JAMES STAFFORD	106
A. Stafford's Background.....	106
B. Stafford's Animus Towards the Plaintiffs.....	107
C. Stafford's Possible Location	111
D. List of www.OilPrice.com articles regarding Facedrive.....	113
E. List of www.OilPrice.com articles regarding RECO	117
APPENDIX "D" – UNLAWFUL STOCKHOUSE STATEMENTS	119
A. The July 23, 2020 Stockhouse Post.....	119
B. The August 14, 2020 Stockhouse Post.....	122
C. The August 17, 2020 Stockhouse Post.....	123
D. The August 28, 2020 Stockhouse Post.....	125
APPENDIX "E" - THE DEFAMATORY MANIFESTO	127
A. Planning the Defamatory Manifesto.....	127
B. Summary of the Defamatory Manifesto	130
C. The Defendants' Attempt to Conceal their Identities and Disseminate the Defamatory Manifesto	137
D. The Unsolicited Emails	141
E. Further Attempts to Disseminate the Defamatory Manifesto on Twitter ...	143
F. "Betting Bruiser" Tweets	145
G. Messages Publicizing the Defamatory Manifesto.....	148
H. The Stafford Unlawful Stockhouse Statements	151

CLAIM

1. The Plaintiffs, Anson Advisors Inc. (“**AAI**”), Anson Funds Management LP (“**AFM**”), Anson Investments Master Fund LP (“**AIMF**” and, together with AAI and AFM, “**Anson**”) and Moez Kassam (“**Kassam**”), claim against the Defendants, James Stafford, Andrew Rudensky, Robert Lee Doxtator, Jacob Doxtator, John Doe 1, John Doe 2, John Doe 3, John Doe 4 and other persons unknown (the “**Defendants**”), jointly and severally, for:

- (a) general damages in the amount of \$100,000,000 for conspiracy, publicity that places the plaintiffs in a false light, intentional interference with economic relations, appropriation of personality, internet harassment, and defamation;
- (b) aggravated damages of \$1,000,000;
- (c) punitive or exemplary damages of \$10,000,000;
- (d) special damages to be proven at trial;
- (e) fees and costs incurred by the Plaintiffs in investigating the persons involved in the Conspiracy (as defined below), and removing the Unlawful Statements (as defined below), in amounts to be proven at trial;
- (f) a mandatory order compelling the Defendants to remove the publications complained of in this action from all Internet websites, online message boards and social media platforms within their control;
- (g) an interim, interlocutory and permanent injunction restraining the Defendants or anyone with notice of the order from republishing the

publications complained of in this action or the Unlawful Statements (as defined below), or publishing further unlawful and defamatory statements about Anson and its current and past personnel;

- (h) pre-judgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (i) post-judgment interest in accordance with section 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (j) the costs of this proceeding on the highest allowable basis, plus all applicable taxes; and
- (k) such further and other relief as to this Honourable Court may seem just.

2. Since at least the summer of 2019 and intensifying to the present, the Defendants James Stafford, Andrew Rudensky, Robert Lee Doxtator and Jacob Doxtator have engaged in a scheme with each other and other unknown persons to damage the business and reputations of a successful securities business, Anson, and its founder, Moez Kassam. Specifically, the Defendants conspired to falsely and repeatedly claim that Kassam is a criminal and that he and his businesses are engaged in conduct that is illegal, unethical, and contrary to Canadian and United States securities regulations. The Defendants have, for example, published or encouraged the publication of the following false and defamatory statements:

- (a) “Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions”;
- (b) “Anson Funds and Moez Kassam have been destroying companies through illegal means...”;
- (c) Kassam is a “corrupted and criminal CIO [Chief Investment Officer] at Anson funds”;
- (d) “If you r [sic] an Anson Fund investor ... be prepared to have your funds locked up b/c there is a lot information floating out there that paints a picture of scams to benefit none other then Moez Kassam”;
- (e) “In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends”;
- (f) Kassam pursued “questionable and illegal activities” in “an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way: even those who helped him and ended up being disposable”;
- (g) “Moez Kassam & Sunny Puri of Anson . . . put out the report to manipulate the market so they could cover an already short position”;

- (h) "... dirty moez [sic] hurt his business parnter [sic] and lied to the founders of \$apha [Aphria Inc.]";
- (i) Kassam and Anson "just use people and don't pay anyone but themselves";
- (j) "Moez has even threatened all Anson employees with lawsuits and installed draconian measures in the office to stop leaks from employees. The fear level is rising—fast. At this point, it is becoming clearer that employees will either sink with this ship or be fired, and now the latter is starting to look more attractive than the former"; and
- (k) the OSC and SEC have "[begun] a full investigation into Anson Funds business practices (according to sources inside Anson)".

3. Statements accusing the Plaintiffs of illegal and unethical conduct, including market manipulation, fraud, insider trading, breaches of applicable securities law and regulations, and cyber crimes, are false and defamatory. This lawsuit seeks to hold the Defendants accountable for the economic, reputational, and emotional harm their lies have caused.

A. THE PLAINTIFFS

4. AAI is a corporation incorporated under the laws of Ontario. It is a private asset management firm that serves as the co-investment adviser, exempt market dealer, and portfolio manager to several investment funds in which private investors may invest their capital (collectively, the "**Anson Funds**"). It is regulated by the United States Securities

and Exchange Commission (“**SEC**”) and the Ontario Securities Commission (“**OSC**”), among other regulatory bodies.

5. AFM is a Texas limited partnership that serves as the investment fund manager for the Anson Funds. It is regulated by the SEC and the OSC.

6. AIMF is a Cayman Islands exempted limited partnership. It is Anson Funds’ flagship investment fund. The Anson investments that are the subject of the Unlawful Statements (as defined below) were undertaken by AIMF.

7. Anson uses multiple strategies to execute its investment program, including both long and short investment strategies and opportunistic investments. One subset of Anson’s short investment strategies includes short selling securities that have been overvalued by the public markets. One way in which securities can become overvalued is through fraudulent “pump and dump” schemes. In a pump and dump scheme, the perpetrators attempt to inflate the value of a stock that they own by making and/or publicizing false or misleading positive statements about the company whose stock is being traded, and then enrich themselves at the cost of other shareholders, including but not limited to by way of selling stock, paying inflated salaries, or paying parties related to the perpetrators inflated amounts without proper disclosure.

8. Short selling is a legitimate investment strategy that involves borrowing shares from a dealer and selling them in anticipation that the share price will decline. The borrower must later repurchase the shares in order to return them to the lender. If the share price has fallen by the time the borrower repurchases the shares for return, the borrower will earn a profit. By contrast, if the shares increase in value while the borrower

holds a short position, the borrower will be required to repurchase the shares at the increased price, causing a loss.

9. Short selling, as a trading activity, is subject to a well-developed regulatory regime in Canada.

10. Anson conducts and reviews research and due diligence on the market and relevant companies to inform its trades, all based on publicly available information. When Anson determines that the stock of a public company may be overvalued and/or conducts short sales, its scrutiny may threaten individuals who perpetrate pump-and-dump and other fraudulent securities schemes, or who otherwise benefit from inflated securities. Anson complies with all applicable investment rules and regulations in all trading transactions it undertakes.

11. A “naked” short sale is a colloquial term that is generally understood to refer to when an investor sells shares in anticipation that their price will decline without first having a reasonable belief that it can borrow the shares that it sold. Anson does not engage in naked short selling, and as described above complies with all applicable investment rules and regulations.

12. The capital markets rely on the free flow of public information about publicly traded companies. Further, publication of analyses of public companies is a routine feature of the capital markets, including where the entity publishing the analysis has made an investment (either short or long) in the securities of the company in question. In the ordinary course of its business, Anson from time to time discusses its research and investment analyses and theses with others in the industry. This is done to conduct

research, stress test due diligence and investment theories, learn potentially variant points of view and solicit other independent analyses. To the extent analyses that are published by others align with Anson's – or other investment funds' – views, this is simply the result of various individuals involved in the capital markets independently reaching the same conclusions based on the same publicly available information.

13. Moez Kassam is a founder of Anson, and a director and the principal, Chief Executive Officer and Chief Investment Officer of AAI. Kassam is 41 years old. He founded Saunders Capital Master Fund LP, the predecessor to AIMF, in July 2007 at the age of 26, and has since built Anson into a billion-dollar investment firm. In 2018, Kassam was named to Canada's Top 40 Under 40 for extraordinary achievement in business and philanthropy. He is an executive member of the Young Presidents Organization's Maple Leaf Chapter, and previously served on its board as Education Officer. He sits on the boards of directors of the Canadian Olympic Foundation, Toronto Public Library Foundation, Friends of Aseema, and Kids Cook to Care. He also serves as a line of credit guarantor for Windmill Microlending, which supports immigrants and refugees who come to Canada with education, skills and experience but struggle to resume their careers here.

14. Through the Moez & Marissa Kassam Foundation, Kassam has donated millions of dollars to Canadian charitable causes, including the Sunnybrook Foundation, the SickKids Foundation, Community Food Centres Canada, the Michael Garron Hospital Foundation, the Canadian Foundation for AIDS Research (CANFAR), Together We Stand Foundation, the Institute for Canadian Citizenship, the South Asian Legal Clinic of Ontario and many others. In fiscal year 2021 alone, the Moez & Marissa Kassam Foundation donated over one million dollars to various Canadian charitable entities.

15. Kassam provides advice with respect to AIMF and all of Anson's other funds under management and is ultimately responsible for Anson's investment strategy, trading, and overall investment performance. Kassam is the face of Anson and is well known in the industry as such.

B. THE DEFENDANTS

16. The Defendant James Stafford ("**Stafford**") is the principal of A Media Solutions Limited, a private company that was incorporated in 2012 and is registered in England and Wales, which operates the website www.OilPrice.com. He is also the principal of Advanced Media Solutions, a company incorporated in the British Virgin Islands, which owns www.OilPrice.com. Although Stafford styles himself as a "journalist", "publisher" and "editor" of www.OilPrice.com, he is, in fact, a stock promoter. Stafford has made millions of dollars as a stock promoter by writing sensationalist yet glowing articles about companies that advertise with him. Despite extensive efforts to attempt to identify Stafford's residential address, the Plaintiffs do not know Stafford's address and do not know where he resides. Stafford appears to have connections to numerous jurisdictions and it is unknown to the Plaintiffs whether Stafford's residential address is in Mexico, England, the Bahamas, or elsewhere. He maintains operations in Mexico and has a business registered there; at least four employees of www.OilPrice.com are based in Mexico; several of the Unlawful Statements (as defined below) were published from Mexico on the website Stockhouse (which provides market news and analysis regarding companies with small market capitalizations, as well as message boards for users to discuss securities issuers) as discussed in paragraphs 53 to 61 below and in **Appendix "C"** at section C; and Stafford himself, using the Stockhouse account "ToffRaffles" (which

is linked to one of his email addresses) published Unlawful Statements on Stockhouse from an IP address originating in Mexico (as discussed in paragraph 106 below). For further information on Stafford's background, companies and possible location, see **Appendix "C"** at sections A and C.

17. The Defendant Andrew Rudensky ("**Rudensky**") resides in Toronto, Ontario. Rudensky is a partner of The Delavaco Group, a small merchant bank with a historical working relationship with Stafford. Rudensky previously worked as an advisor at Richardson GMP Limited from November 2009 until September 2015.

18. In July 2018, the Investment Industry Regulatory Organization of Canada ("**IIROC**") found that Rudensky had violated IIROC Dealer Member Rules by engaging in personal financial dealings with one of his clients and by making false and misleading representations to his firm. Rudensky had borrowed \$3 million from a client to finance a trade and misrepresented the source of the funds to Richardson GMP Limited. IIROC found that Rudensky's "misconduct and lack of honesty harmed market integrity and the reputation of the marketplace. He breached the fundamental principle of trust in the business." IIROC ultimately suspended Rudensky from his IIROC registration for two years, ordered him to pay fines and disgorgement totalling \$55,923, and ordered him to pay IIROC's costs of \$24,500. The Ontario Securities Commission upheld that decision upon review.

19. The Defendant Robert Lee Doxtator ("**Robert**") resides in Belleville, Ontario. He is a founder of Harvest Moon Cannabis Company (a company providing research and due diligence services) and is a business development consultant in the cannabis industry. In

the past, Robert has shared due diligence with Anson. Robert operates a Twitter account under the username @BettingBruiser. It has over 14,000 followers. The “Betting Bruiser” Twitter profile states: “@HarvestMoon420 Founder -#Potstocks Legal & Business Development Consultant Inquiries: HarvestMoonCannabisCo@gmail.com.” It is well known in the Canadian investment industry that “Betting Bruiser” is Robert.

20. Robert, as “Betting Bruiser”, is a prolific Twitter user and has repeatedly used his Twitter account to publish offensive content, including content disparaging of immigrants, women and members of the LGBT community.

21. While Robert holds himself out to be a lawyer, including in posts on the “Betting Bruiser” Twitter account, there is no record of his being admitted to practice law in any province or territory of Canada.

22. The Defendant Jacob Doxtator (“**Jacob**”) is the cousin of Robert. He also resides in Belleville, Ontario. He operates, in coordination with Robert, a Twitter account through an alter-ego named “John Murphy” under the username @JohnMur67039142. Unlike with “Betting Bruiser”, it is not commonly known that Jacob operates the “John Murphy” Twitter account. The Defendants went out of their way to use this account to conceal their identities as part of their scheme against Anson. Although Jacob lives in Belleville, the Twitter account states that “John Murphy” lives in the state of Georgia in the United States. The John Murphy account was removed from Twitter in or around March 2021, after this claim was brought and Jacob was served.

23. The Defendants John Doe 1, John Doe 2, John Doe 3, John Doe 4 and other persons unknown (the “**Unknown Defendants**”) are individuals whose identities are

presently unknown, but who are believed to have the means and business motivation to seek to harm the Plaintiffs. The Unknown Defendants may reside in the United States or elsewhere outside of Canada. The Plaintiffs will substitute the actual names of these Defendants after they have been discovered.

24. More generally, the Plaintiffs reserve their right to make, or seek to make, amendments to this pleading to incorporate additional material facts and information that they discover.

C. OVERVIEW OF CLAIM

25. Stafford, Rudensky, Robert, Jacob (Robert and Jacob together are referred to as the “**Doxtators**”) and the Unknown Defendants are parties to a sophisticated, coordinated scheme to damage the Plaintiffs’ business and reputations (the “**Conspiracy**”).

26. In particular, and as described further below, in furtherance of this Conspiracy, the Defendants maliciously and intentionally entered into an agreement to conspire with one another and committed acts with the predominant purpose of injuring the Plaintiffs by damaging their business and reputations. In addition, or in the alternative, in furtherance of this Conspiracy, the Defendants have acted in a concerted and coordinated effort while using unlawful means aimed at the Plaintiffs, including but not limited to acts that amount to defamation at law, when they knew, or ought to have known, that significant harm to the Plaintiffs would result. In fact, the Defendants have caused significant damage to the Plaintiffs’ business and reputations through their unlawful, improper conduct. Furthermore, the Defendants took sophisticated steps to conceal their identities and advance the Conspiracy anonymously (using, among other things and as described

further below, offshore web developers based in Bosnia and Herzegovina, temporary “burner” email addresses, virtual private networks (“VPNs”), fake identities, anonymous Twitter profiles, and more) because they knew that they were engaged in unlawful conduct. The Defendants are savvy about capital markets and deliberately fabricated allegations about the Plaintiffs – or at best were reckless as to whether the allegations were false – in order to sabotage their business. In addition, some or all of the Defendants are routinely engaged in pump and dump schemes and publicly blame the Plaintiffs when the artificially inflated share prices of the companies at issue ultimately return to their lower, intrinsic levels.

27. In the Conspiracy, Stafford, Rudensky and the Doxtators coordinated and agreed with one another and with the Unknown Defendants to harm the Plaintiffs through a carefully planned and executed plot. This plot has included fabricating, spreading and publicizing a series of unlawful, abusive, false, malicious, harassing and defamatory statements about Anson, Kassam and other individuals connected with Anson (the “**Unlawful Statements**”), including by first publishing defamatory comments on the website Stockhouse, and then on a series of websites generated by the Defendants, as set out below, in an attempt to manufacture a narrative to harm Anson and Kassam; hiring freelance web developers based in Bosnia and Herzegovina to register the websites on which Unlawful Statements were posted, for the purpose of concealing the Defendants’ identities; taking other sophisticated steps to obscure their identities while disseminating Unlawful Statements, including hiring Bosnian developers, using VPNs, burner email addresses and false identities; sending targeted communications containing the Unlawful Statements via email, including to reporters, as well as disseminating the Unlawful

Statements on Twitter, Reddit and other platforms; and attempting to improperly attract media attention to the Unlawful Statements. Moreover, the Defendants have sought to disseminate the Unlawful Statements internationally to individuals in (at least) the United States (where the Plaintiffs do business) as well as in Canada, with the intention of causing maximum, widespread harm to the Plaintiffs.

28. Steps taken by the Defendants pursuant to the Conspiracy include the following:

- (a) in summer 2019, some or all of the Defendants, and in particular Robert, began a campaign to spread Unlawful Statements about the Plaintiffs on Twitter through Robert's "Betting Bruiser" Twitter account;
- (b) in July and August 2020, in a further concerted and coordinated effort, the Defendants increased their efforts and conspired to post Unlawful Statements on message boards on the website Stockhouse. These Unlawful Statements were viewed by many thousands;
- (c) beginning on or around September 27, 2020, after the Plaintiffs took steps to have the Unlawful Statements on Stockhouse removed, the Defendants conspired to anonymously write, publish and disseminate a lengthy Internet post containing Unlawful Statements about the Plaintiffs (the "**Defamatory Manifesto**") on a series of websites. The Plaintiffs believe that Stafford led the effort to draft and publish the Defamatory Manifesto, including because Stafford styles himself a "journalist" and is often hired as a promoter of stocks – including those mentioned in the Defamatory Manifesto – in pump and dump schemes, with the aim of creating publicity in order to artificially

and often temporarily inflate the share price of companies in which his clients have a financial interest. The Defamatory Manifesto also mimics Stafford's sensationalist writing style. The Plaintiffs further believe that Robert and Rudensky directly participated in the preparation and/or drafting of the Defamatory Manifesto, including (but not limited to) supplying Stafford with many of the false and defamatory allegations against the Plaintiffs, which Stafford then incorporated into the Defamatory Manifesto. However, the precise roles of the Defendants in crafting and disseminating the Defamatory Manifesto are known to them alone, and not yet known to the Plaintiffs;

- (d) The Defendants knew that the allegations in the Defamatory Manifesto were false and defamatory, and intended to make and widely distribute these false, defamatory and misleading allegations. They sought to imbue the Defamatory Manifesto with credibility by falsely calling it an "investigation". It was viewed by tens of thousands of people, and counting;
- (e) as part of the Defamatory Manifesto, the Defendants set up a "tipline" operated by Stafford to collect further false and defamatory allegations against the Plaintiffs;
- (f) the Defendants hired freelance web developers based in Bosnia and Herzegovina to register the websites on which they published the Defamatory Manifesto, to obscure the websites' origins and conceal the

Defendants' involvement in the publication, something that would only be part of a sophisticated plot;

- (g) after the Plaintiffs were forced to take steps to have websites publishing the Defamatory Manifesto taken down, the Defendants again re-published it on new websites, which were once again created in a manner to conceal the Defendants' involvement. A version of the Defamatory Manifesto remains available on the Internet;
- (h) the Defendants used alter-ego Twitter accounts, and/or hired or otherwise procured or involved additional conspirators, to further disseminate and publish links to the Defamatory Manifesto;
- (i) the Defendants, similarly concealing their identities through alter-egos, using fake email addresses and Twitter accounts and VPNs, and/or by hiring or otherwise procuring or involving additional conspirators for this purpose, publicized and provided links to the Defamatory Manifesto on various Internet message boards and chat rooms. These message boards and chat rooms related to the Canadian and U.S. securities markets and are frequented by investors;
- (j) the Defendants also used alter-ego Twitter accounts to publish further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs, including wishing harm to come to Kassam, and inciting or encouraging others to harm him;

- (k) the Defendants published further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs through targeted emails sent from an anonymized email address;
- (l) the Defendants generated an Excel spreadsheet titled “Journalists.xlsx” that was made up of a list of journalists, news editors and others in the business community to whom the Defamatory Manifesto would be sent, with the goal of maximizing its distribution (the file was created on September 30, 2020 and listed 2,854 names). In the metadata, James Stafford (who purports to be a “journalist” with access to such contacts) is indicated as the “author” of this spreadsheet. The Defendants sent the Defamatory Manifesto to the media in a concerted but unsuccessful attempt to use the media to further publicize the Unlawful Statements and lend them a false and unwarranted air of credibility;
- (m) from fall 2020 through at least spring 2021, the Defendants continued their coordinated defamation campaign by publishing false and defamatory Unlawful Statements in over 1,000 posts on the website Stockhouse. The Defendants took steps to conceal their identities and obscure the origin of these additional Stockhouse posts by using VPNs, and temporary email addresses;
- (n) on June 28, 2021, after the initial Statement of Claim in this matter was issued, the Defendants published a sequel to the Defamatory Manifesto on the website www.marketfrauds.to, titled “Moez Kassam & Anson Funds Part

II: Rotten to the Core” (the “**Second Defamatory Manifesto**”). The Defendants published several other false and defamatory posts about the Plaintiffs on this website, including audio recordings provided by Robert, demonstrating his involvement in the preparation and/or drafting of the Second Defamatory Manifesto, as described further below. The Second Defamatory Manifesto was released on June 28, 2021, days after critical commentary regarding Reconnaissance Energy Africa Ltd. (“**RECO**”), a stock that Stafford was hired to promote, as set out below, was published: *The Globe and Mail* published an article questioning the legitimacy of RECO on June 20, 2021. Viceroy Research, another forensic research firm, published analysis also questioning the quality of RECO assets and stock value on June 24, 2021. Stafford used the Plaintiffs as a scapegoat to distract attention from adverse developments involving companies in which he had an interest.

29. As a result of the Defendants’ conduct, the Unlawful Statements have been publicized broadly on the Internet, on various websites and online message boards, including Reddit and Stockhouse, and on Twitter. They have been disseminated widely, causing unwarranted adverse publicity for Anson that has significantly disrupted and damaged its business. In fact, as of the date of this Fresh as Amended Statement of Claim, the Secondary Defamatory Manifesto is on the “first page” of Google search results for Moez Kassam.

30. The Defendants have the means to attack the Plaintiffs through the Conspiracy and are motivated by an animus against Anson because of its scrutiny of overvalued

stocks and pump-and-dump schemes, some of which Stafford or the other Defendants stood to benefit from. Stafford is paid significant sums of money (millions of dollars) as a stock promoter and has been involved in several pump and dump schemes. In particular, the Plaintiffs believe that the Defendants have targeted them in their malicious and illicit Conspiracy because part of Anson's investment strategy involves scrutinizing overvalued companies, including, in the past, those in the cannabis industry, and including overvalued companies which Stafford promoted and/or invested in.

31. As was the case with other investment firms in 2018, one of Anson's investment strategies involved short-selling securities of several Canadian-operated publicly listed cannabis companies that it believed to be overvalued. Many investment firms, in the ordinary course of business, established short positions against Canadian cannabis companies whose stock prices they believed to be overvalued based on their business fundamentals. Some of these cannabis companies were referred to in the Unlawful Statements.

32. The Unlawful Statements falsely attribute to the Plaintiffs an almost preternatural power to choose securities where they can cause the share price of a company to decline. The Plaintiffs did not cause the share prices of the companies mentioned in the Unlawful Statements to decline. Market fundamentals – alongside overall waning investor sentiment and the actual performance of these companies, among other factors – did. In most cases, the valuations of such companies had at one point fallen 70% or more from their peak price.

33. The Defendant Rudensky has an animus against Anson and Kassam tracing back to at least December 2018, when an independent forensic financial research firm, Hindenburg Research, posted critical findings about Aphria Inc. (“**Aphria**”), a publicly traded cannabis start-up. During this period, Aphria’s stock price fell over 40%. The critical research findings related to a key promoter of Aphria who is one of its founders, Andy DeFrancesco. DeFrancesco is the CEO of The Delavaco Group, a merchant bank of which Rudensky is a partner. Rudensky wrongfully blamed the Plaintiffs for Hindenberg’s critical research findings regarding Aphria.

34. The Defendant Stafford has an animus against Anson and Kassam tracing back to at least mid-2020, including but not limited to in connection with the companies Facedrive Inc. (“**Facedrive**”) and RECO. Stafford has a significant financial interest and exposure to Facedrive and RECO, which gave him an incentive to diminish and disparage critical commentary about those companies. As a result, Stafford publicly and wrongfully used the Plaintiffs as scapegoats to blame for Facedrive and RECO’s share prices declining, and in particular he blamed the Plaintiffs for the critical research findings about Facedrive and RECO published by Hindenburg Research and Viceroy Research respectively. In fact, the share prices of overvalued companies like FaceDrive and RECO decline not because of the Plaintiffs’ influence, but rather because of market fundamentals.

35. Stafford is a stock promoter and was hired, directly and/or indirectly, to promote, and artificially inflate the volume and/or price of, Facedrive shares using his website, www.OilPrice.com. The public disclosure on www.OilPrice.com stated in part that the purported articles about Facedrive “**should be viewed as a commercial advertisement**

only. We have not investigated the background of the featured company. Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases” (emphasis added).

36. In total, Stafford directly and indirectly, at one point in time, owned up to approximately 1.5 million shares in Facedrive (worth roughly \$8 million at the time the agreement was press released by Facedrive), some of which he received as compensation for stock promotion, and some of which he purchased on the open market. As a result, Stafford had a significant incentive to inflate Facedrive’s share price.

37. These incentives gave Stafford the impetus to engage in the Conspiracy and spread Unlawful Statements about the Plaintiffs. Given Stafford’s financial interest in Facedrive, he has an incentive to undermine and disparage critical commentary about Facedrive, published by market participants or other observers, which questions its intrinsic value. On July 23, 2020, Hindenburg Research published research findings that were critical about Facedrive. That same night, the first Unlawful Statements about the Plaintiffs were published on Stockhouse.

38. Stafford was also hired to promote, and artificially inflate the volume and/or price of, RECO’s shares. Since January 2020, Stafford and/or his companies have published over twenty false and misleading articles promoting RECO on www.OilPrice.com. The disclosure on these articles indicates that Stafford was paid US\$280,000 for a series of four articles in January 2021. All of the articles consistently disclosed that Stafford and/or

his companies own shares in RECO and accordingly have a substantial incentive to see the share price perform well.

39. Stafford's financial interest in RECO once again motivated him to spread Unlawful Statements about the Plaintiffs as part of the Conspiracy. On June 20, 2021, *The Globe and Mail* published a critical article about RECO. On June 24, 2021, Viceroy Research, another forensic research firm, expanded on *The Globe and Mail's* reporting and posted further critical findings about RECO. The critical findings included allegations that RECO had engaged in stock promotion and had other fundamental issues. The Second Defamatory Manifesto was published on June 28, 2021, a few days after Viceroy Research released its first report regarding RECO.

40. For further information on Facedrive, RECO and Stafford's animus towards the Plaintiffs, see **Appendix "C"** at section B.

41. With respect to the Defendant Robert, he has an animus against Anson and Kassam, which is in part based on his claims that he has not been paid for due diligence that he shared with Anson. In October 2020, he aggressively attempted to obtain a significant and unwarranted amount of money from Anson, plus an indemnity and immunity, in exchange for certain due diligence he shared with Anson, and for information on the identity of the Unknown Defendants, which he confirmed he knew. Robert utilized the circumstances – the publication of the Defamatory Manifesto and other Unlawful Statements – to attempt to pressure Kassam and Anson to pay him significant amounts, giving his demands the air of extortion. While not all aspects of Robert's animus against Anson and Kassam are known to the Plaintiffs, the animus is consistent with past racist

tweets by Doxtator, and in light of the fact that Kassam, other senior employees at Anson, and their spouses are not Caucasian.

42. Though all of the parties behind the Conspiracy to damage the Plaintiffs' business and reputation are not known at this time, the damage wrought by their illegal conduct is clear.

D. THE DEFENDANTS' CONSPIRACY AGAINST THE PLAINTIFFS

(i) Beginning in late 2018, Robert develops animus towards Plaintiffs

43. Beginning in late 2018, Robert developed a malevolent animus towards the Plaintiffs, and in particular towards Sunny Puri ("**Puri**"), a Principal and Portfolio Manager at Anson. Indeed, as set out below, Robert's animosity towards Puri has included threatening violence.

44. Anson and Kassam first met Robert in late August 2018, when they discussed the prospect of him providing consulting services to Anson via the company he had founded, Harvest Moon Cannabis Company. Over a series of messages exchanged between Kassam, on behalf of Anson, and Robert, Anson and Robert agreed that Robert would provide Anson with due diligence, and that if Anson chose to trade on any due diligence provided by Robert, it would pay Robert 15% of any profits it made on the trade. Anson could and did independently decide, based on its own process, if it would trade any securities discussed with Robert.

45. In the months after August 2018, Robert shared limited due diligence with Anson regarding certain public companies, but Anson did not trade on any of that information at that time. Robert became irrationally angry with Anson, and with Puri in particular,

because Robert thought – incorrectly – that Anson had traded profitably on the limited due diligence he had provided and that Anson had shared this information with others. In November 2018, Robert told Allen Spektor (the person who introduced Robert to Anson) that he wanted Puri fired. On November 8, 2018, Robert wrote to Spektor via a messaging app that “I’m never moving on...And if I see sunny [sic] I might kick him in the teeth[.] Straight up[.] Your friend is a SHYSTER”.

46. In or around August 2019, Robert provided Anson with diligence concerning General Electric (the “**GE Diligence**”), which Anson did use in respect of a trade. Specifically, on or around August 15, 2019, Anson purchased approximately 5,000 put options in GE, which allow for the right to short sell the equivalent of 500,000 shares. Anson also sold short approximately 430,000 common shares of GE. Anson subsequently closed both positions. Kassam informed Robert about Anson’s trades in GE in real time in order to be completely transparent about how Anson was using the GE Diligence. In the aggregate, Anson’s GE trade yielded a profit of US\$121,073.70. Anson was prepared to pay Robert 15% of its profit, or US\$18,161.06, for the GE Diligence in accordance with its arrangement with Robert.

47. Despite this transparency, Robert refused to accept the amount he was owed for the GE Diligence because he falsely claimed, without any basis, that Anson had “made millions” using it. Instead, Robert began to threaten legal action, as well as physical violence and other retribution.

48. On August 21 and 22, 2019, Robert sent Kassam the following messages (emphasis added):

I'm working on a report

It's called the biggest predatory fund in Potstocks...

I'm going to talk to my lawyer also cause I'm sick [of] people like trying [to] fuck me over...

I'm going to talk to my lawyer sorry Moez sick of this...

So tomorrow I reveal your friendly bear

Just getting started

Reports ready to go...

You fucked over wrong person for last time Moez

Tweets pretty popular

Media already texting me for the story

49. In September 2019, while Puri was in a meeting at a professional conference at the Shangri-La Hotel in Toronto, Robert threatened to physically assault him in front of other conference attendees.

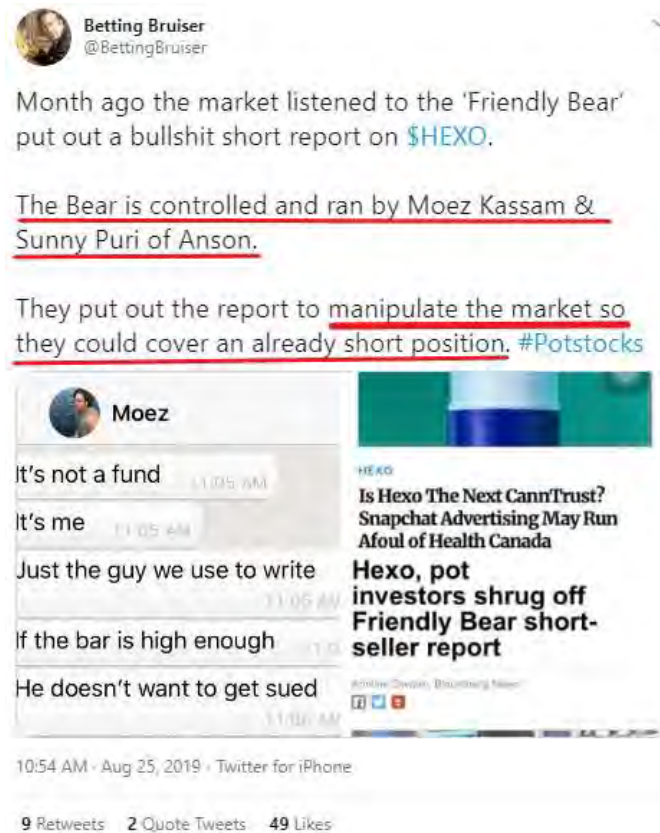
50. After August 2019, Anson never again worked with Robert.

(ii) In Summer 2019, Robert launches a Campaign to spread Unlawful Statements about the Plaintiffs

51. In late August 2019 – a few days after threatening to begin to publicly “reveal” purported content about Anson – Robert unleashed a series of tweets through his Betting Bruiser account making false and defamatory Unlawful Statements about the Plaintiffs. Just as Robert had threatened Kassam, “Betting Bruiser” tweeted false allegations that

Anson and Kassam had commissioned a report that the Friendly Bear, an independent research outfit, had published regarding Hexo Corp., a cannabis company. In particular:

- (a) on August 25, 2019, “Betting Bruiser” tweeted false allegations about Anson’s purported involvement in the Friendly Bear report. He falsely alleged that Anson “controls” the Friendly Bear – which allegations also appeared in the Defamatory Manifesto over a year later. He included in the tweet a screen shot of text messages from Kassam, which he presented out of context and in a misleading manner (emphasis added below):



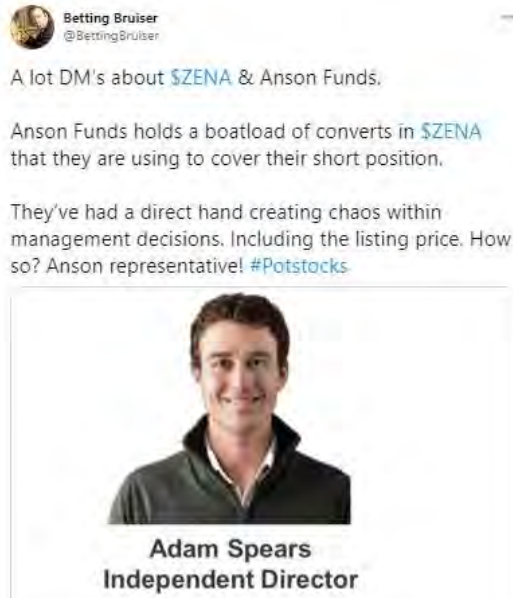
To be clear, neither Anson nor Kassam owns or controls (or owned or controlled at the time) the Friendly Bear. As described above, publication of

public company analysis is a routine feature of the capital markets. Anson and other market participants routinely share investment theses (based on publicly available information) with others in the industry for the purpose of stress testing such theses. To the extent individuals publish reports on public companies, these may or may not accord with the views of Anson and other investment firms. Anson does not “control” such analysts, who independently form their own views regarding companies and independently choose if and when to publish reports;

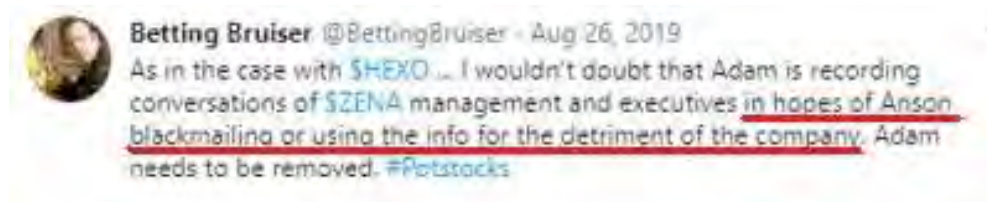
- (b) later the same day, he tweeted about his plan to “expose” Anson. This tweet falsely stated that Anson had connections to market manipulators, and that the Anson funds had “created” a “death spiral” in public companies in order to “cash out their short positions”:



- (c) on August 26, 2019, “Betting Bruiser” published several tweets falsely alleging that Anson used a representative, Adam Spears, on the Board of Directors of a cannabis company named Zenabis Inc. (“**Zenabis**” or “**\$ZENA**”) to intentionally and negatively influence the company’s business decisions and artificially reduce its share price:



- (d) later that same day, he tweeted false allegations that Spears was recording conversations among Zenabis management so that Anson could blackmail the company or use the information to its detriment (emphasis added below):



52. On March 11, 2020, “Betting Bruiser” tweeted a photo of Puri, commenting: “The biggest chicken hawk that I’ve ever met in my life. Every time I see him we have words. Sunny Puri from Anson Funds. If you’ve ever crossed paths with him then your stock is likely -95% from its high and he holds your [fate] in his hands via convertible debt. #PotStocks”. This demonstrates the personal animus that Robert holds towards Puri.

(iii) In Summer 2020, the Conspiracy spreading Unlawful Statements about the Plaintiffs expands

53. In July and August 2020, the Defendants conspired to spread the publication of the Unlawful Statements on the Internet, including via posts published on the website Stockhouse. They published posts on Stockhouse on:

- (a) July 23 (the “**July 23 Stockhouse Post**”),
- (b) August 14 (the “**August 14 Stockhouse Post**”),
- (c) August 17 (the “**August 17 Stockhouse Post**”), and
- (d) August 28, 2020 (the “**August 28 Stockhouse Post**” and collectively, the “**Unlawful Stockhouse Statements**”).

54. The August 14, 17 and 28 Stockhouse Posts were published from Mexico.

55. The Defendants have also continued to publish further and additional Unlawful Statements on Stockhouse through at least spring 2021 (collectively, the “**Further Unlawful Stockhouse Statements**”). Many of the Unlawful Stockhouse Statements and Further Unlawful Stockhouse Statements were published using IP addresses originating in Mexico, predominantly Mexico City, the surrounding area, and the nearby city of Toluca. At least four employees of www.OilPrice.com are based in Mexico.

56. For example, as set out above, on July 23, 2020, Hindenburg Research published a critical report about Facedrive, a company whose stock Stafford was hired to promote.

57. Stafford and the other Defendants conspired to anonymously publish a post titled “The Real Story on Moez Kassam and Anson Funds – Part 1” on Stockhouse on July 23, 2020, under the pseudonym “JusinTime”:



58. The July 23 Stockhouse Post called Kassam a “criminal” and included statements accusing him of engaging in illegal, unethical, and “corrupt” business practices as well as egregious personal attacks, which were intended to damage his reputation and turn investors away from him. The accusations are false and defamatory.

59. The July 23 Stockhouse Post accused Kassam of being “corrupt and criminal” and asserted that his practices included “treading on people, lying and using every trick in the book to bring companies down that he bet against” (emphasis added below):

So here is the beginning part of the tale about the corrupt and criminal CIO at Anson funds?
 A few short years ago Moez Kassam was a high flying star in the hedge fund space. He had \$1 billion under management (now down to \$250 million and falling) and was the praise of the financial community. But what people don't know is that his media praise was paid for (like when Toronto Life covered his wedding – paid for and made to look like an editorial - shame). But even worse he made his money the dirty way, treading on people, lying and using every trick in the book to bring companies down that he bet against. Whatever it took, whoever he ruined financially or reputation wise he would do it to turn a profit.

60. For more detail on the July 23 Stockhouse Post and information regarding the Unlawful Stockhouse Statements that followed, see **Appendix “D”**.

61. Other posts containing Unlawful Statements against the Plaintiffs, in addition to those described in **Appendix “D”**, were published on Stockhouse throughout July and

August 2020 via Mexican IP addresses. Stockhouse users located in Mexico City and surrounding areas were some of the most active and frequent posters of Unlawful Statements on Stockhouse. Later, as set out further below, a Stockhouse account named “ToffRaffles”, which is controlled by Stafford, published several Unlawful Statements on Stockhouse via a Mexican IP address associated with Mexico City.

62. Following communications with Stockhouse and in light of its website terms and conditions of use, which prohibit unlawful or defamatory content, the Plaintiffs were able to have the Unlawful Stockhouse Statements removed from the Stockhouse website.

63. Almost immediately after the removal of the Unlawful Stockhouse Statements, the Defendants conspired to curate a lengthier publication adding to the false and defamatory statements they previously published via the Unlawful Stockhouse Statements. Then they took to other means to broadly disseminate the Unlawful Statements as part of their concerted and coordinated effort to defame the Plaintiffs.

64. On September 10, 2020, “John Murphy” tweeted that Anson and Kassam were engaged in unlawful market manipulation, and that regulators should scrutinize Anson and Kassam, tagging the Twitter accounts of Robert (“Betting Bruiser”); Jeff Kehoe, head of enforcement of the OSC; and Daniel Dale, a reporter with CNN who formerly reported for The Toronto Star:

these reverse pump and dumps must be watched more closely by the regulators. moez and his band fund these trades every week @ClarityToast finds the next fraud that he is paid to profile. @BettingBruiser @ddale8 @JeffKehoeOSC \$apha \$fd \$gfl \$nkla

65. A few days later, on September 12, 2020, “John Murphy” tweeted (emphasis added):

anson is a very corrupt cad fund nake [sic] shorting many small cap co's and when they get in trouble / want to cover ***they pay groups like @HindenburgRes to say the co is a fraud and going to zero***. how many zeros have they called, the bottom is normally around when the piece comes out

66. In or around summer or early fall 2020, Stafford, Rudensky and/or Robert met or spoke and agreed to concoct defamatory allegations against the Plaintiffs and coordinate the content of the Defamatory Manifesto. They were motivated by their respective animus against the Plaintiffs, as described herein. Stafford was aware of Robert's animus against the Plaintiffs because he had publicly documented it via Twitter. Stafford and Rudensky had previously met given that Rudensky's employer, the Delavaco Group, worked with Stafford on several occasions to promote stocks through www.OilPrice.com.

67. Stafford, Rudensky and/or Robert met or spoke on at least four occasions to plan the Defamatory Manifesto. At those meetings, some of which were recorded and/or transcribed, Stafford solicited Robert and Rudensky for material to include in the Defamatory Manifesto. Robert and Rudensky – purportedly acting as “sources” for Stafford as a “journalist” – made false and defamatory allegations against the Plaintiffs that they knew and intended that Stafford or others would use in the Defamatory Manifesto. Stafford, Robert and Rudensky planned to publish the Defamatory Manifesto anonymously because they knew the allegations it contained were defamatory. When Robert later spoke to Kassam about the Defamatory Manifesto, he falsely told Kassam that, although he knew about the Defamatory Manifesto, he was not involved in its drafting

or publication, and instead blamed only Stafford and Rudensky (as described in paragraphs 98-99 below).

68. Excerpts from transcripts of meetings and/or conversations between Stafford, Rudensky and/or Robert to plan the Defamatory Manifesto are included in **Appendix “E”** at section A. As set out in **Appendix “E”** at section A, the excerpts from the transcripts establish that: Rudensky was involved in preparing the Defamatory Manifesto; Stafford and Robert discussed drafting the Defamatory Manifesto, with Stafford asking Robert to draft false and defamatory allegations against the Plaintiffs; Stafford, Rudensky and Robert intended to harm the Plaintiffs by targeting their relationships with brokers and regulators; Stafford was paid to promote Facedrive; Stafford and Robert discussed Rudensky’s employer, Andy DeFrancesco; and Robert was involved in critical research findings published about public companies, including Aphria.

69. Stafford, Rudensky, Robert, Jacob and the other Unknown Defendants then wrote or contributed to the Defamatory Manifesto – using the material provided by Robert and Rudensky as well as material from other Defendants and other sources – and/or published, disseminated or publicized the Defamatory Manifesto, as set out below.

70. On or around September 27, 2020, the Defamatory Manifesto – a 20-page screed titled “Moez Kassam and Anson Funds: A Tale of Corruption, Greed and Failure” – appeared on the website www.MoezKassam.com. It was published anonymously under the pseudonym “The Match Man”.

71. www.MoezKassam.com is a website created or established by the Defendants for the principal purpose of publishing the Defamatory Manifesto in furtherance of the conspiracy.

72. In the weeks after the Defamatory Manifesto was published, Anson received two anonymous telephone calls at its offices threatening harm to Anson and physical harm to Kassam personally.

(iv) *The Defamatory Manifesto expands on previously published false statements and falsely states and implies that the Plaintiffs' behaviour was illegal, unethical, and/or in violation of securities laws*

73. The Defamatory Manifesto contains many serious and inflammatory allegations regarding the Plaintiffs that are entirely false and that the Defendants knew or ought to have known were false. It repeats and expands on the baseless claims made in Robert's August 2019 tweets and the Unlawful Stockhouse Statements. It falsely and maliciously accuses Anson, Kassam, and other Anson personnel, including Puri, of dishonest and illegal activities that included the following: short-selling schemes, which the Defamatory Manifesto alleges were illegal, even though short selling is a legal trading strategy; insider trading; fraud; and other breaches of securities laws and regulatory rules and policies, among other things.

74. Although the Defamatory Manifesto was published anonymously, it references many precise topics that the Doxtators had previously tweeted false claims about. Robert provided this material to Stafford in their meetings to plan the Defamatory Manifesto.

75. By way of example, from its first paragraph, the Defamatory Manifesto accuses the Plaintiffs of engaging in criminal and unethical conduct (emphasis added):

Never has there been a bigger scourge of the Canadian capital markets. Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions. In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Now, the other shoe is about to drop as Kassam's funds run out and a string of failed attempts at illegal destruction leave this naked short seller truly naked.

76. The Defamatory Manifesto labels Kassam the “Toad of Bay Street”, with a large photograph of a toad, and advises readers to “steer clear” from Kassam’s ***“illegal activities.”***

77. A detailed summary of the entire Defamatory Manifesto can be found in **Appendix “E”** at section B.

78. The Defamatory Manifesto encourages readers to share and re-publish it. It also solicits readers to provide additional defamatory material regarding Anson and Kassam for future posts, including by use of the email “hotline” accounts, such as info@moezkassam.com.

79. The earliest published version of the Defamatory Manifesto purported to be a standalone document. The Defamatory Manifesto was later amended to allege that it was the first of a three-part series (similar to the “Part 1” concept used in the title of the July 23 Stockhouse Post). “Part 2”, the Second Defamatory Manifesto, has been published, as set out below. To Anson’s knowledge, the third part has not yet been published. If it is, and it contains false, malicious and defamatory content similar to the Unlawful Statements

already contained in the Defamatory Manifesto and the Second Defamatory Manifesto, it will cause further, irreparable damage to the Plaintiffs' business and reputations.

(v) *The Defendants procured at least eight internet domains to facilitate widespread publication of their Defamatory Manifesto*

80. Following communications with the third party host of the www.MoezKassam.com domain, the Plaintiffs were able to have Defamatory Manifesto removed from that website.

81. Since that time, the Defendants acquired multiple Internet domain names to republish the Defamatory Manifesto online. To date, the websites acquired and used by the Defendants to publish the Defamatory Manifesto include the following:

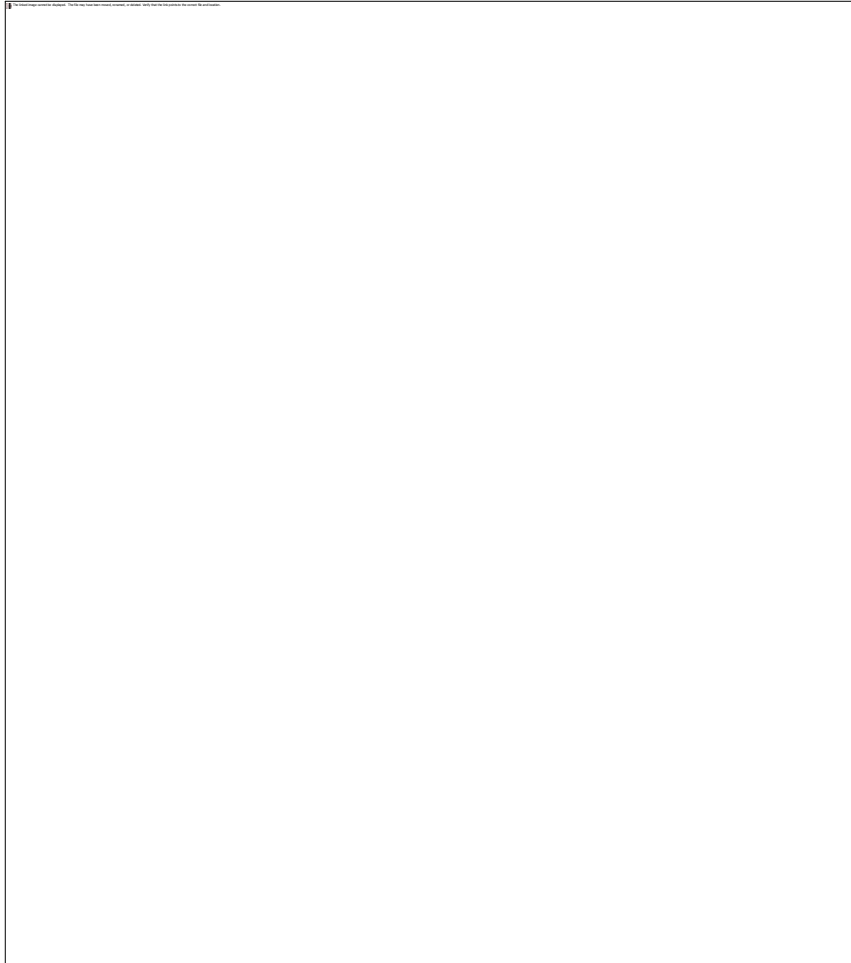
- (a) www.MoezKassam.com;
- (b) www.StockManipulators.com;
- (c) www.CapitalMarketCrimes.com;
- (d) www.StockManipulators.org;
- (e) www.CapitalMarketCrimes.org;
- (f) www.MarketCrimes.ws;
- (g) www.MarketCrimes.to;
- (h) www.CapitalMarketCrimes.to; and
- (i) www.MarketFrauds.to.

82. Whenever the Plaintiffs have taken steps to have a website containing the Defamatory Manifesto taken down, the Defendants have republished the Defamatory

Manifesto on a new website, forcing the Plaintiffs to seek to have that new post of the Defamatory Manifesto taken down. Each time the Defamatory Manifesto is republished online, it increases the harm and damage to the Plaintiffs. The Plaintiffs' claim against the Defendants is in relation to all versions of the Defamatory Manifesto that any of the Defendants published on the Internet, regardless of any differences between published versions of the Defamatory Manifesto.

83. The Defendants did not acquire the domain names directly. Rather, in order to cover their tracks and frustrate the Plaintiffs' efforts to determine who was behind the Defamatory Manifesto, the Defendants hired freelance web developers based in Sarajevo, Bosnia and Herzegovina, and potentially other developers based in other jurisdictions, to create the websites and register the websites on their behalf. This was a sophisticated attempt to obfuscate who was behind the Defamatory Manifesto and shield members of the Conspiracy from liability for their misconduct.

84. The Defendants or their proxies communicated with the Bosnian developers using anonymous email addresses to conceal their identities, including from the developers themselves. The email addresses used by the Defendants were `editormarketinvestigations@protonmail.ch` and `anesalic@protonmail.com`. "Anes Alic", the name used in one of these email addresses, is a "journalist" for Stafford's website `www.OilPrice.com` (as shown below), and the emails sent by `anesalic@protonmail.com` to the developers were sent either by Stafford or at his behest:

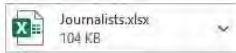


85. Stafford and the other Defendants compiled a spreadsheet containing the names and email addresses of 2,854 journalists, news editors, and others in the business community to whom they planned to disseminate the Defamatory Manifesto. Stafford had many of these names and contact information in his purported capacity as a “journalist”. He and the other Defendants – seeking to imbue the Defamatory Manifesto with a false sense of credibility – intended that these journalists and news editors would re-publish the allegations against the Plaintiffs in their respective news outlets. The spreadsheet’s metadata (pictured below) indicates that the spreadsheet’s author was “James Stafford”, and that the spreadsheet was created on September 30, 2020 and last edited October 1,

2020 — just days after the Defamatory Manifesto was first published. Further details of the Defendants’ actions in regard to anonymously hiring the Bosnian web developers, and anonymously disseminating the Defamatory Manifesto, can be found in **Appendix “E”** at section C.



86. Stafford and/or the other Defendants, using the email address “anesalic@protonmail.com”, sent this spreadsheet to the developers hired to assist with disseminating the Defamatory Manifesto:



Sent from ProtonMail mobile

----- Original Message -----

On 4. okt 2020. 23:17, anesalic <anesalic@protonmail.com> wrote:

Sent with [ProtonMail](#) Secure Email.

----- Original Message -----

On Sunday, October 4, 2020 10:44 AM, editormarketinvestigations <editormarketinvestigations@protonmail.ch> wrote:

Sent with [ProtonMail](#) Secure Email.

87. Despite Anson's requests, the current web host of the Defamatory Manifesto on www.MarketFrauds.to has refused to remove it. This website remains accessible on the Internet as of the date of this Amended Statement of Claim.

88. The Plaintiffs expended considerable resources in response to the Defendants' online attack, including but not limited to hiring investigators in North America and overseas, and contacting web registrars, hosts, message boards to mitigate the harm.

89. After the Plaintiffs worked with website registrars to have the Defamatory Manifesto removed from the websites described in paragraphs 81(a) through 81(i), the Defendants falsely alleged that Anson had undertaken a "Distributed Denial-of-Service" or "DDoS" attack – a type of illegal cyber attack – in order to have the Defamatory Manifesto removed, further defaming Anson. This is false: the websites were voluntarily taken down by the website hosts or registrars after Anson and/or its legal advisors advised

that the content was false and defamatory and in breach of these hosts/registrar's policies.

(vi) *The Defendants conspire to lead widespread dissemination of the Defamatory Manifesto*

90. **On the day the Defamatory Manifesto was initially published**, September 27, 2020, “John Murphy” tweeted the first link to the Defamatory Manifesto on www.MoezKassam.com – again demonstrating the involvement of the Doxtators in the Defamatory Manifesto and its proliferation. He included in his tweet the Twitter accounts of *The Globe and Mail* newspaper and BNN Bloomberg, with the aim of drawing the Unlawful Statements in the Defamatory Manifesto to their attention. From that initial tweet, the Defamatory Manifesto was reposted, shared and publicized widely around the Internet, including through social media.

91. On the same day, the Defendants anonymously sent an unsolicited email containing a link to the Defamatory Manifesto to a reporter at *The Globe and Mail* in an attempt to have the Unlawful Statements further publicized in the media. The Defendants used the email address “capitalmarketsinvestigation@protonmail.com”. To further defame the Plaintiffs and in furtherance of the Conspiracy, the Defendants anonymously sent links to the Defamatory Manifesto to other journalists, news editors, and others in the business community as well.

92. The Defendants also anonymously sent unsolicited emails containing a link to the Defamatory Manifesto (along with the false and defamatory content set out below) to individuals in the financial industry (the “**Unsolicited Emails**”). One version of the Unsolicited Emails was sent from the address “info@stockmanipulators.org” with the

subject line “Hedge Fund Scandal in Canada and the U.S.: Moez Kassam and Anson Funds accused of Stealing Billions.” Another version of the Unsolicited Emails had the title “Urgent News Tip – Huge Hedge Fund Fraud in America and Canada’s Stock Markets”. These Unsolicited Emails were designed and intended to further harm the Plaintiffs and damage their reputation in the financial industry.

93. On September 28, 2020 – the day after the Defamatory Manifesto was first published – Robert texted Spektor (the contact who introduced him to Anson) the following in reference to the Defamatory Manifesto (emphasis added):

I knew it was coming...

I know who wrote...

Moez likely going [to] sue

94. On September 29, 2020, “Betting Bruiser” tweeted a link to the Defamatory Manifesto, supporting the content of the post as follows:



95. Further examples of the Unsolicited Emails sharing the Defamatory Manifesto and the Defendants' concerted effort to disseminate the Defamatory Manifesto and publish it on Twitter can be found in **Appendix "E"** at sections D and E.

(vii) *Shortly after its publication, Robert attempts to leverage the Defamatory Manifesto to extract money from the Plaintiffs and magnify his attacks*

96. In early October 2020, Kassam approached Robert for information about who was behind the Defamatory Manifesto. In those conversations, Robert sought \$75,000 from Anson in relation to the due diligence he had provided, referenced in his September 30 tweet, and aggressively suggested that far more would be needed for information regarding the Unknown Defendants. He also sought blanket immunity, indemnification and a release from Anson before he would provide assistance, clearly attempting to use purported leverage against Kassam and Anson. In particular, Robert alleged that the Unknown Defendants had promised to pay him \$250,000 to assist them, insinuating that a similar or greater amount would be needed from Anson in order for Robert to forego assisting the conspirators and/or to provide assistance to Anson.

97. In a Whatsapp chat on October 1, 2020, Robert, using the username "Betting Bruiser", sent Kassam the following messages (emphasis added):

I sent invoice for what I think you owe me ... if you don't pay it

I can make 250k going to the other side

And that's not owed to me ... ***that's just to help bury you. Choice is yours.***

[...]

Again ... I sent invoice for \$75k [which] I think is fair for what you owe me ... I wanna sign indemnification... then we go from there. I'll try my best to get you what you need. That's all.

98. In their Whatsapp chat on October 1, 2020, Robert also told Kassam that Stafford had procured the drafting of the Defamatory Manifesto and was paying individuals for their involvement, including Rudensky. Robert also stated that Stafford was involved in running the “hotline” or tipline to which readers of the Defamatory Manifesto could send information. Robert texted Kassam the following:

[Attachment]

That's what Stafford sent me today

That's the general game plan for part 2 [of the Defamatory Manifesto]

Rudensky for sure wrote part 1 ... Stafford was paying him to do it ... he tried to get me to talk to him ... I assume he's one running the hotline

99. By telling Kassam that Stafford “tried to get me to talk to him” for the Defamatory Manifesto, Robert falsely implied that he was not a source of the defamatory allegations, which he was. He placed blame solely on Rudensky and Stafford.

100. On October 9, 2020, Kassam informed Robert via Whatsapp chat that Anson would no longer negotiate with him given his involvement in the Conspiracy. Anson was not prepared to provide Robert with payments or a release/indemnity. In response, Robert told Kassam that he had recorded a telephone conversation between them.

101. Shortly after the message exchange on October 9, “Betting Bruiser” published a series of tweets making false, defamatory, malicious and harassing allegations against

Anson, Kassam and other individuals associated with Anson. Among other things, these tweets were in retaliation for Anson and Kassam refusing to accede to Robert's aggressive demands. "Betting Bruiser" also threatened to release the recordings that Robert purportedly made of his private conversations with Kassam. These tweets included "Betting Bruiser" wishing death on Kassam on October 9, 2020 – the Friday before Thanksgiving weekend:



102. Further examples of these tweets can be found in **Appendix "E"** at section F.

(viii) *The Defamatory Manifesto was disseminated widely online in fall 2020 and beyond*

103. The Defendants have discussed, shared and published links to the Defamatory Manifesto, and/or hired others to discuss, share and publish links to the Defamatory Manifesto on their behalf, on several other websites and Internet message boards, including but not limited to Reddit, Stockhouse, Yahoo Finance and on social media. The Defendants or their proxies shared the Defamatory Manifesto in these industry forums using anonymous accounts, many of which were created using VPNs and "burner" email accounts, for the purpose of concealing the Defendants' identities. The Defendants also made further Unlawful Statements against the Plaintiffs while publicizing links to the

Defamatory Manifesto on these specialized message boards – all designed to cause the Plaintiffs maximum harm.

104. The messages publicizing the Defamatory Manifesto on blogs or chat forums often used similar or the exact same wording as one another (but were published by different usernames), reflecting the Defendants’ sophisticated and coordinated effort to anonymously disseminate the Defamatory Manifesto as widely as possible to maximize the damage caused to the Plaintiffs. Examples of messages publicizing the Defamatory Manifesto can be found in **Appendix “E”** at section G.

105. The Defendants published the Further Unlawful Stockhouse Statements – a litany of posts on Stockhouse from September 2020 and onwards – to disseminate the Defamatory Manifesto and other Unlawful Statements against the Plaintiffs. In total, over 1,000 such posts appeared on Stockhouse after September 27, 2020 (and the number of posts continues to increase as the Defendants perpetuate the Conspiracy). Many of the Further Unlawful Stockhouse Statements were published using single-purpose Stockhouse accounts, created and used predominantly or exclusively for the purpose of disseminating Unlawful Statements. To register these accounts, the Defendants often used email addresses created using www.SharkLasers.com, a website that provides temporary and untraceable email addresses. The Defendants also used VPNs to publish these Stockhouse posts. All of this covert behaviour was for the purpose of concealing the Defendants’ identities and obscuring the scope of the Conspiracy. Further details on the Further Unlawful Stockhouse Statements can be found in **Appendix “E”** at section G.

106. Between November 2020 and March 2021, Stafford also personally published Unlawful Statements on Stockhouse using the username “ToffRaffles”, a Stockhouse account registered to james@floatingmix.com, an email address Stafford owned and uses (the “**Stafford Unlawful Stockhouse Statements**”). The Stafford Unlawful Stockhouse Statements were published in a series of Stockhouse posts via a Mexican IP address. Stafford’s website, www.OilPrice.com, has offices and/or employees in or around Mexico City. Many of the Stafford Unlawful Stockhouse Statements referred to Facedrive, one of the companies that Stafford was hired to promote and of which he owned a significant number of shares. The Stafford Unlawful Stockhouse Statements can be found in **Appendix “E”** at section H.

107. The Defendants continued to publish Further Unlawful Stockhouse Statements in March and April 2021 and beyond. Many of these were published using the “Tor” browser (which conceals a user’s Internet activity) and Stockhouse accounts registered to temporary email addresses. Since March 2021, Stockhouse accounts using the Tor browser have published nearly 600 defamatory posts about the Plaintiffs, showing the continuing effort to defame the Plaintiffs and the sophistication of the Conspiracy. Further Unlawful Stockhouse Statements published in spring 2021 had headline tags including the following:

- (a) “How Embarrassing: Another Scandal For This Hedge Fund?”;
- (b) “Looks Like These Guys Are In Trouble Again”;
- (c) “Notorious Short Selling Fund In Trouble”;

- (d) “Sunny Puri wants to know the truth – here it is Sunny Puri”;
- (e) “Canadian Hedge Fund under SEC Investigation”;
- (f) “Anson Funds under SEC Investigation – Do Unitholders know”; and
- (g) “100K Reward for info leading to conviction of Anson Funds”.

(ix) *The Second Defamatory Manifesto and other defamatory articles*

108. On or around June 28, 2021, Stafford, Robert, Jacob and the other Unknown Defendants published the Second Defamatory Manifesto, titled “Moez Kassam & Anson Funds Part II: Rotten To The Core”, on the website www.marketfrauds.to. The Second Defamatory Manifesto continued the malicious attack against the Plaintiffs contained in the Defamatory Manifesto and the other Unlawful Statements, using many of the same themes. By way of example, the Second Defamatory Manifesto:

- (a) falsely alleged that the Plaintiffs were being investigated by the OSC and SEC and solicited readers to send “tips” to regulators;
- (b) claimed that Anson’s “bumper year in 2020” was due to its “destroying a fair number of companies and causing thousands of regular shareholders to lose their savings”;
- (c) called Kassam “a naked short seller whose activities are criminal and whose modus operandi is to manipulate the market and infiltrate companies to destroy them from the inside, while violating all short selling laws. He deliberately goes out of his way to ensure that companies fail”;

- (d) alleged that the Plaintiffs and *The Globe and Mail* conspired so that the newspaper “publish[es] a hit piece” on companies in which Anson has a short position; and
- (e) falsely claimed that the Plaintiffs commissioned and paid for critical media articles and critical analysis from industry analysts regarding, among other things, RECO (Reconnaissance Energy Africa Ltd.) and Facedrive.

109. As set out in **Appendix “C”**, Stafford was hired to promote and increase RECO’s stock price. *The Globe and Mail* published an article questioning the stock promotion activities and public disclosure of RECO on June 20, 2021. Viceroy Research, another investment firm, published analysis also questioning the quality of RECO assets and stock value on June 24, 2021. The Second Defamatory Manifesto was released on June 28, 2021, days after *The Globe and Mail* reporting and Viceroy Research analysis. As set out above, it is in the normal course that market participants and media look at facts and objective sources to analyse and report on different companies. Where those companies turn out to be grossly overvalued, market participants and media may publish their findings in that regard. This is part of properly functioning capital markets.

110. The Second Defamatory Manifesto included snippets of audio recordings of conversations Kassam had with Robert several years ago, which only included one side of the conversation when Kassam was speaking. Robert took these recordings without Kassam’s consent and gave them to Stafford and/or the other Defendants. The recordings were presented in the Second Defamatory Manifesto without context and in a

deliberately misleading manner in order to promote the defamatory meanings pleaded above.

111. The Second Defamatory Manifesto made numerous other defamatory allegations against the Plaintiffs, including that they manipulated stocks through social media, engaged in bribery and insider trading, commissioned DDOS attacks, filed false financial reporting, and “utilize Water boarding style trading tactics”. The Second Defamatory Manifesto accused Anson of “attacking” several companies, including Zoom, Facedrive, GSX Techedu, Genius Brands International, Gamestop, Valorem Resources, Starr Peak Mining, Whole Earth Brands, United Lithium, Mountain Valley MD Holdings, SOL Global, Clean Power Capital Corp, Red White & Bloom, Moderna, Medivolve, AMM Power, Value Line, Champignon Brands, “and many others.”

112. Several other defamatory posts were published on www.marketfrauds.to in addition to the Second Defamatory Manifesto (the “**Additional Unlawful Posts**”), including posts with the following titles:

- (a) “Moez Kassam has moved over \$20 million into offshore accounts in UAE and Dubai”, on May 15 and reposted on May 19, 2021.
- (b) “Reconnaissance Energy Africa is Anson Funds next target – Illegal tactics being employed by Anson”, on May 23, 2021;
- (c) “Anson Funds short and distort campaign against Recon Africa (and Globe & Mail corruption)”, on May 31, 2021;

- (d) “Corruption at Globe and Mail – Mail sent to their staff and regulators”, on June 18, 2021; and
- (e) “Hurt by Anson Funds – the SEC wants to hear from you ASAP”, on July 21, 2021.

E. THE DEFENDANTS ARE LIABLE

113. The Defendants are liable to the Plaintiffs for conspiracy, publicity that inaccurately places the plaintiff in a false light, intentional interference with economic relations, misappropriation of personality, internet harassment, and defamation.

(i) *The Defendants’ Tortious Conspiracy Against Anson*

114. Robert, Jacob and the Unknown Defendants conspired with one another to make and publicize the Unlawful Statements against the Plaintiffs. They formed an agreement with one another to injure the Plaintiffs, and in making the Unlawful Statements, their predominant purpose was to injure the Plaintiffs – namely, by damaging their business and reputation.

115. Moreover, the Defendants carried out the conspiracy by the unlawful means of defamation and other tortious misconduct pleaded herein.

116. The Defendants knew, or should have known, that the Unlawful Statements about the Plaintiffs and the publicity attached to them would be extremely harmful to the Plaintiffs, damaging their reputation and business.

117. The Defendants acted in furtherance of the Conspiracy by making, assisting with, participating in, and/or publicizing the Unlawful Statements, causing damage to the Plaintiffs.

(ii) False light

118. In addition, the Defendants are liable for placing Anson and Kassam in a false light.

119. By making, assisting with, participating in and/or publicizing the Unlawful Statements, the Defendants gave publicity to very serious false allegations against Anson and Kassam that placed them in a false light. The Defendants have publicly, falsely accused Anson and Kassam of serious crimes – including fraud, insider trading and other significant breaches of applicable securities laws and regulations, as well as cyber crimes. These allegations would be highly offensive to a reasonable person.

120. In making, assisting with, participating in and/or publicizing the Unlawful Statements, the Defendants knew or recklessly disregarded the falsity of the Unlawful Statements against Anson and Kassam and the false light in which they would thereby be placed.

(iii) Intentional interference with economic relations

121. By making, assisting with, contributing to and/or publicizing the Unlawful Statements, including through the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Defamatory Manifesto, the Second Defamatory Manifesto, and the Additional Unlawful Posts, Robert and Jacob's Twitter accounts, and other websites, the Defendants are liable for intentional interference with Anson's economic relations.

122. The Defendants, with the intention of harming Anson's business and damaging its reputation, made a series of false, malicious, defamatory and unlawful public statements about Anson's principal, Kassam, as well as other Anson personnel, including Puri and Anson's General Counsel, Laura Salvatori. The Unlawful Statements falsely accused Kassam, and by extension Anson, of unlawful, dishonest and criminal conduct. The Unlawful Statements were published to countless market participants, including current and potential Anson investors. As a result of the Unlawful Statements, these third parties were deceived about the subject matter of the Unlawful Statements. The purpose and result of the Defendants' deceit was to harm Anson and Kassam.

(iv) Appropriation of personality

123. The Defendants are liable for wrongfully appropriating Kassam's personality by purchasing the domain name "www.MoezKassam.com" and using it to publicize the Unlawful Statements regarding Anson and Kassam. The Defendants also acquired the email address "info@moezkassam.com" in furtherance of the Conspiracy.

124. By using the domain name in this manner, they violated Kassam's exclusive right to use his own identity, particularly his name, causing damage.

(v) Internet harassment

125. The Defendants are liable for internet harassment of the Plaintiffs by writing, publishing, disseminating, and publicizing all of the Unlawful Statements – including the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, the Defamatory Manifesto, the Second Defamatory Manifesto, the Additional Unlawful Posts, and countless communications via social media. The

Defendants' defamation campaign against the Plaintiffs has lasted over a year to date and is ongoing, with no end in sight. They have publicized the Unlawful Statements in a wide range of Internet forums with the intent of maximizing the spread of their false and defamatory allegations.

126. In writing, publishing, disseminating and publicizing the Unlawful Statements, the Defendants maliciously or recklessly engaged in outrageous, extreme conduct that is beyond all possible bounds of decency or tolerance, causing the Plaintiffs damage. The Defendants intended to impugn the Plaintiffs' dignity and cause fear, anxiety or emotional upset in the Plaintiffs.

(vi) Defamation

127. Finally, the Defendants are liable for defamation for the false and highly defamatory statements made in the Unlawful Statements, including the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, and, ultimately, the Defamatory Manifesto (which was published multiple times, using various domain names), the Second Defamatory Manifesto, the Stafford Unlawful Stockhouse Statements and the Additional Unlawful Posts. The Doxtators are further liable for the false and defamatory statements they published about the Plaintiffs on Twitter.

The Unlawful Stockhouse Statements are Defamatory

128. The Unlawful Stockhouse Statements (discussed above at paragraphs 53 to 60 and in **Appendix "D"**) in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and

defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Unlawful Stockhouse Statements, and without limiting the generality of the foregoing, the Unlawful Stockhouse Statements would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are corrupt, dishonest, deceptive, duplicitous and cannot be trusted;
- (b) they destroy and/or devalue companies and their shareholders through nefarious means in order to benefit financially;
- (c) they get in over their heads and are unable to control their investments/trading strategies, and/or are inept, incompetent and reckless in their investment/trading practices;
- (d) they engage in unlawful and illegal activities, including market manipulation, abusive trading practices, and securities law and/or criminal law violations;
- (e) they published or participated in the creation of false research reports for the purpose of manipulating the market; and
- (f) they ought to be investigated, including by regulators.

129. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the July 23 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are criminals;
- (b) they bribe and/or induce regulators through other means to ignore their unlawful and/or illegal activities;
- (c) they do not exercise proper judgment and they make poor business decisions;
- (d) they cannot be trusted with investors' funds;
- (e) they have not legitimately earned their success and goodwill;
- (f) the Anson Funds lost millions of dollars due to their reckless conduct; and
- (g) they were humiliated and desperate as a result of the losses they incurred.

130. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the August 14 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they caused Anson Funds to lose hundreds of millions of dollars due to their reckless conduct or ineptitude;
- (b) they were humiliated and desperate as a result of their business losses;
- (c) they ought to be avoided, as associating with them will result in harm;
- (d) they encourage or induce others to become corrupt;

- (e) they caused or contributed to the publication of misleading, false, and/or fraudulent information regarding a legitimate company;
- (f) they will be investigated and punished by regulators; and
- (g) with respect to Kassam, in particular, that he is unscrupulous, immoral and unethical.

131. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the August 17 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they have significantly harmed the capital markets through their unethical, unlawful, duplicitous and/or illegal conduct;
- (b) they engaged in malicious, unlawful, and targeted attacks and/or trading and other conduct to harm Aphria and its shareholders in order to increase their own wealth;
- (c) they engage in predatory, opportunistic, dishonest and unethical conduct for financial gain;
- (d) they corrupt and/or induce others to engage in or assist in improper conduct;
- (e) they unlawfully and/or improperly obtained and misused confidential/insider/material non-public information;

- (f) they provided false, fraudulent, or misleading information about Aphria for publication and dissemination to harm Aphria, and for their own gain;
- (g) they profit off the hardship and damage they cause to others;
- (h) they will be investigated and punished; and
- (i) with respect to Kassam in particular, that:
 - i. he is two-faced, a fake and a fraud; and
 - ii. he is amoral, lacks a conscience, and engages in reprehensible and antisocial conduct.

132. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the August 28 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they used illegal, unethical, and/or nefarious means to destroy and/or devalue the Canadian company, Zenabis, for financial gain;
- (b) they covertly or otherwise inserted a “stooge” to influence Zenabis’ decisions and/or cause the company to act against its own interests for Anson’s gain;
- (c) they exploit, induce and/or corrupt others to engage in dishonest, illegal, unlawful, and/or unethical activities on their behalf;

- (d) they coerce, deceive, or trick companies into acting against those companies own interests and/or into making poor decisions for the Plaintiffs' financial gain;
- (e) they knowingly, intentionally or recklessly encourage and/or engage in conflicts of interests for ulterior purposes;
- (f) the Anson Funds lost millions of dollars due to the reckless conduct of its principals;
- (g) they engaged in illegal and unlawful activity including securities law violations, such as insider trading and failing to disclose information as required by law; and
- (h) they will target, attack, harm and/or destroy more companies.

The Defamatory Manifesto

133. The Defamatory Manifesto (discussed above at paragraphs 62 to 79 and in **Appendix “E”** at paragraphs 42 to 65) in its entirety, in its natural and ordinary meaning, including its express and implied meaning in its full context, and/or by innuendo, including in conjunction with the images contained in the Defamatory Manifesto, is false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the statements contained in the Defamatory Manifesto, and without limiting the generality of the foregoing, the Defamatory Manifesto would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam, repeatedly, intentionally and maliciously engaged in unlawful and illegal

business practices to destroy, and did destroy or cause harm to, legitimate companies and businesses, including Aphria, Zenabis and Genius Brands International (as defined in **Appendix “E”**), to increase their financial wealth. In addition, and more particularly, the Defamatory Manifesto means or would be understood to mean that Anson and its principals:

- (a) are deceptive, dishonest, deceitful, sneaky, duplicitous, immoral, unscrupulous and cannot be trusted;
- (b) lack integrity, are unethical, predatory, and corrupt;
- (c) are liars, cheats, thieves and crooks;
- (d) have not legitimately earned their success and goodwill;
- (e) are incompetent and/or inept in business;
- (f) they attempted to harm and/or destroy legitimate companies, including Tilray (as defined in **Appendix “D”**) and Facedrive, but failed due to their incompetence and/or ineptitude;
- (g) are desperate, and engage in rash, reckless and/or extreme behaviour;
- (h) engage in predatory, surreptitious and unethical business practices;
- (i) engaged in, and continue to engage in, unlawful and/or illegal activities, including securities law and/or criminal law violations, and including fraud, illegal short-selling schemes, market manipulation, abusive trading practices and insider trading;

- (j) involved other entities in their unlawful, illegal, and/or fraudulent activities;
- (k) engaged in conspiracies with other entities, including by paying for short reports and long/buy reports, in order to benefit financially;
- (l) committed, and continue to commit, crimes and/or are criminals;
- (m) are part of a criminal enterprise and/or criminal alliance;
- (n) operate their business in a manner that is contrary to applicable law and regulations;
- (o) breached, and continue to breach, securities laws and regulatory rules and policies;
- (p) unlawfully and/or illegally obtained and misused confidential/insider/material non-public information;
- (q) exploit information or resources that they have been trusted to protect;
- (r) published or participated in the creation of false research reports for the purpose of manipulating the market;
- (s) use unlawful and/or illegal means to silence critics because they have something nefarious to hide;
- (t) robbed and/or defrauded North American shareholders of millions of dollars;
- (u) harmed investors in Canada and the United States;

- (v) targeted and destroyed legitimate companies through nefarious means to increase their wealth;
- (w) made false reports to regulators and engaged in fraudulent social media campaigns to manipulate the capital markets;
- (x) inflict serious harm on the Canadian capital markets and on investors;
- (y) are involved in fraudulent activity of the kind that ought to concern authorities and regulators;
- (z) ought to be investigated, including by regulators in Canada and the United States;
- (aa) are being, have been, and/or will be investigated by regulators;
- (bb) ought to be and/or will be penalized and/or imprisoned;
- (cc) have caused, are causing, and will cause financial ruin to their partners, investors, and other capital market participants; and
- (dd) with respect to Kassam, in particular:
 - i. that he is a sociopath, engages in reprehensible and repulsive conduct, is amoral, lacks a conscience, and engages in antisocial behaviour; and
 - ii. does not exercise judgment and cannot be trusted with investors' funds.

The Second Defamatory Manifesto

134. The Second Defamatory Manifesto (discussed above at paragraphs 108 to 112) in its entirety, in its natural and ordinary meaning, including its express and implied meaning in its full context, and/or by innuendo, including in conjunction with the images contained in the Second Defamatory Manifesto, is false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the statements contained in the Second Defamatory Manifesto, and without limiting the generality of the foregoing, the Second Defamatory Manifesto would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam, repeatedly, intentionally and maliciously engaged in unlawful and illegal business practices to destroy, and did destroy or cause harm to, legitimate companies and businesses in order to increase their financial wealth, including Zoom, Facedrive, GSX Techedu, Genius Brands International, Gamestop, RECO, Valorem Resources, Starr Peak Mining, Whole Earth Brands, United Lithium, Mountain Valley MD Holdings, SOL Global, Clean Power Capital Corp, Red White & Bloom, Moderna, Medivolve, AMM Power, Value Line, Champignon Brands, Madmen, and Zenabis. In addition, and more particularly, the Defamatory Manifesto means or would be understood to mean that Anson and its principals:

- (a) engaged in, and continue to engage in, unlawful and/or illegal activities, including securities law and/or criminal law violations, and including fraud, illegal short-selling schemes, market manipulation, abusive trading practices, insider trading, filing false financial reporting, and bribery;

- (b) manipulate the stock market, including through social media;
- (c) deliberately try to destroy, and in fact destroy, legitimate companies;
- (d) deliberately cause harm to ordinary shareholders, including loss of savings or investments;
- (e) conspired with media outlets to disseminate false reporting regarding legitimate companies;
- (f) ought to be investigated, including by regulators in Canada and the United States;
- (g) are being, have been, and/or will be investigated by regulators; and
- (h) ought to be and/or will be penalized and/or imprisoned.

Stafford Unlawful Stockhouse Statements

135. The Stafford Unlawful Stockhouse Statements (discussed above at paragraph 106 and in **Appendix “E”** at paragraph 93) in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Stafford Unlawful Stockhouse Statements, and without limiting the generality of the foregoing, the Stafford Unlawful Stockhouse Statements would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are corrupt, dishonest, deceptive, duplicitous and cannot be trusted;

- (b) they destroy and/or devalue companies and their shareholders through nefarious means in order to benefit financially;
- (c) they engage in unlawful and illegal activities, including market manipulation, abusive trading practices, and securities law and/or criminal law violations, and conspire with others, including financial institutions, in these unlawful and illegal activities;
- (d) their unlawful and illegal conduct has ruined the market;
- (e) they published or participated in the creation of false research reports for the purpose of manipulating the market;
- (f) they are unable to control their investments/trading strategies, and/or are inept, incompetent and reckless in their investment/trading practices; and
- (g) they should be investigated, including by regulators.

Robert Lee Doxtator's Defamatory Tweets

136. In addition to the foregoing and as set out below, the Defendant Robert is liable to the Plaintiffs for defamation in relation to a number of tweets he published under the username "Betting Bruiser". The defamatory tweets of which the Plaintiffs are currently aware are included as **Appendix "A"**. They include, but are not limited to, the following:

- (a) as discussed above at paragraph 51(a) an August 25, 2019 tweet from "Betting Bruiser" falsely alleged that the Plaintiffs put out a false report "to manipulate the market so they could cover an already short position";

- (b) as discussed above at paragraph 51(b) another August 25, 2019 tweet from “Betting Bruiser” falsely alleged that the Plaintiffs had “connections to other short sellers and market manipulators” and “historically invested [in] and the death spiral the fund created to cash out their short positions”;
- (c) as discussed above at paragraph 51(c) on August 26, 2019, “Betting Bruiser” published several tweets falsely alleging that the Plaintiffs used a representative on Zenabis’ Board of Directors, Adam Spears, to negatively influence the company’s business decisions, reduce its share price and provide them with inside information/material non-public information;
- (d) as discussed above at paragraph 51(d), a subsequent tweet on August 26, 2019 alleged that Spears was “recording conversations of [Zenabis] management and executives in hopes of Anson blackmailing or using the info for the detriment of the company”;
- (e) as discussed above at paragraph 94, a September 29, 2020 tweet from “Betting Bruiser” falsely alleged that the Plaintiffs use “tactics” that “are simply sleight of hand with the gift of gab”;
- (f) as discussed in **Appendix “E”** at paragraph 80, in a subsequent tweet on September 30, Robert alleged that the Plaintiffs “use people and don’t pay anyone but themselves”;
- (g) as discussed above at paragraph 101 and in **Appendix “E”** at paragraph 83, on October 9 Robert published a series of tweets, falsely alleging a

“toxic financing deal” involving Anson’s legal counsel, that Anson Funds investors ought to “be prepared to have [their] funds locked up” given the information indicating “scams to benefit...Kassam” and allegations “he broke the law”, threatening to “speak to regulators about Anson Funds” to collect a reward, and falsely alleging that the Plaintiffs pay Ben Axler;

- (h) as discussed in **Appendix “E”** at paragraph 87, on October 30, Robert published tweets alleging that Kassam is “running scared from recent reports about his tactics” and “the scum of the earth”, and that he has others do “his dirty work for him”.

137. These tweets, in their natural and ordinary meaning, including their express and implied meaning, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the plain and ordinary meaning of each of the tweets, they would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam:

- (a) are liars, are dishonest, duplicitous, immoral, deceptive, unscrupulous, unethical, sneaky, and cannot be trusted;
- (b) engage in unlawful and illegal conduct, including securities law and/or criminal law violations, and including insider trading, market manipulation, abusive trading practices and fraud; and
- (c) destroy legitimate businesses through nefarious means for their financial gain.

138. Additionally, the October 9 series of Tweets, in addition to their plain and ordinary meaning, would lead readers to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam:

- (a) ought to be and will be investigated, including by regulators; and
- (b) will cause harm to their investors.

Jacob Doxtator's Defamatory Tweets

139. In addition to the foregoing and as set out below, the Defendant Jacob is liable to the Plaintiffs for defamation in relation to a number of tweets he published using the alter-ego named "John Murphy" with the username @JohnMur67039142, which are, in their natural and ordinary meaning, including their express and implied meaning, and/or by innuendo, are false and defamatory of the Plaintiffs. The defamatory tweets of which the Plaintiffs are currently aware are included as **Appendix "B"**, and include, but are not limited to, the following:

- (a) as discussed in **Appendix "E"** at paragraph 28, an August 14, 2020 retweet falsely claimed that Anson was behind the Hindenburg Research report regarding Aphria, included a picture of Kassam, and stated "how dirty moez hurt his business partner [sic] and lied to the founders of \$apha [Aphria]. On the same day Jacob also tweeted that Kassam had "paid for negative promotions" regarding Facedrve, Aphria, Tilray "and many more". In addition to the plain and ordinary meaning of these tweets, the tweets

would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. are corrupt, dishonest, deceitful, deceptive, duplicitous, and cannot be trusted;
 - ii. engaged in malicious, unlawful, and targeted attacks to harm legitimate companies and their shareholders; and
 - iii. provided false, fraudulent, or misleading information about legitimate companies (including Aphria, Facedrive and Tilray) for publication and dissemination to harm them;
- (b) as discussed above at paragraph 64, a September 10, 2020 tweet stated that regulators should scrutinize Anson and Kassam: “these reverse pump and dumps must be watched more closely by the regulators. moez [sic] and his band fund these trades every week...” In addition to the plain and ordinary meaning of the tweet, the tweet would lead a reasonable reader to conclude that Anson and its principals, including Kassam:
- i. engage in unlawful and illegal activities, including securities law violations; and
 - ii. ought to be investigated, including by regulators;
- (c) as discussed above at paragraph 65 and in **Appendix “E”** at paragraph 79, a September 12, 2020 tweet alleged “anson [sic] is a very corrupt cad fund

nake [sic] shorting many small cap co's and when they get in trouble / want to cover they pay groups like @HindenburgRes to say the co is a fraud and going to zero. how many zeros have they called. the bottom is normally around when the piece comes out". On September 29, he added, "big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. anson does both! [sic]". In addition to the plain and ordinary meaning of these tweets, the tweets would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. are corrupt, reckless and dishonest; and
 - ii. provide false, fraudulent, or misleading information about legitimate companies to harm those companies and benefit themselves; and
- (d) as discussed in **Appendix "E"** at paragraphs 78 and 82, two September 29, 2020 tweets included a link to the Defamatory Manifesto, and stated: "stockmanipulators.com. Cyber crimes added to the list of wrongdoings by @AnsonGroupFunds ? who funded this defense? Unit holders?", and "sounds like #moez attacked the site where the @AnsonGroupFunds report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for @MunchingMoez @davidmilstead \$apha \$fd \$shrm many more". In addition to the plain and ordinary meaning of these tweets, these tweets

would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. engage in illegal and unlawful activities, including criminal law violations and are criminals;
- ii. are dishonest and deceptive; and
- iii. misuse investor funds, including for their personal benefit.

140. Jacob is also liable for using the “John Murphy” Twitter account to re-tweet other Twitter users’ false and defamatory statements about the Plaintiffs.

The Unsolicited Emails are Defamatory

141. As discussed above at paragraph 92 and in **Appendix “E”** at paragraphs 73 to 75, the Defendants anonymously sent Unsolicited Emails regarding the Plaintiffs. The Unsolicited Emails, in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Unsolicited Emails, and without limiting the generality of the foregoing, the Unsolicited Emails would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals, including Kassam:

- (a) they engage in wrongdoing, unlawful, illegal, and unethical conduct, including securities law and/or criminal law violations, insider trading, market manipulation, abusive trading practices, fraud and cybercrimes;

- (b) they destroy legitimate businesses through nefarious means;
- (c) they have robbed shareholders of billions of dollars;
- (d) they are dishonest and cannot be trusted; and
- (e) they are criminals.

142. The Plaintiffs have not seen all of the Unsolicited Emails or any of the emails in their entirety and reserve their right to amend this pleading to add additional meanings and/or claims once they are discovered.

The Defendants were Malicious

143. The Defendants acted with malice: they made, assisted with, participated in and/or publicized the Unlawful Statements, knowing that the Unlawful Statements were false or misleading and/or while intentionally, recklessly or callously disregarding their falsity and the harm that the allegations would do to the Plaintiffs. They acted for the predominant purposes of harming the Plaintiffs, including in pursuit of their animus and vendetta against the Plaintiffs. Examples of the Defendants' malicious conduct include the following:

- (a) the Defamatory Manifesto, the Second Defamatory Manifesto, the Additional Unlawful Posts and other Unlawful Statements solicited readers to confidentially provide additional material for future Defamatory Manifestos;
- (b) the Second Defamatory Manifesto is nearly 10,000 words – even longer than the original Defamatory Manifesto – and repeated and/or amplified

many false and defamatory allegations contained in the Defamatory Manifesto and other Unlawful Statements, and/or elaborated on those allegations and made new and additional false and defamatory allegations against the Plaintiffs;

- (c) Stafford, Rudensky and Robert specifically targeted and maliciously intended to cause harm to the Plaintiffs by writing, publishing, disseminating, and/or procuring the writing, publishing and dissemination of the Defamatory Manifesto and the Second Defamatory Manifesto, including, for Stafford, because of his financial interest in Facedrive and/or RECO. Stafford was directly or indirectly hired to promote these companies and owned a significant number of their shares, and he publicly falsely accused Anson of hiring market participants and media to publish critical commentary on these companies using fabricated material. In fact, market participants and media analysed these companies, using publicly available information, because the companies' inflated share prices were grossly disproportionate to their fundamental value. In well functioning capital markets, it is in the normal course for market participants to comment critically on overvalued companies, and to discuss, share and comment on research, due diligence and investment theses with one another;
- (d) the Defendants' continuous and ongoing efforts to draw the Unlawful Statements to the attention of regulators and the media; and

- (e) in addition to publishing the Unlawful Stockhouse Statements in summer 2020, from fall 2020 and continuing to at least spring 2021, the Defendants published, hired others to publish or otherwise procured the publishing of, over 1,000 Further Unlawful Stockhouse Statements, which repeated, amplified and/or elaborated on the false and defamatory allegations contained in the Unlawful Stockhouse Statements, the Defamatory Manifesto, and other Unlawful Statements, and significantly increased the likelihood that such allegations would be re-published by others, as set out below. Stafford also published the Stafford Unlawful Stockhouse Statements using the username “ToffRaffles” between November 2020 and March 2021.

144. The Defendants repeatedly published the Unlawful Statements on various websites and through various means, including through the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, the Defamatory Manifesto, the Second Defamatory Manifesto, the Additional Unlawful Posts, and the tweets described above, in an attempt to publish them to the widest audience possible and cause the greatest possible commercial and emotional harm to the Plaintiffs.

The Defendants are liable for republication of the Unlawful Statements

145. The Defendants are also liable for republication of all of the Unlawful Statements, which was a natural and probable result of the Unlawful Statements given, among other things, the volume of Unlawful Statements published and publicized by the Defendants. In fact, the Defendants actively encouraged republication of the Defamatory Manifesto

and Second Defamatory Manifesto, both in the text of the Defamatory Manifesto and Second Defamatory Manifesto themselves, and in Robert's and Jacob's tweets sharing the Defamatory Manifesto. Many of the nearly 1,000 Further Unlawful Stockhouse Statements also actively encouraged the republication of the Defamatory Manifesto and/or other Unlawful Statements. Republications of the Defamatory Manifesto and Second Defamatory Manifesto currently remain online.

F. DAMAGES

146. The Defendants' conduct has caused substantial damage to the Plaintiffs' business and reputations. The Unlawful Statements have been widely distributed and publicized and have been viewed by thousands of people to date. Versions of the Defamatory Manifesto and the Second Defamatory Manifesto remains widely available on the Internet. The Unlawful Statements have significantly interfered with and disrupted the Plaintiffs' business and affairs and their relationship with clients, counterparties, and potential investors, leading to a loss of business opportunities.

147. Moreover, the Plaintiffs have incurred significant costs and spent a significant amount of time investigating who is behind the Conspiracy and in seeking to have the Unlawful Statements removed from various websites.

148. As mentioned above, Anson has also received threatening telephone calls to its offices because of the Unlawful Statements.

149. Particulars regarding damages will be provided in advance of trial.

150. The Plaintiffs also seek an interim, interlocutory and permanent injunction restraining the Defendants from publishing further unlawful and defamatory statements about the Plaintiffs. As noted above, despite Anson's diligent attempts to have the Defamatory Manifesto and Unlawful Stockhouse Statements removed from the Internet, the Defendants persist in acquiring new websites to publish and disseminate the Defamatory Manifesto, the Second Defamatory Manifesto and Additional Unlawful Posts; in repeating the Unlawful Statements and publicizing the Defamatory Manifesto and Second Defamatory Manifesto through social media, including Twitter; and in publishing the Further Unlawful Stockhouse Statements, which publicized and disseminated the Defamatory Manifesto, Second Defamatory Manifesto and other Unlawful Statements. In addition, the Defendants threatened the release of two additional "Parts" to the Defamatory Manifesto. They have released one additional "Part", the Second Defamatory Manifesto, as well as the Additional Unlawful Posts about the Plaintiffs. This conduct has caused, is causing, and will continue to cause irreparable harm to the Plaintiffs' business and their reputations. This nonstop game of "whack-a-mole" cries out for a remedy.

151. Finally, the Defendants are liable for aggravated and punitive or exemplary damages. The Defendants maliciously and intentionally caused harm to the Plaintiffs through the repeated and coordinated and continuing publication, and broad online dissemination, of the Unlawful Statements. Further, Robert attempted to obtain significant payments and other benefits to purportedly assist Anson, which Anson refused. The Defendants knew, and in fact intended, that serious harm would result from their unlawful conduct.

152. The Defendants executed a coordinated, malicious campaign to spread lies about the Plaintiffs and damage their business, including attempting to reach the attention of securities regulators such as the OSC, the SEC, and IIROC. The Plaintiffs believe that the Defendants intended to cause them to become the subject of regulatory inquiries or investigations on the basis of these false and misleading allegations. Such inquiries or investigations would result in serious and irreparable reputational harm, and in addition would force the Plaintiffs to divert significant time, financial and other resources, and management attention, towards addressing any such inquiries or investigations. The Defendants also took steps to attract media attention to the Unlawful Statements in an attempt to further publicize them. The Defendants acted in a high-handed, malicious, arbitrary and/or highly reprehensible manner, as set above, which constitutes a marked departure from ordinary standards of decent behaviour. The Defendants' conduct requires the sanction of the Court.

153. The Plaintiffs propose that this action be tried at Toronto.

154. The Plaintiffs rely on the *Libel and Slander Act*, R.S.O. 1990, c. L.12 and the *Courts of Justice Act*, R.S.O. 1990, c. C.43, s. 101.

155. This pleading may be served outside of Ontario without a court order pursuant to Rules 17.02(g), (i) and (p) of the *Rules of Civil Procedure* because this proceeding relates to a claim or claims in respect of one or more torts committed in Ontario, seeks an injunction ordering a party to do or refrain from doing anything in Ontario, and is against one or more persons ordinarily resident or carrying on business in Ontario.

December 17, 2020

Amended on November 22, 2021

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

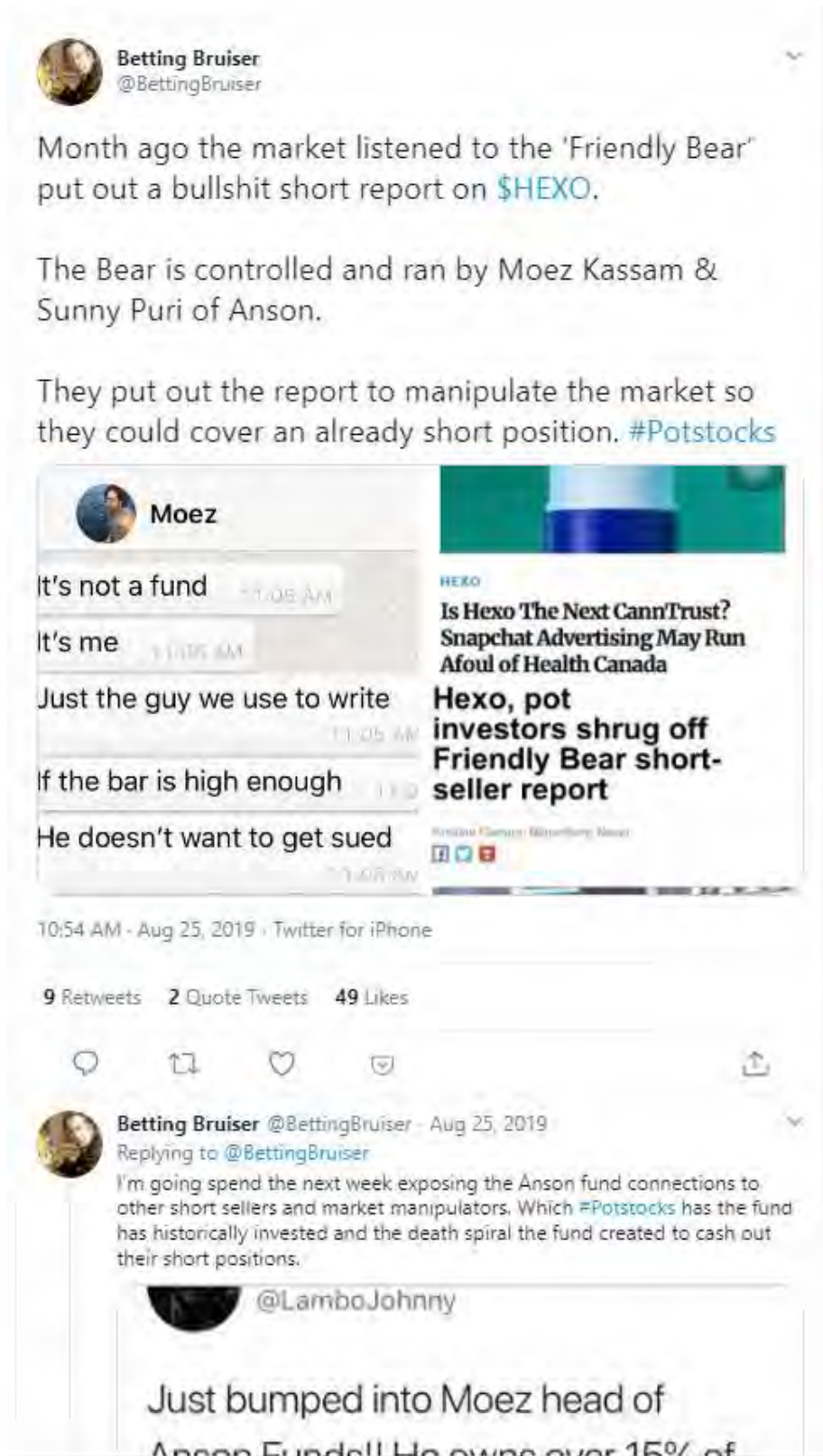
Matthew Milne-Smith
Tel: 416.863.5595
mmilne-smith@dwpv.com

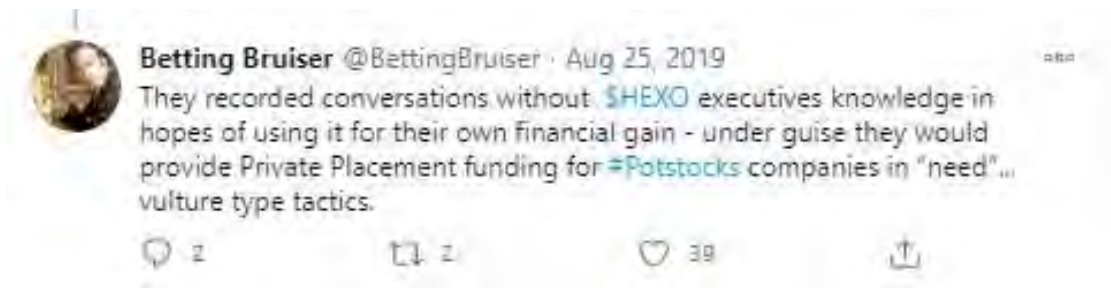
Andrew Carlson
Tel: 416.367.7437
acarlson@dwpv.com

Maura O'Sullivan
Tel: 416.367.7481
mosullivan@dwpv.com

Lawyers for the Plaintiffs

APPENDIX "A" – "Betting Bruiser" Tweets



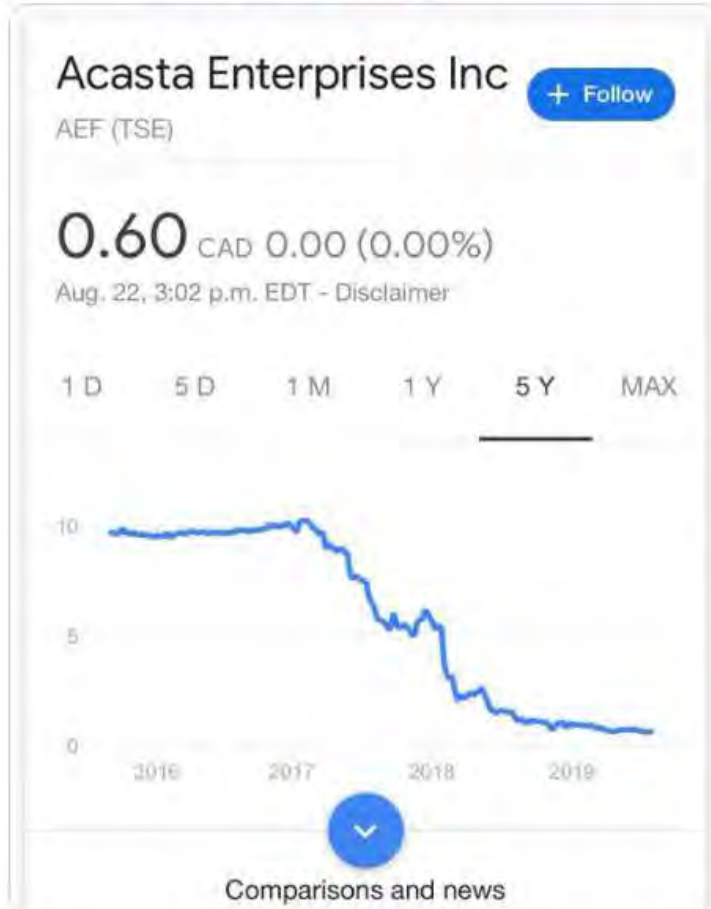




Betting Bruiser
@BettingBruiser

Replying to @BettingBruiser

It's always a similar result ... yet Anson Funds still makes money hand over fist... #Potstocks



4:00 PM · Aug 25, 2019 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

Replying to @LamboJohnny and @LaurenceLauness

Right about what? That's Anson doesn't appear on Sedi as insider. No they don't and that's part of the problem. In cases were they have former managers as "independent" directors how are they not insiders?

4:52 PM · Aug 25, 2019 · Twitter for iPhone



Betting Bruiser @BettingBruiser · Aug 25, 2019

Hey @LamboJohnny if this is true ... why don't we see Anson Funds name come up as being escrowed on Sedi for owning more than 10%? I don't see Moez name either ... Anson not on any SEDI filing since 2016 for [SSOL](#) #Potstocks [twitter.com/LamboJohnny/st...](https://twitter.com/LamboJohnny/status...)

This Tweet is unavailable.



6



14



Betting Bruiser @BettingBruiser · Aug 25, 2019

Oh they have converts ... that they use to cover their short positions without suspecting retail investors ... creating any visible cover or tripping any insider trading reports... why not listed on Sedi? Cause they using the same convert scheme they use with everyone else!



1



4





Betting Bruiser
@BettingBruiser

A lot DM's about \$ZENA & Anson Funds.

Anson Funds holds a boatload of converts in \$ZENA that they are using to cover their short position.

They've had a direct hand creating chaos within management decisions. Including the listing price. How so? Anson representative! #Potstocks



Adam Spears
Independent Director

- Founder of ace148, an investment company
- Was a Principal and Portfolio Manager at Anson Funds where he managed multiple long-short equity hedge funds
- Also worked in private equity at ONCAP Management Partners, and in the investment banking group of Citigroup Global Markets

9:09 AM · Aug 26, 2019 · Twitter for iPhone

4 Retweets · 4 Quote Tweets · 35 Likes

-  **Betting Bruiser** @BettingBruiser · Aug 26, 2019
Replying to @BettingBruiser
The entire problems relating to the former CEO leaving, taking the \$TLRY deal and now death spiral financing. Was in relation to \$ZENA attempting to limit Anson's ability to cover and manipulate the share price down further. The current \$ZENA CEO is out of league. #Potstocks
-  **Betting Bruiser** @BettingBruiser · Aug 26, 2019
\$TLRY themselves wanted to offer a helping hand. As that company is the only successful #Potstocks to date to squeeze Anson Funds for a loss to my knowledge. Despite Anson Funds getting @CitronResearch to pump out as many \$TLRY short pieces it possibly could. #Potstocks
-  **Betting Bruiser** @BettingBruiser · Aug 26, 2019
I'd love to talk to the @CEO_Zenabis to try to help... but it may be a case of to little to late ... CEO wants to convert all debts to a bank loan... that's a start but expect Anson Funds to fight tooth and nail against that. Their independent director acts for Anson. #Potstocks
-  **Betting Bruiser** @BettingBruiser · Aug 26, 2019
As in the case with \$HEXO ... I wouldn't doubt that Adam is recording conversations of \$ZENA management and executives in hopes of Anson blackmailing or using the info for the detriment of the company. Adam needs to be removed. #Potstocks
-  **Chris Rutherford** @RutherfordCG · Aug 26, 2019
Replying to @BettingBruiser
How is it legal for Adam to be on the board and do what this guy is doing? It's not in the best interests of @Zenabis obviously. @CEO_Zenabis
-  **Betting Bruiser** @BettingBruiser · Aug 26, 2019
No it's not ... like \$AEF Anson will argue that they acting in best interest of the shareholder ... all a guise



Betting Bruiser
 @BettingBruiser

Journalist Virtue Signalling about #PotStocks while journalist are the worse Bay Street litter bugs... all they do is put trash on the street they receive directly from Anson, MMCap, K2 & Scamaccord.



All dried up: How Bay Street cashed in on the cannabis frenzy before the carnage
 The smart money got out before the cannabis bubble burst. Now, retail investors are suffering and pot companies face a financing drought
theglobeandmail.com

11:35 AM · Nov 2, 2019 · Twitter for iPhone



Betting Bruiser
 @BettingBruiser

Replying to @WolfOfWeedST @ChrisParry and @issatraprunhide

Before Chris' article ... before your tweet ... at a cannabis conference when the \$MMEN executives revealed their evaluation I called it "the most overvalued cannabis stock to come to market to date"... they were being advised by Anson Funds long ago ...

2:59 PM · Nov 28, 2019 · Twitter for iPhone



Betting Bruiser @BettingBruiser · Dec 19, 2019

Replying to @BCobblaw

30%+ seems like they got that position from shorting it down & not from buying it ... rather not have Anson as shareholder? ... we all know Moez was renting Andy's house over the summer months ... they are besties!



1



1



3







Betting Bruiser
@BettingBruiser

...

The biggest chicken hawk that I've ever met in my life.
Every time I see him we have words.

Sunny Puri from Anson Funds.

If you've ever crossed paths with him then your stock is
likely -95% from its high and he holds your faint in his
hands via convertible debt. [#PotStocks](#)



11:11 AM · Mar 11, 2020 · Twitter for iPhone

4 Retweets 39 Likes



Betting Bruiser
@BettingBruiser

Watch "Moez Kassam" from Anson Funds on [#Vimeo](#) give short sellers a bad name. Cringe worthy. I think that's filmed at [@DeFrancesco_A](#) house in the Muskoka? vimeo.com/140274640 [#PotStocks](#)



Moez Kassam

This is "Moez Kassam" by Charles Chan on Vimeo, the home for high quality videos and the people who love them.
vimeo.com

1:54 PM · Jul 2, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

Replying to [@BettingBruiser](#)

Director: Rick Brar former CEO & Co-Founder of [@Zenabis](#) [\\$ZENA](#)

Secretly gave Anson Funds a share loan agreement so they could short [\\$ZENA](#) to the dismay of retail investors. Upon finalizing that he aggressively dumped all his shares. [\\$ZENA](#) -98%. \$2.25 to \$0.08 [#PotStocks](#)
2/9

9:50 AM · Jul 6, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

Replying to @BettingBruiser

Director, President and Co-Chief Executive Officer, Chief Financial Officer: Eli Dusenbury

A rent a CFO whoms main gig was a CFO of #PotStocks Company \$ISOL @isodiol. Ankther company directly involving Anson Funds. Another company which has seen a 98% fall in share price. 8/9

9:50 AM · Jul 6, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

I have been a early voice of concern re: Moez Kassam, Sunni Puri & Anson Funds. Their tactics are simply sleight of hand with the gift of gab. I know their strategies very well this article shed some light on them. #PotStocks



Moez Kassam and Anson Funds: A Tale of Corruption, Greed, and Failure
moezkassam.com

9:43 AM · Sep 29, 2020 · Twitter for iPhone

8 Retweets 2 Quote Tweets 63 Likes



Betting Bruiser
@BettingBruiser

one

Something that was wrong about the Anson and Moez article circulating was the allegation that Moez/Anson compensates people to write reports. They just use people and don't pay anyone but themselves. [\\$ZENA](#) [\\$APHA](#) [#PotStocks](#)

11:08 AM · Sep 30, 2020 · Twitter for iPhone

2 Retweets · 28 Likes



Betting Bruiser
@BettingBruiser

One thing that was left out of the [\\$ZENA](#) and Anson Funds report was fact that Anson's funds legal counsel (Laura Salvatori) husband (Muneeb Yusuf) via Brownstone Advisors facilitated the toxic financing deal between [\\$ZENA](#) & [\\$TLRY](#) ... conflict of interest much? [#Potstocks](#)



Laura Salvatori
General Counsel



Brownstone Advisors Inc. ("Brownstone") acted as strategic advisors to Zenabis in connection with the Supply Agreement. Zenabis will pay a strategic advisory fee to Brownstone, which fee will include (subject to receipt of all required regulatory approvals) 319,148 common shares of Zenabis.



Corporate Director
Brownstone Capital
2018 - Present • 2 years
Toronto, Canada Area

1:50 PM • Oct 9, 2020 • Twitter for iPhone



Betting Bruiser @BettingBruiser • Oct 9

Replying to @BettingBruiser

Hi Laura 🙌 ... cause I know you follow every tweet I speak about Anson ... I thought I'd give you a shoutout! [\\$ZENA](#) [\\$TLRY](#) [#PotStocks](#)



4



38



Betting Bruiser @BettingBruiser • Oct 9

If you're an Anson Fund investor ... be prepared to have your funds locked up b/c there is a lot of information floating out there that paints a picture of scams to benefit none other than Moez Kassam. [\\$ZENA](#) story is just one of hundreds where it's alleged he broke the law. [#PotStocks](#)



4



32





Betting Bruiser
@BettingBruiser

Maybe I should speak to regulators about Anson Funds
and collect the reward in 50 years

Or should I just leak snippets of recorded conversations
with Moez Kassam?

Thoughts? [#PotStocks](#)



2:17 PM · Oct 9, 2020 · Twitter for iPhone

6 Retweets 1 Quote Tweet 83 Likes



Betting Bruiser
@BettingBruiser

I think I'm going release some of the recordings about Moez Kassam ... just interested how much money Anson pays Ben Axler from @sprucepointcap ... you care to comment Ben?

"You know what's gonna happen"

14:47

"A lot of times if I'm working with Ben (Axler) or doing this kind of stuff (shorts) than **we can create our own catalysts right because we're putting out a report**"

"So I know when stuffs gonna go down and I'll buy puts"

3:19 PM · Oct 9, 2020 · Twitter for iPhone

3 Retweets 2 Quote Tweets 64 Likes



Betting Bruiser
@BettingBruiser

Everyone have a good long weekend expect for Anson Funds Moez Kassam he can choke on a wishbone!
[#PotStocks](#)

4:55 PM · Oct 9, 2020 · Twitter for iPhone

4 Retweets 1 Quote Tweet 105 Likes



Betting Bruiser
@BettingBruiser

Has Anson Funds and/or MMCAP name all over it
\$VIVO #PotStocks



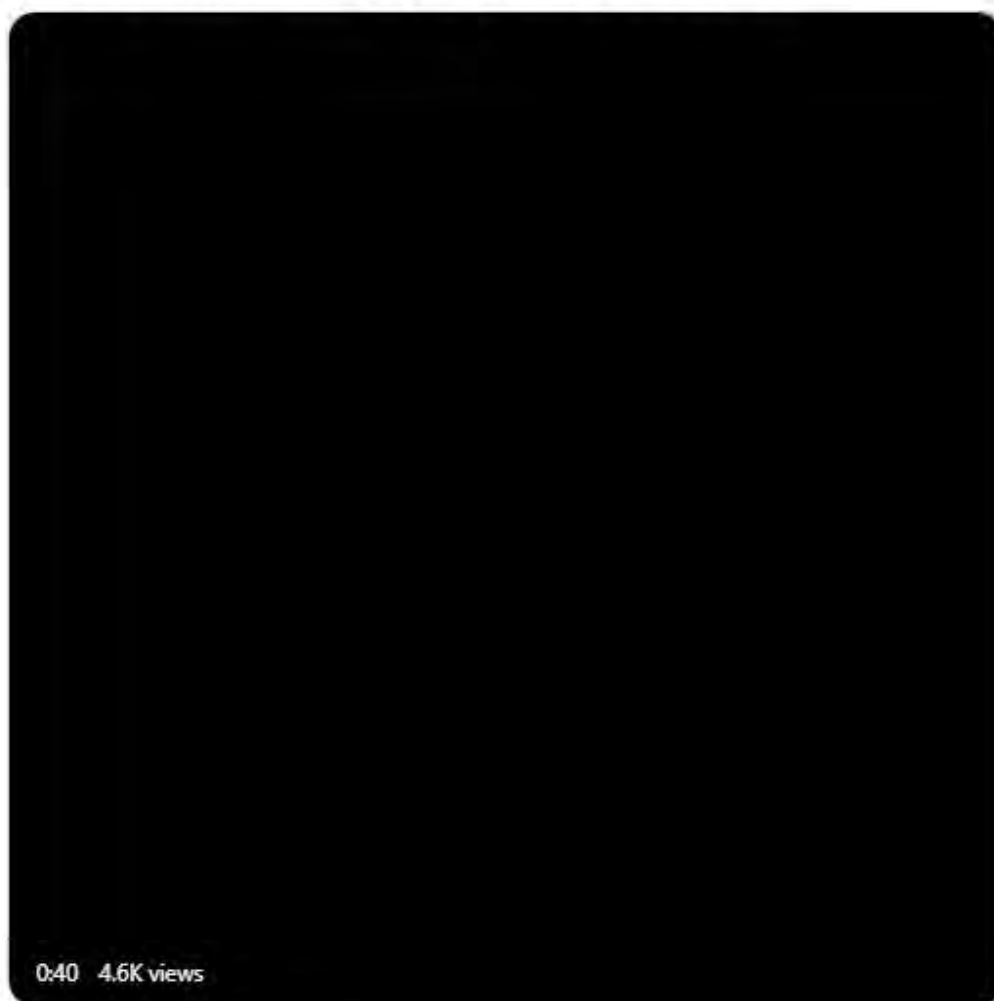
VIVO Cannabis™ Withdraws \$5 Million Offering and Provides Business Update
TORONTO, Oct. 16, 2020 /CNW/ - VIVO Cannabis Inc.
ca.finance.yahoo.com

8:33 AM · Oct 16, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

This is Moez Kassam from Anson Funds in the flesh running scared from recent reports about his tactics. Worth a listen. This guy is scum of the earth.



10:50 AM · Oct 30, 2020 · Twitter for iPhone





Betting Bruiser
@BettingBruiser

...

Happy Halloween to the [#PotStocks](#) community!

Trick or Treat:

Who is going to toilet paper Moez Kassams house tonight? [\\$ZENA](#) executives should just throw stock as it's cheaper then toilet paper!



12:48 PM · Oct 31, 2020 · Twitter for iPhone

APPENDIX “B” – “John Murphy” Tweets





John Murphy @JohnMur67039142 · Jul 24

@MunchingMoez #ansonfunds, paid for the report as they were caught offside. rumours off 900k in the single digits. called in a favor and doubled down @HindenburgRes moez was telling ppl it was going to 6.00. even called prop desks wanting them to short



John Murphy

@JohnMur67039142



it seems moez and sunny from @AnsonGroupFunds @MunchingMoez @HindenburgRes @globeandmail @davidmilstead quickly blocked me by suggesting they were short 1mm \$FD. i think much more will come out on this trade. @business @BNNBloomberg



John Murphy @JohnMur67039142 · Jul 28

Looks like @facedrivecanada \$FD is going higher @HindenburgRes @AnsonGroupFunds finance.yahoo.com/news/400-tesla...

7:41 PM · Jul 30, 2020 · Twitter for iPhone



John Murphy @JohnMur67039142 · Aug 14

@HindenburgRes @BNNBloomberg @AnsonGroupFunds this story will be all over the street within months. how dirty **moez** hurt his business parnter and lied to the founders of Sapha. @LamboJohnny @BettingBruiser



MDeCicco @MDeCicco_ · Aug 14

Hey @MunchingMoez. Can you confirm/deny? The word around is that you were the source of the @HindenburgRes Short Attack on @aphriainc, to cover HUGE losses on \$TLRY

[Show this thread](#)



John Murphy @JohnMur67039142 · Aug 14

SFD #moezkassam paid for negative promotions on **SFD** Sapha \$tlry and many more. was this disclosed by publisher? @AnsonGroupFunds @HindenburgRes @BNNBloomberg @BettingBruiser \$tlry Sapha #shortsellers @IIROCInfo



Stockhouse.

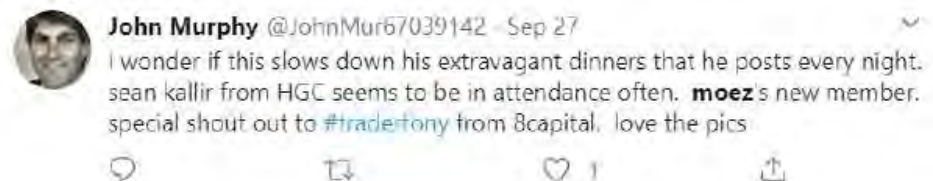
Just read this on Yahoo: short seller Moez Kassam go...
Just read this on Yahoo: short seller Moez Kassam got BURNED

stockhouse.com











John Murphy @JohnMur67039142 · Sep 29

big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. **anson** does both!



John Murphy
 @JohnMur67039142

Home stockmanipulators.com. Cyber crimes added to the list of wrongdoings by @AnsonGroupFunds ? who funded this defense? unit holders? @davidmilstead @globeandmail @thomasg_grizzle

7:52 AM · Sep 29, 2020 · Twitter for iPhone



John Murphy @JohnMur67039142 · Sep 30

chatter is \$300k-400 for that report. a deep audit of **anson's** books might help.



John Murphy @JohnMur67039142 · Sep 30

Anson and Moez put out this response, it fails to address the allegations outlined, when they question a company they ask for a line by line response. we are waiting @MunchingMoez ansonfunds.com/wp-content/upl... @QTRResearch @BettingBruiser @LamboJohnny @weedstreet420 @davidmilstead





John Murphy @JohnMur67039142 · Oct 28

\$FD Facedrive target of an ongoing short attack by @AnsonGroupFunds
 how will this play out? @QTRResearch @BettingBruiser @weedstreet420
 @ddale8 @BNNBloomberg @DisruptorsBNN



Blackrock, Bezos And Musk Charging Ahead in this \$30 Trillion Mega-Tr...
 In the last two years there has been a 733% increase in ESG investments
 while tech companies have soared, now there is one new industry playe...
finance.yahoo.com



John Murphy
 @JohnMur67039142

Moez Kassam and Anson Funds: A Tale of Corruption,
 Greed, and Failure – Capital Market Crimes

@BettingBruiser @weedstreet420 @QTRResearch
 @BNNBloomberg @JeffKehoeOSC #moez



Moez Kassam and Anson Funds: A Tale of Corruption, Greed, and Failure
 IMPORTANT UPDATE: OSC and IIROC are now aware of Anson's illegal market
 activities and are asking the public for information.
marketcrimes.to

2:08 PM · Oct 29, 2020 · Twitter for iPhone





APPENDIX “C” – James Stafford

A. Stafford’s Background

1. In his capacity as a stock promoter, Stafford has been involved in numerous pump and dump securities schemes, including several of the companies mentioned in the Unlawful Statements. Stafford’s role in such schemes is to disseminate via the Internet sensationalist and misleading information regarding his clients (usually publicly traded issuers) with the intention of increasing – artificially and often temporarily – the trading volume and price of securities of the company. Those who sell shares in the company while the stock price is inflated – including proponents of the pump and dump scheme – enjoy significant profits, whereas unsophisticated investors (often retail investors) are habitually faced with significant losses when the share price declines back to its intrinsic value. This is also known as the “pump and dump”.

2. While Stafford’s articles on www.OilPrice.com purport to be – and are intentionally designed to appear as – objective news reports, they are promotional materials. Stafford is often directly paid for his articles on www.OilPrice.com in cash or shares by the companies whose securities he is promoting. As such, he often owns securities in the company at issue and is incentivized to increase both their trading price and volume. The disclaimers attached to the bottom of Stafford’s articles on www.OilPrice.com acknowledge this and specifically acknowledge the temporary effects of his pump and dump scheme.

3. The following is a typical example of the disclaimers attached to Stafford’s articles. It appeared at the bottom of an article titled “Is This The Hottest Oil Play Of The Year”,

published January 14, 2021 regarding RECO. It acknowledges that Stafford and/or his companies were paid \$70,000 to write a single article, and that they own shares in RECO:

ADVERTISEMENT: This communication is not a recommendation to buy or sell securities. OilPrice.com, Advanced Media Solutions Ltd., and their owners, managers, employees, and assigns (collectively the “Company”) **have been paid by [RECO] seventy thousand U.S. dollars to write and disseminate this article. As the Company has been paid for this article, there is a major conflict with our ability to be unbiased, more specifically:**

This communication is for entertainment purposes only. Never invest purely based on our communication. We have not been compensated but may in the future be compensated to conduct investor awareness advertising and marketing for [RECO]. Therefore, this communication should be viewed as a commercial advertisement only. We have not investigated the background of the company. **Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases.** The information in our communications and on our website has not been independently verified and is not guaranteed to be correct.

SHARE OWNERSHIP: **The owner of Oilprice.com owns shares of this featured company and therefore has an additional incentive to see the featured company’s stock perform well.** The owner of Oilprice.com will not notify the market when it decides to buy more or sell shares of the issuer in the market. The owner of Oilprice.com will be buying and selling shares of the issuer for its own profit. This is why we stress that you conduct extensive due diligence as well as seek the advice of your financial advisor or a registered broker-dealer before investing in any securities. [Bolded emphasis added.]

B. Stafford’s Animus Towards the Plaintiffs

4. Stafford was hired, directly and/or indirectly, to promote, and artificially inflate the volume and/or price of, Facedrive shares using his website, www.OilPrice.com. Since March 2020, Stafford and/or his companies have published over seventy sensationalist posts about Facedrive (a full list is set out in Section D of this Appendix), with titles including “Could This Be One Of The Best Ways To Play The EV Boom This Summer?”

and “The \$110 Trillion Trend That Bezos, Buffett And Musk Are Betting On”. The public disclosure on www.OilPrice.com stated that:

- (a) Stafford and/or his companies “signed an agreement [with Facedrive] to be paid in shares to provide services to expand ridership and attract drivers in certain jurisdictions outside Canada and the United States” – although, in fact, Stafford and/or his companies was hired for stock promotion purposes;
- (b) Stafford “has acquired additional shares of FaceDrive...for personal investment” and that, as a result, Stafford and/or his companies have “a substantial incentive to see the featured company’s stock perform well”; and
- (c) www.OilPrice.com’s purported articles about Facedrive **“should be viewed as a commercial advertisement only. We have not investigated the background of the featured company. Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases”** (emphasis added).

5. The www.OilPrice.com disclosure does not, on its own, identify how much Stafford was paid. Many readers of www.OilPrice.com, particularly unsophisticated ones, would not have realized that the website was hired to promote Facedrive stock, and was not providing objective news and analysis about the company.

6. In total, Stafford directly and indirectly, at one point in time, owned up to approximately 1.5 million shares in Facedrive, some of which he received as compensation for stock promotion, and some of which he purchased on the open market. As a result, Stafford had a significant incentive to ensure that Facedrive's share price appreciated and remained artificially inflated. One and a half million shares of Facedrive would have been worth approximately \$90 million at Facedrive's all-time high share price of \$60 and are worth approximately \$3 million at the current share price of approximately \$2 (assuming Stafford held his shares).

7. These incentives gave Stafford the impetus to engage in the Conspiracy and spread Unlawful Statements about the Plaintiffs. Given Stafford's financial interest in Facedrive, he has an incentive to diminish and disparage critical commentary about Facedrive, published by market participants or other observers, which questions the intrinsic value of the company. On July 23, 2020, Hindenburg Research published critical research findings about Facedrive. Later that evening, the first Unlawful Statements about the Plaintiffs were published on Stockhouse.

8. Part of Hindenburg Research's critical findings about Facedrive related to a firm named Medtronics Online Solutions Ltd. ("**Medtronics**"). Facedrive, a ride-share start-up, publicly claimed that it had hired Medtronics for the purpose of broadening its ridership. Hindenburg Research's critical findings included that Medtronics was controlled by Stafford; that Medtronics was in fact a shell company that obfuscated its true purpose; and that Stafford, via Medtronics, had actually been hired to promote Facedrive's stock, not broaden ridership. Pursuant to a consulting services agreement, Facedrive was to pay Medtronics 800,000 in shares for the alleged services through a monthly fee (worth

roughly \$8 million at the time the agreement was press released by Facedrive; see also **Appendix “E”**, paragraph 45 below, where Robert indicated that Stafford was paid \$8 million to promote Facedrive). On September 9, 2020, Facedrive terminated the consulting services agreement and was of the opinion that the obligations under the agreement had been fulfilled. On November 27, 2020, the company disclosed a signed settlement agreement deeming its obligations fulfilled as of October 19, 2020. This all occurred a few months after the release of Hindenburg Research’s report regarding Facedrive, when a disagreement ended the relationship between Facedrive and Medtronics, although Medtronics still received all of its shares under the agreement. Had the consulting engagement continued, Stafford may have stood to receive more shares in Facedrive, increasing his compensation.

9. Stafford was also hired to promote, and artificially inflate the volume and/or price of, RECO’s shares. Since January 2020, Stafford and/or his companies have published over twenty sensationalist articles promoting RECO on www.OilPrice.com (a full list is set out in Section E of this Appendix), with titles including “Is This The Most Exciting Oil Stock For 2021?” and “Recon Africa: The Truth About The World’s Most Exciting Oil Play”. The disclosure on these articles indicates that Stafford was paid US\$280,000 for a series of four articles in January 2021. All of the articles consistently disclosed that Stafford and/or his companies own shares in RECO and accordingly have a substantial incentive to see the share price perform well.

10. Stafford’s financial interest in RECO once again motivated him to spread Unlawful Statements about the Plaintiffs through the Conspiracy. On June 20, 2021, The Globe and Mail published a critical article about RECO. On June 24, 2021, Viceroy Research,

another forensic research firm, expanded on The Globe and Mail's reporting and posted further critical findings about RECO. The critical findings included allegations that RECO had engaged in stock promotion and had other fundamental issues. The Second Defamatory Manifesto was published on June 28, 2021, a few days after Viceroy Research released its first report regarding RECO.

11. Given Stafford's significant financial interest and exposure to Facedrive and RECO, he publicly wrongfully used the Plaintiffs as scapegoats for their share prices declining, and in particular he blamed the Plaintiffs for the critical research findings about Facedrive and RECO. In fact, the share prices of overvalued companies decline not because of the Plaintiffs' influence, but rather because of market fundamentals, including poor performance, failures to meet the business plan, shareholder infighting, and/or corporate governance issues. Consistent with Stafford's incentives, the Unlawful Statements allege, among other things, that the Plaintiffs commissioned and paid for critical analyst and/or news reports about Facedrive and RECO based on fabricated information – both stocks that Stafford has a significant interest in inflating the value of and/or was hired to promote.

C. Stafford's Possible Location

12. Stafford's company, A Media Solutions Limited is connected with the address 4TA Priv Piedra Del Comal 21, Casa 2 col. Valle De Tepepan Tlalpan Distrito Federal Mexico, 14 646, which is near Mexico City. Stafford appears to have connections to numerous jurisdictions and it is unknown to the Plaintiffs whether Stafford's residential address is in Mexico, England, the Bahamas, or elsewhere. Some of the Unlawful Statements described in the statement of claim were published from the area surrounding Mexico City

(many from the city of Toluca) and multiple employees of www.OilPrice.com appear to be based in Mexico City or the surrounding areas.

D. List of www.OilPrice.com articles regarding Facedrive

- 1- Mar 19, 2020- The Most Exciting Green Startups To Watch In 2020
- 2- April 14, 2020- Coronavirus And The Coming Financial Revolution
- 3- May 5, 2020- The \$30 Trillion Trend That's Bigger Than The Entire U.S. Stock Market
- 4- May 28, 2020- Buffett, Bezos And Blackrock Are Betting Big On This \$30 Trillion Mega-Trend
- 5- June 8, 2020- Tech Giants Battle It Out In Billion Dollar Food Delivery War
- 6- June 15, 2020- World's Largest Hedge Fund Goes All In On This \$30 Trillion Mega-Trend
- 7- July 22, 2020- How COVID Transformed The \$70 Trillion Stock Market
- 8- July 23, 2020- Google, Apple And Amazon Are Leading A \$30 Trillion Assault On Wall Street
- 9- August 5, 2020- 1 Million Downloads In 5 Weeks – The Tech Company Fighting COVID In Canada
- 10- August 17, 2020- Bezos And Blackrock Are Pouring Billions Into This \$30.7 Trillion Trend
- 11- October 28, 2020- Blackrock, Bezos And Musk Charging Ahead in this \$30 Trillion Mega-Trend
- 12- November 4, 2020- The \$110 Trillion Trend That Bezos, Buffet And Musk Are Betting On
- 13- November 4, 2020- The Biggest Ever Transfer Of Wealth Is Happening Right Now
- 14- November 9, 2020- The Death Of Car Ownership: How Tech Is Killing The \$3 Trillion Auto Industry
- 15- November 11, 2020- The 6 Hottest Energy Tech Stocks For 2021
- 16- November 17, 2020- Blackrock and Fidelity Are Betting Big On This \$130 Trillion Mega-Trendy
- 17- November 20, 2020- The 3 Hottest Electric Vehicle Stocks Of The Year
- 18- November 24, 2020- The Investment Trend That Could Send Tesla To \$2 Trillion
- 19- November 26, 2020- Here's Why Electric Vehicle Stocks Have Exploded This Year

- 20- December 3, 2020- The Real Reason Why Tesla Is Heading Towards A Trillion-Dollar Valuation
- 21- December 6, 2020- The 3 Hottest Electric Car Stocks For 2021
- 22- December 8, 2020- How To Profit From The Death Of Car Ownership
- 23- December 9, 2020- The Electric Car Boom Is About To Get Even Hotter
- 24- December 13, 2020- Do Not Buy An Electric Car For Christmas Until You Have Read This
- 25- December 15, 2020- How An Obscure 400 Year Old Law Sparked A \$5 Trillion Transportation Revolution
- 26- December 16, 2020- 2 Electric Car Stocks To Watch In 2021
- 27- December 17, 2020- Tesla's 1,000% Stock Price Explosion Isn't About Electric Cars
- 28- December 22, 2020- How Electric Vehicle Hype Created A Brand New Trillion Dollar Market
- 29- December 22, 2020- Why DoorDash Was The Hottest IPO Of The Year
- 30- December 28, 2020- 3 Ways to Play the \$30 Trillion ESG Boom in 2021
- 31- December 28, 2020- The Great Reset: BlackRock Is Fueling A \$120 Trillion Transformation On Wall St.
- 32- December 29, 2020- The Real Reason Big Tech Dominated The Market In 2020
- 33- January 4, 2021- How 400 Year Old Blood Taxis Created A \$5.7 Trillion Industry
- 34- January 12, 2021- BlackRock Is Leading A \$120 Trillion Investment Boom That Is Upending Wall St
- 35- 06 January 2021- BlackRock Is Leading A \$120 Trillion Investment Boom That Is Upending Wall St.
- 36- 08 January 2021-3 Electric Vehicle Stocks That Could Boom In 2021
- 37- 13 January 2021-Biden's Boom: The \$30 Trillion ESG Sector Is Set To Explode In 2021
- 38- 18 January 2021-Is This The Most Exciting ESG Play Of 2021?
- 39- 20 January 2021-The Biden Boom Is Coming And These Stocks Could Soar

- 40- 22 January 2021-Biden's Green Energy Boom Could Send These Electric Vehicle Stocks Soaring
- 41- 28 January 2021-The Real Reason Tesla's Stock Exploded In 2020
- 42- 29 January 2021-Biden's Green Energy Boom Could Send The Electric Car Sector Into Overdrive
- 43- 03 February 2021-These Stocks Could Soar As The U.S.-China Electric Vehicle War Heats Up
- 44- 05 February 2021-Green Tech Could Create The First Trillionaire
- 45- 09 February 2021-2 Under The Radar Electric Vehicle Stocks That Could Soar In 2021
- 46- 11 February 2021-Biden's Clean Energy Revolution Could Send These Stocks Soaring
- 47- 15 February 2021-The Single Biggest Threat To The Electric Vehicle Boom
- 48- 17 February 2021-Biden's \$2 Trillion Green Plan Could Send This Stock Soaring
- 49- 23 February 2021-Biden Is About To Send The Electric Vehicle Revolution Into Overdrive
- 50- 26 February 2021-The Real Reason Elon Musk Could Become The World's First Trillionaire
- 51- 03 March 2021-The \$1 Trillion Electric Vehicle Boom Is Just Getting Started
- 52- 05 March 2021-The Single Biggest Threat To The Electric Vehicle Revolution
- 53- 15 March 2021-Two Tech Stocks To Watch As Biden Pours Trillions Into The Green Economy
- 54- 04 April 2021-The Future is Electric: Why EV Stocks Could Continue To Soar In 2021
- 55- 14 April 2021-Could This Be One Of The Best Ways To Play The Electric Vehicle Boom?
- 56- 16 April 2021-How To Play The \$2.6 Trillion Clean Energy Investment Boom
- 57- 11 May 2021-3 Stocks That Could Win Big From Biden's \$2 Trillion Infrastructure Plan
- 58- 13 May 2021-Biden's \$2.5 Trillion Infrastructure Plan Could Send These EV Stocks Soaring

- 59- 14 May 2021-Is This One Of The Best Ways To Play The Electric Vehicle Boom?
- 60- 17 May 2021-2 Under The Radar EV Stocks Set To Explode This Summer
- 61- 19 May 2021-One Company To Watch As Electric Vehicle Stocks Get Ready To Fly This Summer
- 62- 24 May 2021-America's Gas Crisis Could Send These EV Stocks Even Higher
- 63- 27 May 2021-Could This Be The No.1 EV Stock Of 2021?
- 64- 01 June 2021-Why EV Stocks Are Poised To Explode This Summer
- 65- 09 June 2021-These EV Stocks Could Explode Higher This Summer
- 66- 11 June 2021-America's \$2 Trillion Infrastructure Boom Could Send ESG Stocks Soaring
- 67- 20 June 2021-The Death Of Car Ownership: This \$30 Trillion Trend Could Kill The Auto Industry
- 68- 24 June 2021-The 3 Hottest Electric Vehicle Stocks For 2021
- 69- 28 June 2021-Could This Be One Of The Best Ways To Play The EV Boom This Summer?
- 70- 06 July 2021-Is This The Hottest ESG Stock Of 2021?
- 71- 09 July 2021-Biden's \$2.5 Trillion Plan Could Send These 3 EV Stocks Soaring
- 72- 14 July 2021-The Future Of Transportation: EV Stocks Could Fly This Summer
- 73- 16 July 2021-One Man Just Sent The \$30 Trillion ESG Revolution Into Overdrive

E. List of www.OilPrice.com articles regarding RECO

1. 5 Things You Need To Know About The World's Hottest Oil Play - 16 August, 2021
2. Update On The World's Most Exciting Oil Play: Interview With Scot Evans - 09 August 2021
3. Recon Africa De-Risks The World's Most Exciting Oil Find-05 August 2021
4. Is The World's Hottest Oil Play About To Surprise Markets Again?-02 August 2021
5. Why Short Sellers Are Desperately Trying (And Failing) To Sink Recon Africa-25 July 2021
6. Could This Be The Most Promising Oil Play Of The Decade?-20 July 2021
7. The Best 2 Stocks To Hold As Oil Prices Explode-15 July 2021
8. The Small Exploration Company That Shocked The Oil Industry-08 July 2021
9. Recon Africa: The Truth About The World's Most Exciting Oil Play-29 June 2021
10. Why Namibia Could Become The Biggest Oil Story of the Decade-25 June 2021
11. Is This The Most Exciting Oil Play Of The Last 20 Years?-10 June 2021
12. Is There A Huge Undisclosed Short In Oil Explorer Reconnaissance Energy Africa?-27 May 2021
13. The Best Is Yet To Come For The World's Hottest Oil Play-19 April 2021
14. Two Oil Stocks To Watch In 2021-29 January 2021
15. Could This Be The Best Way To Play The Oil Rebound?-21 January 2021
16. Is This The Hottest Oil Play Of The Year?-14 January 2021
17. The Most Important Oil Find Of The Next Decade Could Be Here-13 January 2021
18. Is This The Most Exciting Oil Play Of The Decade?-08 January 2021
19. How To Play The Oil Price Rebound In 2021-05 January 2021
20. Could This Be The Top Oil Play For 2021?-21 December 2020
21. 2 Ways To Win Big On The Oil Price Rebound-16 December 2020
22. Is This The Most Exciting Oil Stock For 2021?-18 November 2020

23. The World's Last Major Onshore Oil Play?-06 October 2020
24. Two Ways To Win Big On The Oil Price Rebound-23 September 2020
25. The Biggest Oil Discovery Of The Year Could Happen Here-24 August 2020
26. 3 Ways To Play The Coming Oil Boom-18 August 2020
27. Supermajors Are Flocking To This Booming Oil Frontier-30 June 2020

APPENDIX “D” – Unlawful Stockhouse Statements

A. The July 23, 2020 Stockhouse Post

13. On July 23, 2020, Hindenburg Research published a critical report about Facedrive, a company whose stock Stafford was hired to promote.

14. Later that evening, Stafford and the other Defendants conspired to anonymously publish a post titled “The Real Story on Moez Kassam and Anson Funds – Part 1” on Stockhouse on July 23, 2020, under the pseudonym “JusinTime”:



15. The July 23 Stockhouse Post called Kassam a “criminal” and included statements accusing him of engaging in illegal, unethical, and “corrupt” business practices as well as egregious personal attacks, which were intended to damage his reputation and turn investors away from him. The accusations are false and defamatory.

16. The July 23 Stockhouse Post accused Kassam of being “corrupt and criminal” and asserted that his practices included “treading on people, lying and using every trick in the book to bring companies down that he bet against” (emphasis added below):

So here is the beginning part of the tale about the corrupt and criminal CIO at Anson funds?
 A few short years ago Moez Kassam was a high flying star in the hedge fund space. He had \$1 billion under management (now down to \$250 million and falling) and was the praise of the financial community. But what people don't know is that his media praise was paid for (like when Toronto Life covered his wedding – paid for and made to look like an editorial - shame). But even worse he made his money the dirty way, treading on people, lying and using every trick in the book to bring companies down that he bet against. Whatever it took, whoever he ruined financially or reputation wise he would do it to turn a profit.

17. In particular, the July 23 Stockhouse Post discussed Anson's investment in the cannabis company Tilray Inc. ("**Tilray**"). The post falsely asserted that, during this period, Anson had "a large naked short position" which posed a "significant credit risk" to its creditors, and that Anson committed "numerous securit[ies] violations [in] ever f[l]avour imaginable" in order to protect its solvency.

18. The July 23 Stockhouse Post also falsely stated that Anson was "again caught naked" in relation to Facedrive, falsely implying that Anson's conduct was abusive or illegal and asking IIROC if it would be investigating "how Moez creates paper". Anson does not engage in naked short selling.

19. The July 23 Stockhouse Post stated that the Plaintiffs were "bad actors" who are "getting away with" "huge regulatory infringements", and that there were "zero repercussions for their illegal behaviour."

20. The July 23 Stockhouse Post claimed that further allegations of "corruption, lies and foul play" against the Plaintiffs were forthcoming, and concluded with, "Stay tuned especially IIROC, juicy bits coming for you folks."

21. Jacob, who maintains a Twitter account through an alter-ego named "John Murphy" with the username @JohnMur67039142, tweeted a link to the Stockhouse July Post ***on the day it was published:***



The timing demonstrates insider knowledge that the July 23 Stockhouse Post was being published.

22. Shortly after the publication of the July 23 Stockhouse Post, “John Murphy” issued tweets alleging that the Plaintiffs had a short position in Facedrive and predicting that “much more will come out on this trade”. For example:



23. “John Murphy” included the Twitter accounts of The Globe and Mail and its reporter David Milstead, as well as BNN Bloomberg, in this tweet in order to draw these allegations to the media’s attention.

B. The August 14, 2020 Stockhouse Post

24. The Defendants conspired to publish a further defamatory and anonymous post on Stockhouse on August 14, 2020 titled “Moez Kassam and Anson Funds – Short \$500 M and Lose It All” under the pseudonym “evtrader”:



25. This post was published using an IP address originating in Mexico City, where multiple www.OilPrice.com employees are located. It made similar allegations to the July 23 Stockhouse Post.

26. The August 14 Stockhouse Post continued the egregious and baseless personal attacks against Kassam, referring to him disparagingly as an “awful little grot” and falsely stating that the Plaintiffs “lost \$500 million on a Tilray short”.

27. The August 14 Stockhouse Post also stated that “regulatory fire...will be coming [Kassam’s] way soon.” This was one of several attempts to draw regulatory attention to Anson, and falsely imply that the Plaintiffs were engaged in behavior that violated securities regulations.

28. Also on August 14, 2020, “John Murphy” retweeted the false claim that Anson was behind the report produced by Hindenburg Research (“**Aphria Hindenburg Report**”) regarding Aphria, a cannabis company, and predicted that the “story will be all over the streets within months”. This tweet included a photo of Kassam that later appeared in the

Defamatory Manifesto, and also included the Twitter account of BNN Bloomberg to draw the allegations to its attention. The tweet read as follows:



29. The same day, “John Murphy” tweeted additional allegations that Kassam paid for critical reports regarding Facedrive, Aphria, Tilray and other stocks:

\$FD #moezkassam paid for negative promotions on \$FD [Facedrive Inc.] \$apha [Aphria] \$tlry [Tilray] and many more. Was this disclosed by publisher? @AnsonGroupFunds @HindenburgRes @BNN Bloomberg @BettingBruiser \$tlry \$apha \$shortsellers @IIROCinfo

C. The August 17, 2020 Stockhouse Post

30. The Defendants conspired to continue their scheme to harm the Plaintiffs by anonymously publishing a post on Stockhouse on August 17, 2020 titled “The Real Story on what happened with Moez Kassam and Aphria”, under the pseudonym “Bundjy”. This

post was published using an IP address originating in Toluca, a suburb of Mexico City, where www.OilPrice.com has multiple employees:



31. The August 17 Stockhouse Post alleged that Kassam is “a **corporate sociopath** of the worst kind...He talks the talk and **worms his way into friendships that he fully plans to betray** for a dollar at the first opportunity.”

32. The August 17 Stockhouse Post alleged that Anson had invested in Aphria, but that following Anson’s “failed short campaign against Tilray”, the Plaintiffs “became desperate” and “**decided to betray [Kassam’s] friends and colleagues at Aphria.**”

33. The August 17 Stockhouse Post falsely stated that the Plaintiffs commissioned the Aphria Hindenburg Report to publish negative material regarding Aphria, and that the Plaintiffs provided Anderson with “sensitive, insider information that [Kassam] obtained from his friendships with Aphria management and founders”.

34. The August 17 Stockhouse Post also falsely claimed that, shortly before the Aphria Hindenburg Report was released, the Plaintiffs took a short position in Aphria so that they could profit from the diminution of its stock price. Aphria’s stock fell following the release of the report, and the post claimed that, “to the outside world Kassam feigned shock...to avoid suspicion even though he had orchestrated the entire scheme and illegally fed Nate insider information.”

35. The August 17 Stockhouse Post implied Anson's conduct violated securities regulations by encouraging regulators to investigate the allegations it contained. It concluded by encouraging readers to "[c]opy and share as I'm sure Moez will try to have this post removed."

36. Shortly after the August 17 Stockhouse Post was published, Anson received an anonymous telephone call at its offices threatening harm to Anson and Kassam.

37. On August 21, 2020, Robert texted Spektor about Puri, commenting: "When I see Sunny...I'm punching his ticket...I've chased sunny now twice now...Ran like a bitch". In the same conversation, he implied that he could have physical harm done to Kassam: "I'm well connected also ... ***if I wanted someone to visit Moez I could [have] had it done already*** but just moved past it and it's his loss now".

D. The August 28, 2020 Stockhouse Post

38. The Defendants conspired to anonymously publish a post on Stockhouse on August 28, 2020 titled "Moez Kassam and Anson at it again – you guys got off lightly", under the pseudonym "stocknsyrup". This post was published using an IP address originating in Mexico City, where www.OilPrice.com has multiple employees (and in fact, the IP address that published this post is the same as the one that published the August 14 Stockhouse Post):

**Moez Kassam and Anson at it again – you guys got off lightly
(/companies/bullboard/v.fd/facedrive-inc?postid=31470222)**



stocknsyrup (/members/stocknsyrup) (1) | August 28, 2020 12:43 pm

39. The August 28 Stockhouse Post alleged that Anson invested in Zenabis and appointed a “**stooge**”, Adam Spears, to Zenabis’ board. Among other things, it falsely and maliciously asserted that Anson used Spears to “convince...Zenabis to do all sorts of things that were hugely detrimental to the company and geared towards its destruction”.

40. The August 28 Stockhouse Post falsely stated that Spears was “feeding Kassam insider information so Kassam could better time the short sells and make even more money. YES, THIS IS ILLEGAL!”.

41. The August 28 Stockhouse Post asserted that the “coup de grace” for Zenabis was Kassam and Spears convincing it to pursue an initial public offering at an overvalued valuation so that, due to Anson’s short position, Kassam would have “a massive win” when Zenabis’ share price fell. It claimed that the Plaintiffs “made a fortune on this” scheme. The post falsely asserted that the Plaintiffs’ conduct “**completely destroyed Zenabis and its shareholders, and it was illegal every step of the way**”, and encouraged regulators to investigate.

APPENDIX “E” - The Defamatory Manifesto

A. Planning the Defamatory Manifesto

42. During meetings and/or conversations to plan the Defamatory Manifesto, Rudensky told Stafford and Robert the following, among other things, establishing that he was involved with the Defamatory Manifesto:

[Rudensky, Transcript #3]: ...But I've been on the street for 15 years and Moez seems like a guy who would have dinner with you and shake your hand and then screw you over and I don't get how he survives...

[...]

[Rudensky, Transcript #3]: ...I was a broker and G&P [i.e. Richardson GMP] for over 10 years [Rudensky worked at Richardson GMP from November 2009 until September 2015 when he left, as described in the statement of claim at paragraphs 17-18]...

[...]

[Rudensky, Transcript #3]: ...In 2018? I left in 2015 and he [Adam Spears] had come in and said his goodbyes a year earlier [Rudensky left Richardson GMP in 2015] ...

[...]

[Rudensky, Transcript #3]: ...Nothing else from me right now. I think we are on the same page, this is reinforcing some of the stuff I've heard.

43. During other meetings and/or conversations to plan the Defamatory Manifesto, Robert and Stafford had, among other things, the following discussions as Stafford asked Robert to draft false and defamatory allegations against the Plaintiffs:

[Stafford, Transcript #4]: OK – so do you have any paper or anything? Everything you've given me is great for a story but it won't take [Kassam] down. So I need something...

[...]

[Stafford, Transcript #4]: ...Interesting, I like that, it's interesting. You know this better than me? Can you write out that whole process start to finish?

[Robert replies, Transcript #4]: Sure – I'll do that example. I can do it on Sunday but that is just one case in the US. ...

[...]

[Stafford, Transcript #4]: ...Ok – can you write something out....

44. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Stafford, Rudensky and/or Robert made, among others, the following statements as they sought to conspire against the Plaintiffs:

[Robert, Transcript #1]: ...The regulators are on to [Kassam] and I know the dirt but you'd have to offer something substantial for me to start digging into Moez. I hate the guy, but I'd have to go out of my way....

[...]

[Robert, Transcript #1]: ...We can hurt him [Kassam] with the regulators and definitely find more info on his funds and who he works with? I ran into Sunny Puri twice and nearly punched him out...

[...]

[Robert, Transcript #2]: ...I'll go through all of this with your investigator...

[...]

[Stafford, Transcript #3]: ...What if we were to put pressure on the banks and brokerages? Credit compliance etc. Then they would take a closer look at their [Anson's] operations...

[...]

[Stafford, Transcript #3]: ...If you were to do surveillance on him [Kassam], where would you look?...

[...]

[Stafford, Transcript #3]: ...We need to make him [Kassam] toxic to force the regulators...

[...]

[Rudensky, Transcript #3]: ...What we need to do is up the pressure on the brokers...

[...]

[Robert, Transcript #3]: ...I'm going to keep talking, but with COVID it's hard to bump into people. But the way we hurt this guy [Kassam] is by doing a report and getting the regulators to look at it...

45. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Robert implied that Stafford was paid by Facedrive and that Stafford had an animus against the Plaintiffs:

[Robert, Transcript #1]: ...So Moez was panicking and bringing up your name [Stafford] and oilprice and the fact you got \$8 million to promote [Facedrive]. Which is a number I heard a long time ago...

[...]

[Robert, Transcript #2]: ...You're [Stafford] not the first person he's [Moez] pissed off...

[...]

[Robert, Transcript #3]: ...You have that with Facedrive, it hit 500 million and [Kassam] shorted it and you guys [Stafford and www.OilPrice.com] ran it to 1-2 billion...

46. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Robert and Stafford made, among other things, the following statements about Rudensky's employer Andy Defrancesco:

[Stafford, Transcript #2]: ...Has [Kassam] screwed other people over apart from Andy?...

[...]

[Stafford, Transcript #3]: ...Is there anything we can do to help Andy or is he just screwed?...

[...]

[Robert, Transcript #3]: ...Everybody got mad and nobody wanted to touch Andy and it was all Moez...

47. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Robert claimed to have involvement behind critical research findings that were published about publicly traded companies:

[Robert, Transcript #1]: So here's my conundrum here. I do hate Moez but I am friends with Nate [Hindenburg Research] and I gave feedback on his [Facedrive] report and helped with it. I didn't know you at this time or who was on the other side of this trade...And I've helped Nate [Nathan Anderson of Hindenburg Research] on these reports before. So Andy called me last night and I couldn't say much because I didn't want to burn my relationship with Nate either...

[...]

[Robert, Transcript #1]: ...We [referring to Robert and Nathan Anderson of Hindenburg Research] did a short called Aphria with Andy...

B. Summary of the Defamatory Manifesto

48. From its first paragraph, the Defamatory Manifesto accuses the Plaintiffs of engaging in criminal and unethical conduct (emphasis added):

Never has there been a bigger scourge of the Canadian capital markets. Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions. In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Now, the other shoe is about to drop as Kassam's funds run out and a string of failed attempts at illegal destruction leave this naked short seller truly naked.

49. The Defamatory Manifesto labels Kassam the “Toad of Bay Street”, with a large photograph of a toad, and advises readers to “steer clear” from Kassam’s ***“illegal activities.”***

50. The Defamatory Manifesto makes clear that its purpose is to paint Kassam as “the symbol of everything that is wrong with capital markets” and that with the “help” of “Kassam’s acquaintances [who] have flipped amid all the betrayal,” a “team of investigators is following all the threads of the ***questionable and illegal activities Kassam has pursued in an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way***: even those who helped him and ended up being disposable.”

51. The Defamatory Manifesto falsely implies that the Plaintiffs have violated securities regulations. It improperly and maliciously encourages regulators, such as the OSC, SEC and IIROC, to investigate the Plaintiffs and implores them to “Pay Close Attention” to ***“high-functioning sociopath”*** Kassam. It claims that Kassam is “pinging [the] regulatory radar quite loudly” and that, in addition to Canadian regulatory scrutiny, the Plaintiffs’

“[d]irty deals in the U.S. are going to haunt [Kassam] as well—and the SEC has razor-sharp teeth.”

52. The Defamatory Manifesto gives the false impression that the Plaintiffs were already under regulatory investigation. Later modified versions of the Defamatory Manifesto state at the outset: “IMPORTANT UPDATE: **OSC and IIROC are now aware of Anson’s illegal market activities** and are asking the public for information. The regulators need your help. If you have information for them or have been hurt because of their actions please get in touch... Do not be silent – help them clean up the capital markets”. This part of the Defamatory Manifesto includes a link to an OSC media release that has no known connection to Anson, in an attempt to lend further credibility to the false notion that the Plaintiffs are under investigation.

53. The Defamatory Manifesto implies falsely that the Plaintiffs engaged in “naked short selling” by stating that they were the “primary inspiration” of a forthcoming bill to prohibit “naked short selling in Canada.”

54. The Defamatory Manifesto calls the Plaintiffs’ fully legal short-selling strategy “**illegal**” and claims that Kassam has “**lost friends...almost all of whom he betrayed in underhanded and illegal short-selling schemes**, including the best man at his wedding whom he threw under a speeding short-selling bus”.

55. While this allegation is false, Robert is one of the few individuals who has information about the relationship between Kassam and his best man, Allen Spektor, who introduced Kassam to Robert. During meetings and/or conversations to plan the

Defamatory Manifesto, Robert told Stafford and Rudensky the following, among other things:

[Robert, transcript #3]: [Kassam] is a piece of shit. He befriends people, uses people. I just spoke to the best man [Allen Spektor] at his wedding and they don't talk about shorting anymore because he just feeds everyone shit. This is his best friend. They don't talk about short selling because it ruins the friendship...

[...]

[Robert, transcript #3]: He's a big guy, he [Allen Spektor] was his best man. And he [Spektor] introduced me to Moez a long time ago and promised me the world if I helped this guy, and none of them came true. This Alan [Spektor] guy has recommended so many people that Moez fucked over that he doesn't involve himself in the circle anymore. I gave him a hard time.

56. The Defamatory Manifesto claims that “Moez Kassam’s MO” and the Plaintiffs’ general investment strategy is to invest in small companies in need of cash to “buy influence”; purposefully place the company “into a vulnerable position” in order to drive down its share price; and then short-sell the company’s shares “by a far greater amount” than their initial investment. It falsely asserts that “[p]rivate placement money coming from Moez Kassam is toxic money that comes with self-destructing strings attached.”

57. Under the heading “**How Moez Kassam Cheated Zenabis**”, the Defamatory Manifesto falsely accuses Kassam of engaging in a “game” in which he took a “visible long position” in Zenabis and a “much larger (10x) secret short position” to cause Zenabis’ share price to go down. It falsely states that Kassam effectuated his scheme by placing “a figurehead as the director of [the] company” – Adam Spears – and convincing him to go public at “the highest possible valuation” to “set up a massive downside potential for Kassam to make a killing shorting” its shares. The Defamatory Manifesto also alleges

falsely that Spears “fed” Kassam material non-public information that the Plaintiffs then leaked to the public, and which the Plaintiffs also used to time short sales advantageously. The Defamatory Manifesto claims that the Plaintiffs replaced Zenabis’ CEO after he discovered the “scheme”, and installed a new CEO whom they convinced “to dig his own grave” because they “were in control” of Zenabis “through their **stooge, Adam Spears**”. The Defamatory Manifesto asserts that the Plaintiffs’ “dirty short selling strategies” had “completely destroyed Zenabis, taking it from a \$950-million market cap company all the way down to around \$50 million over dinner and drinks.”

58. These are false allegations that Robert had previously made using the “Betting Bruiser” Twitter account, prior to the Defamatory Manifesto being published. These allegations were also included in the Unlawful Stockhouse Statements.

59. The Defamatory Manifesto continues with respect to Aphria. It falsely accuses Kassam of being “the mastermind” behind the Aphria Hindenburg Report by using Puri – who it says “makes bottom feeders look appealing” and did all the “dirty legwork” – to “illegally feed” its author Nate Anderson “sensitive, insider information that he obtained from his friendships with Aphria management and founders – sprinkled with exaggerated lies”. The Defamatory Manifesto asserts that the Plaintiffs were “a large holder of Aphria stock” and short sold shares immediately before release of the Aphria Hindenburg Report, which “irreparably damaged” and “crashed Aphria stock”. The Defamatory Manifesto claims that Kassam “**betrayed**” his “friends” and then “feigned shock...to avoid suspicion even though he had **orchestrated the entire scheme and illegally fed Nate [Anderson of Hindenburg Research] insider information.**”

60. The Unlawful Stockhouse Statements contained the same allegations regarding the Plaintiffs and Aphria, as did the “John Murphy” tweets from before the Defamatory Manifesto was published.

61. The Defamatory Manifesto falsely alleges that the Plaintiffs engaged in a similar scheme with Genius Brands International, Inc. (“**Genius**”), a children’s entertainment company. It falsely states that Plaintiffs engineered a “pump and dump” scheme whereby they raised Genius’ share price by commissioning favourable reports from “pumpers” on social media, and then took “significant short positions” immediately prior to the release of a negative report that they commissioned Nate Anderson of Hindenburg Research to write. The Defamatory Manifesto also falsely claims that Kassam had provided vetted “insider” information to Anderson to assist with writing that report. The Defamatory Manifesto’s allegations regarding Genius maliciously conclude by implying the Plaintiffs violated securities regulations: “The Toad of Bay Street—dipping his webbed feet precariously into SEC waters—rode [Genius] all the way up and then shorted it all the way down—disgusting.”

62. The Defamatory Manifesto falsely accuses the Plaintiffs of engaging in a similar illegal scheme with Facedrive, a company Stafford was paid to promote and of which he owned a significant number of shares. It falsely states that Plaintiffs took “a huge naked short” position in Facedrive, “panicked,” and in order to drive down its share price, commissioned Anderson of Hindenburg Research to publish a negative report regarding Facedrive. The Defamatory Manifesto claims, falsely, that Kassam told others about the report “days before it went out”, which it characterized as “insider trading”. The Defamatory Manifesto claims that the report “failed to generate the negative action

[Kassam] needed to avoid losing what remains of his fund” and that he “lied to the banks” regarding his Facedrive investment. It warns that Facedrive should “be prepared for another assault out of desperation” because the Plaintiffs are “desperately trying to drive this stock lower”. It states that Plaintiffs would publish a further negative report from researcher “The Friendly Bear”, which the Defamatory Manifesto falsely states was a pseudonym for Kassam and Puri. It also alleges that the Plaintiffs’ banks were helping them with this “illegal” scheme. The Defamatory Manifesto alleges that Anson and Kassam were behind “The Friendly Bear” research report regarding Facedrive – an allegation that is clearly false since no such report exists.

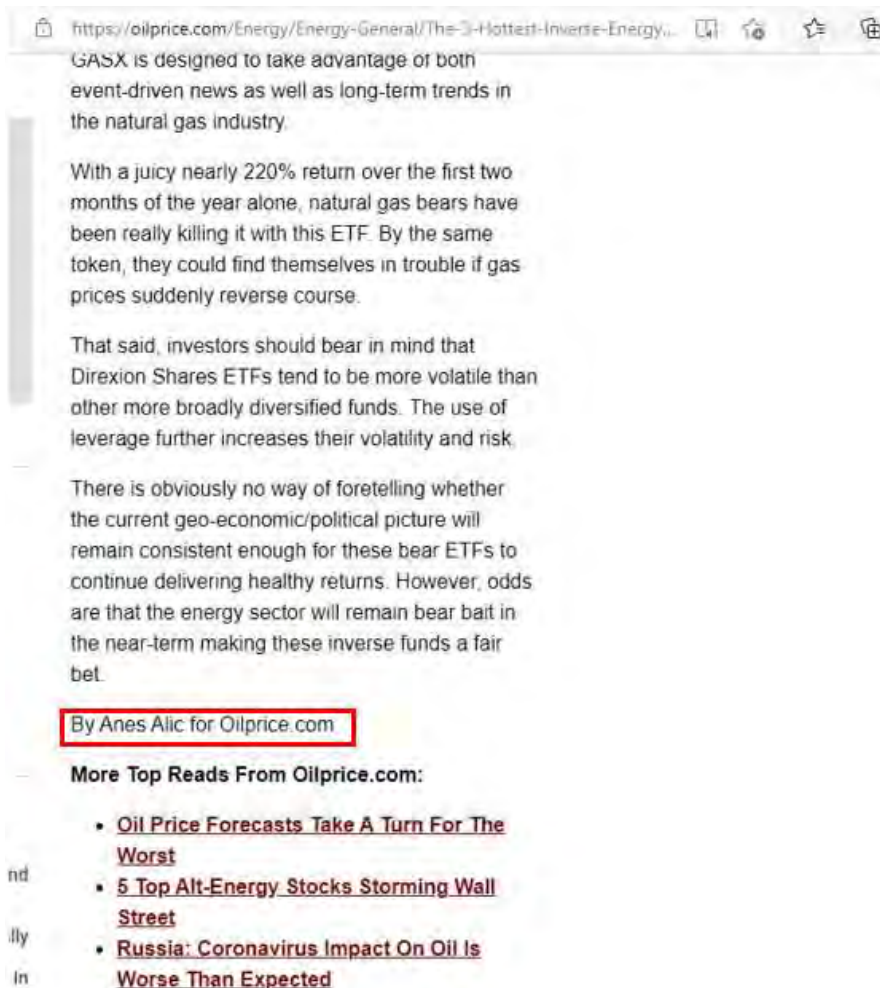
63. As referenced herein, “John Murphy” had previously made similar false assertions about the Plaintiffs and Facedrive. “Betting Bruiser” had also previously tweeted the allegation that the Plaintiffs controlled the Friendly Bear, before the Defamatory Manifesto was published.

64. The Defamatory Manifesto falsely alleges that Tilray had “been the victim of an Anson Funds scheme (which failed)”, and that Anson’s “disastrous attempt to short much larger Tilray” caused “a liquidity crisis” for Anson, which lost hundreds of millions of dollars “in the scheme”. The Defamatory Manifesto further alleges that, having “lost around \$80 million on this dodgy short strategy”, Kassam “nearly lost everything” and had to “grovel” to raise capital for Anson.

65. The Defamatory Manifesto falsely alleges that Anson underpays or “stiffs” people. Robert has made similar allegations that he was not compensated for past due diligence he shared with Anson using the “Betting Bruiser” Twitter account.

C. The Defendants' Attempt to Conceal their Identities and Disseminate the Defamatory Manifesto

66. The Defendants or their proxies communicated with the Bosnian developers using anonymous email addresses to conceal their identities, including from the developers themselves. The email addresses used by the Defendants were editormarketinvestigations@protonmail.ch and anesalic@protonmail.com. "Anes Alic", the name used in one of these email addresses, is a "journalist" for Stafford's website www.OilPrice.com, and the emails sent by anesalic@protonmail.com to the developers were sent either by Stafford or at his behest:



67. The Defendants provided the developers with the text of the Defamatory Manifesto, and the developers created the websites on which it was posted using WordPress. The Defendants paid the developers US\$100 for this work. The Defendants instructed the developers to delete all of their email correspondence following the completion of this work in an attempt to conceal their identities (although the developers did not, in fact, delete all such emails).

68. Stafford and the other Defendants compiled a spreadsheet containing the names and email addresses of 2,854 journalists, news editors, and others in the business community to whom they planned to disseminate the Defamatory Manifesto. Stafford had these names and contact information in his purported capacity as a “journalist”. He and the other Defendants – seeking to imbue the Defamatory Manifesto with a false sense of credibility – intended that these journalists and news editors would re-publish the allegations against the Plaintiffs in their respective news outlets. The spreadsheet’s metadata indicates that the spreadsheet’s author was “James Stafford”, and that the spreadsheet was created on September 30, 2020 and last edited October 1, 2020 — just days after the Defamatory Manifesto was first published:



69. The first four entries on the spreadsheet are pictured below. The first entry is for “James”, with the email “admin@oilprice.com”. Stafford operates the stock promotion website www.OilPrice.com. The second entry is for “Jim”, with the email address “james@floatingmix.com”, another email address associated with Stafford (and the domain “floatingmix.com” is registered to Advanced Media Solutions, the parent of www.OilPrice.com). The third and fourth entries are for “Jimbo” and “JS” at “capitalmarketsinvestigation@protonmail.com” and “info@stockmanipulators.com”. Both email addresses were used as “tiplines” for different versions of the Defamatory Manifesto:

	A	B
1	James	admin@oilprice.com
2	Jim	james@floatingmix.com
3	Jimbo	capitalmarketsinvestigation@protonmail.com
4	JS	info@stockmanipulators.com

70. Stafford and/or the other Defendants, using the email address “anesalic@protonmail.com”, sent this spreadsheet to the developers hired to assist with disseminating the Defamatory Manifesto:



Sent from ProtonMail mobile

----- Original Message -----

On 4. okt 2020, 23:17, anesalic <anesalic@protonmail.com> wrote:

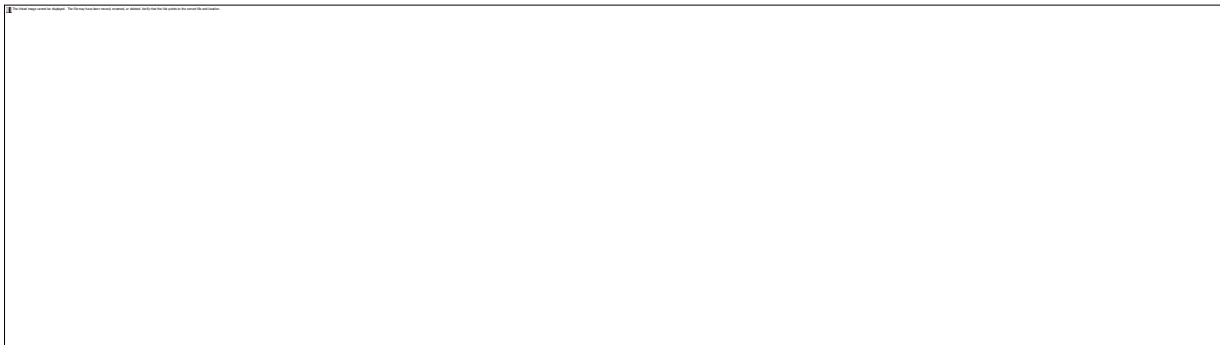
Sent with [ProtonMail](#) Secure Email.

----- Original Message -----

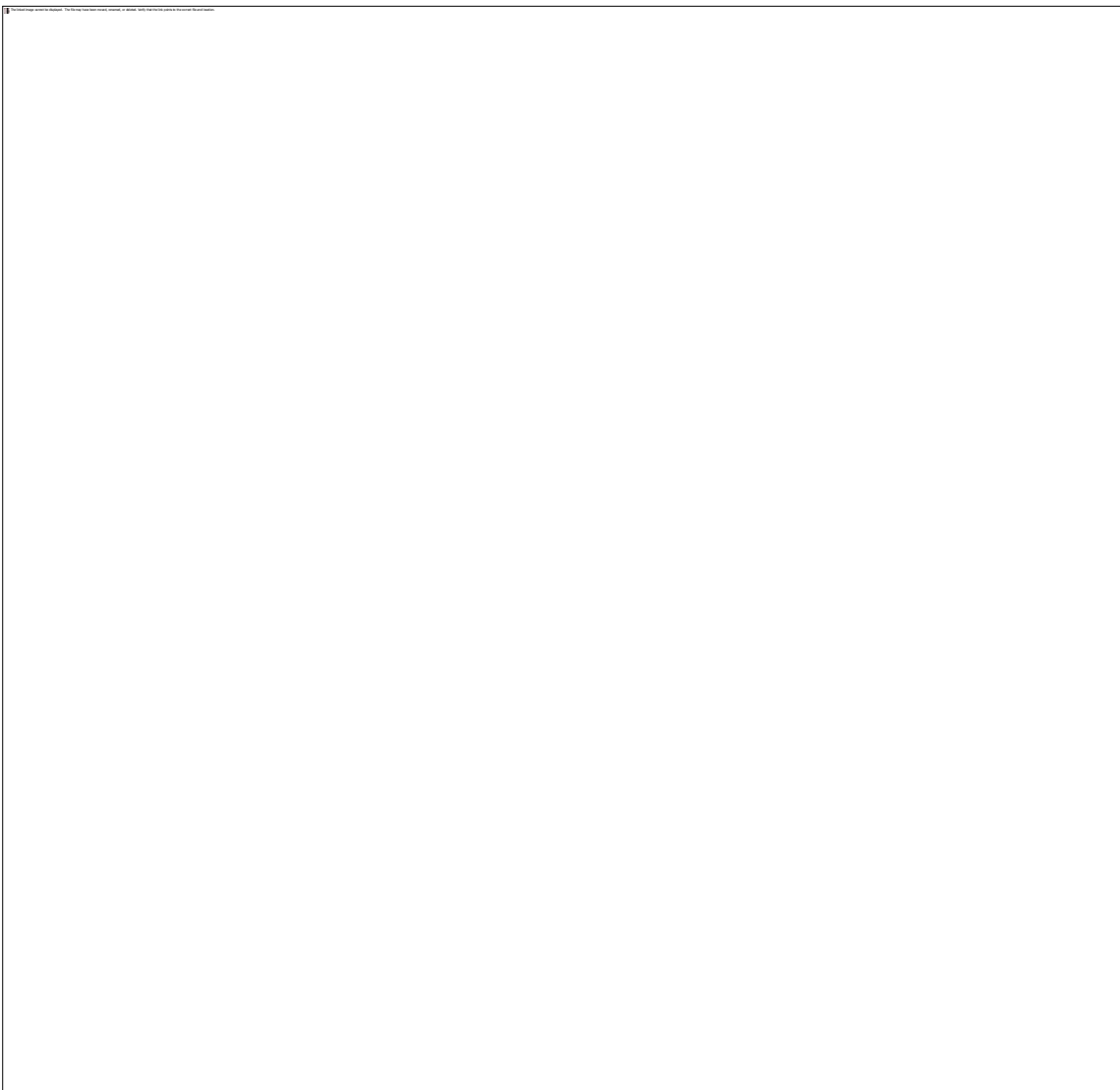
On Sunday, October 4, 2020 10:44 AM, editormarketinvestigations <editormarketinvestigations@protonmail.ch> wrote:

Sent with [ProtonMail](#) Secure Email.

71. One version of the Defamatory Manifesto used the email address cokiga@protonmail.com as the “tipline”:



72. One of the “journalists” at www.OilPrice.com is named “Cokiga” Damke:



D. The Unsolicited Emails

73. The Unsolicited Emails sharing the Defamatory Manifesto contained further Unlawful Statements against the Plaintiffs. One version of the email included the following (emphasis added):

This is a huge developing story on insider trading, market manipulation and fraud within America and Canada's capital markets that I thought you might be interested in.

Anson Funds and Moez Kassam have been destroying companies through illegal means and their partners are some of the largest banks in the world.

The below investigative report looks at which banks are involved and how the fraud has taken place. A lot of very powerful people are going to find themselves under fire....

From what I have been led to believe Anson Funds have sponsored a huge DDOS attack against the various sites that hosted the article and they have all gone down now.

The report obviously has these crooks very concerned and they are desperate no one reads the report. So we can now add cyber crimes to Anson's list of wrongs as well.

74. Another version of the Unsolicited Emails stated the following:

We have a new tip for you that involves the almost unbelievable activities of a hedge fund based in the U.S. and Canada that has broken countless laws and because of their actions have taken billions from ordinary investors and destroyed a huge number of companies.

Please take a moment to read this piece: [link to "MarketCrimes.to".]

You might have heard rumours about it – but it has been going up and down due to huge DDOS attacks from the hedge fund in question who do not want this information getting out.

A second part will be coming soon but this really is a story that needs to see the light of day and I'm hoping you can share this piece with as many people as possible.

75. These Unsolicited Emails were designed and intended to further harm the Plaintiffs and damage their reputation in the financial industry.

E. Further Attempts to Disseminate the Defamatory Manifesto on Twitter

76. On September 28, 2020 – the day after the Defamatory Manifesto was first published – Robert texted Spektor (the contact who introduced him to Anson) the following in reference to the Defamatory Manifesto (emphasis added):

I knew it was coming...

I know who wrote...

Moez likely going [to] sue

77. On September 29, 2020, “Betting Bruiser” tweeted a link to the Defamatory Manifesto, commenting:



78. On September 29, 2020, shortly after Anson was able to have the Defamatory Manifesto taken down from www.MoezKassam.com, Jacob quickly tweeted a new link to the Defamatory Manifesto on a different website, www.StockManipulators.com – again showing the Doxtators’ involvement in the Defamatory Manifesto. He again included the Twitter accounts of the Globe and Mail, and reporter David Milstead, in his tweet:



79. On September 29, 2020 “John Murphy” also tweeted:

big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. anson does both! [sic]

80. On September 30, 2020, Robert referenced the Defamatory Manifesto in a “Betting Bruiser” tweet to advance his allegation that he was unpaid for certain due diligence:

Something that was wrong about the Anson and Moez article circulating was the allegation that Moez/Anson compensates people to write reports. They just use people and don't pay anyone but themselves. \$ZENA \$APHA #PotStocks

81. On September 30, 2020, in response to an Anson press release denouncing the Unlawful Statements, “John Murphy” commented:

Anson and Moez put out this response. it fails to address the allegations outlined. when they question a company they ask for a line by line response. we are waiting @MunchingMoez ansonfunds.com/wp-content/upl... @QTRResearch @BettingBruiser @LamboJohnny @weedstreet420 @davidmilstead

82. During this time, “John Murphy” re-tweeted several tweets publishing links to the Defamatory Manifesto. He also re-tweeted several of Robert’s tweets about the Plaintiffs, as well as those of other Twitter users sharing and discussing the Defamatory Manifesto,

reflecting the Defendants' concerted and coordinated effort to defame the Plaintiffs. He also repeated false allegations of a DDOS attack by Anson, in replying to a tweet by "Betting Bruiser" that contained a link to the Defamatory Manifesto with the following false allegation:

sounds like #moez attacked the site where the @AnsonGroupFunds report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for @MunchingMoez @davidmilstead \$apha \$fd \$gfl \$shrm many more

F. "Betting Bruiser" Tweets

83. The tweets published by "Betting Bruiser" shortly after the Whatsapp exchange between Kassam and Robert included the following:

- (a) "One thing that was left out of the \$ZENA [Zenabis] and Anson Funds report was [the] fact that Anson's funds legal counsel (Laura Salvatori) husband (Muneeb Yusuf) via Brownstone Advisors facilitated the toxic financing deal between \$ZENA & \$TLRY [Tilray] ... conflict of interest much? #Potstocks";
- (b) "Hi Laura [Salvatori, Anson's legal counsel] [Hand waving emoji] ... cause I know you follow every tweet I speak about Anson ... I thought I'd give you a shoutout! \$ZENA \$TLRY #PotStocks";
- (c) "If you r an Anson Funds investor ... be prepared to have your funds locked up b/c there is a lot [of] information floating out there that paints a picture of scams to benefit none other then [sic] Moez Kassam. \$ZENA story is just one of hundreds were its [sic] alleged he broke the law. #PotStocks";

- (d) “Maybe I should speak to regulators about Anson Funds and collect the reward in 50 years Or should I just leak snippets of recorded conversations with Moez Kassam? Thoughts? #PotStocks”; and
- (e) “I think I’m going [to] release some of the recordings about Moez Kassam ... just interested how much money Anson pays Ben Axler from @sprucepointcap ... you care to comment Ben?”

84. The tweet described immediately above was accompanied by a purported transcript of a recent conversation between Kassam and Robert. In fact, the conversation that was transcribed occurred several years ago and the tweet was misleading. This was another attempt by Robert to deceive his Twitter followers and defame the Plaintiffs.

85. On October 9, 2020 — the Friday before Thanksgiving weekend — “Betting Bruiser” wished death on Kassam:



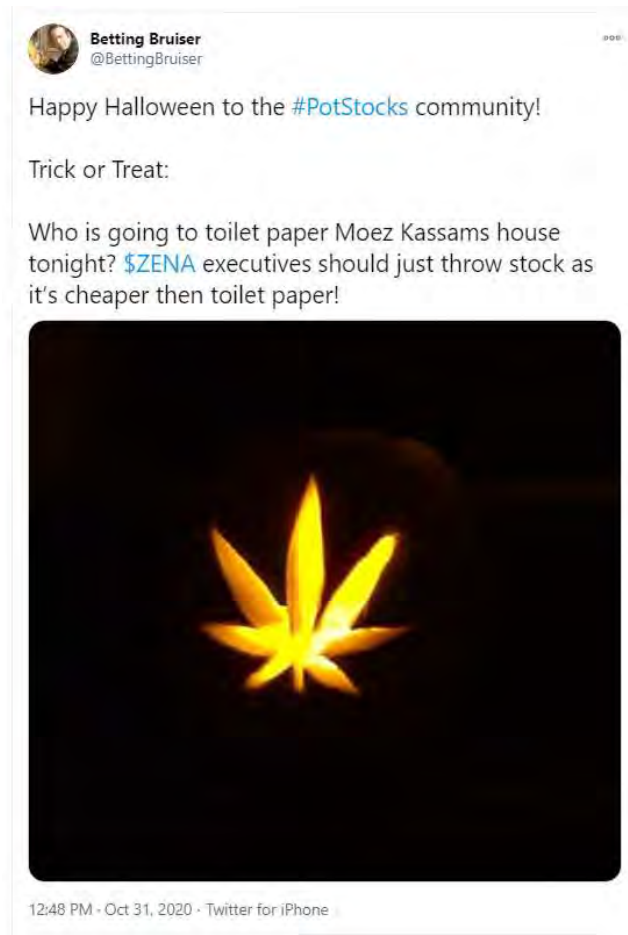
86. On October 29, 2020, shortly after the Defamatory Manifesto was republished on www.MarketCrimes.to, “John Murphy” tweeted a link to the new website, and included in the tweet the Twitter accounts of BNN Bloomberg and Jeff Kehoe, the Director of

Enforcement for the OSC, to bring the Defamatory Manifesto to their attention and attempt to cause the maximum harm to the Plaintiffs.

87. On October 30, 2020, “Betting Bruiser” posted further Unlawful Statements regarding Anson and Kassam:

- (a) he posted a recording of part of a recent conversation between Robert and Kassam regarding the Conspiracy, with the following comment: “This is Moez Kassam from Anson Funds in the flesh running scared from recent reports about his tactics. Worth a listen. This guy is the scum of the earth”; and
- (b) “He doesn’t have anyone but the scum Sunny Puri, the Globe & Mail and other short sellers doing his dirty work for him. Including paying @sprucepointcap @CitronResearch @FriendlyBearSA and others ... why did you block me Ben Adler ... is it the fact your Moez Kassam lapdog?”

88. On October 31, 2020, “Betting Bruiser” posted a tweet encouraging vandalism of Kassam’s house:



G. Messages Publicizing the Defamatory Manifesto

89. The Defendants and/or their proxies shared links to the Defamatory Manifesto on Yahoo Finance with the comments including the following:

- (a) a user named “America” commented, “Will the Canadian regulators do something? I cannot believe someone has been able to get away with this for so long”;

- (b) a user named “Antti” commented, “Canadian hedge fund under fire for illegal practices[.] Looks like Anson have managed to take those sites down – they don’t want the world to know about their crimes”;
- (c) a user named “Alissa” published several messages sharing the Defamatory Manifesto, commenting, “This is everything that’s wrong with the stock market... Looks like a big scandal might be unfolding”, “Have anyone else seen this??? Bomb report on Moez Kassam and Anson Funds. About time ... Clean up what’s truly dirty and rotten to the core” and “Interesting investigative piece looking at a short selling group that have scammed investors out of billions. It’s a must read”; and
- (d) a user named “Daniela” commented, “Seems like a scandal might be starting in the Canadian markets[.] Take a look at this article I found on another community about this hedge fund guy that has been running amok in the Canadian markets – crazy...”.

90. Posts published on Stockhouse in September and October 2020 included the following:

- (a) on September 29, 2020, a user named “KhalidZ” shared a link to the Defamatory Manifesto with comments almost identical to those of “Daniela”, described above: “A scandal might be starting to unfold in the Canadian market[.] Take a look at this article I found on another community about this hedge fund guy that has been running amok in the Canadian markets –

crazy...”. This post published using the VPN “Digital Ocean”, a provider of personal VPN services; and

- (b) on October 1, 2020, a user named “HannaJensen” shared a link to the Defamatory Manifesto with comments identical to those published by “Alissa”, described above: “Interesting investigative piece looking at short selling group that have scammed investors out of billions”.

91. The Defendants or their proxies published Further Unlawful Stockhouse Statements in fall 2020, with headline tags including the following:

- (a) “Time’s Up”;
- (b) “Expose on Moez Kassam”;
- (c) “Tale of Corruption”;
- (d) “These short sellers soured the entire cannabis market”;
- (e) “Check out this piece on short selling bandits in Canada”; and
- (f) “A big scandal might be unfolding in Canadian markets.”

92. Many of these posts included links to the Defamatory Manifesto, and many of the Further Unlawful Stockhouse Statements posted in fall 2020 were published using the Digital Ocean VPN.

H. The Stafford Unlawful Stockhouse Statements

93. The Stafford Unlawful Stockhouse Statements, all published under the username “toffraffles”, were as follows. Many of them referred to Facedrive, one of the companies that Stafford was hired to promote and of which he owned a significant number of shares, as set out herein:

Date	Subject	Post
November 18, 2020	Edward is Upset Because Moez Kassam is Losing Money on FD	Poor Edwardoboo – he gets paid per post from Anson Funds and now his paymaster is losing money hand over fist with his Facedrive short. You referenced the Hindenberg report. This as everyone online knows was a paid for hit piece by Anson. Why don't you look at the report on Moez Kassam and Anson Funds that is going around the internet. Find out just who you are working for. Pure scum. Here's the link just in case you haven't read it: [link to Defamatory Manifesto]
November 19, 2020	RE: Watch the basher rhetoric increase....	Edwardoboo will be coming in hard with the bashing. Probably just got off the phone with Sunny and Moez. They will be upping his salary to \$15 per post if he can create multiple bashing profiles. No sweeter taste than short sellers tears.
November 19, 2020	RE:RE:RE: Watch the basher rhetoric increase....	Here he is – Edward's back – yay. More half witted twaddle from the man who couldn't even get a job in a convenience store and instead has to try and pull down companies for the pennies Moez and Anson tosses him. This company is going places my old mucker. Does Microsoft partner with anyone on the street? No – they know what's happening here and so does the market. Your boss is on the wrong side of this one and is going to lose BIG

Date	Subject	Post
February 25, 2021	What an investigation into Facedrive and Shorts would find	<p>Good post on Yahoo Finance – must read for all Facedrive investors: [link]</p> <p>As someone who has been in since the \$10 range I love the shorts here saying they hope for an investigation. What they do not want is an investigation and neither do their partners in crime, TD Bank, CIBC, RBC. They have been facilitating Anson Funds illegal behaviour with spoofing, downticking and wash trading. They have been miss-marking tickets and hiding the true extent of the naked short position Anson Funds has in Facedrive.</p> <p>They have ruined the market through their illegal actions and any investigation WILL expose this. The banks will sweep this under the rug, cut Anson Funds off and try to get the regulators to move on to mask their continuous illegal behavior.</p> <p>Should the stock be here on fundamentals? No of course not – but Anson and the banks have broken the market and this is why we are seeing the big jumps in share price and I imagine we will see even bigger ones in future when they are forced to cover the bulk of their naked short.</p> <p>This will end very badly for the shorts and I for one welcome an investigation into this whole drama. the banks who will be exposed as Anson Funds are just a grubby little predator who spotted an opportunity and got caught. Now they can't get out of it and when the real buy ins happen this could be a textbook case for making naked short selling in Canada illegal with severe penalties</p>

Date	Subject	Post
February 25, 2021	RE:RE:What an investigation into Facedrive and Shorts would find	you have probably it the right way and gotten the borrow. Anson absolutely have not. TD alone are north of 2 million shares naked short and RCB, TD Bank and others aren't far behind. If you play the game fairly like you have then that's all good – but these guys don't plair [sic] fairly which is the real problem. The real naked short is rumoured to be around 8 million shares which is utterly insane and proves the market or regulatory regime in Canada is utterly broken. I can see this being in textbooks in the future for what can happen when hedge funds are allowed to go naked short and it all goes horribly wrong. Another poster on here said that Anson are waiting for a huge lockup to come free trading in March and that insiders will be dumping their stock. What happens if insiders don't dump and instead hold their shares? Anson have been promising the banks they will. We will see but if Anson are wrong this could explode as the banks will not put up with their lies and stalling any longer as the numbers no longer make sense and force them to cover
February 25, 2021	RE:RE:RE:RE:RE: What an investigation into Facedrive and Shorts would find	you are cleay [sic] a paid Anson Funds stooge. Moez only courts press and comes out when he is desperate and he is VERY desperate. Anson had a diabolical January and i have heard Frbruary [sic] is atrocious as well. He needs funds so Bloomberg put out that puff piece. They are going down
March 10, 2021	RE:RE:RE:RE:RE: Medtronic locking up Facedrive stock for another year	Very little short interest. Don't try and play us for mugs. Everyone on the street knows about the HUGE naked short Anson Funds and their syndicate have against Facedrive. It's the talk of Baystreet [sic]. This trade is going to go very badly for the naked shorts.

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT
LP, ANSON INVESTMENTS MASTER FUND LP AND
MOEZ KASSAM
Plaintiffs

-and-
ROBERT LEE DOXTATOR, JACOB DOXTATOR
JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN DOE 4
AND OTHER PERSONS UNKNOWN
Defendants

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

FRESH AS AMENDED STATEMENT OF CLAIM

DAVIES WARD PHILLIPS & VINEBERG LLP

155 Wellington Street West
Toronto ON M5V 3J7

Matthew Milne-Smith (LSO# 44266P)
Email: mmilne-smith@dwpv.com
Tel: 416.863.5595

Andrew Carlson (LSO# 58850N)
Email: acarlson@dwpv.com
Tel: 416.367.7437

Maura O'Sullivan (LSO# 77098R)
Email: mosullivan@dwpv.com
Tel: 416.367.7481

Lawyers for the Plaintiffs (Defendants to the Counterclaim),
Anson Advisors Inc., Anson Funds Management LP, Anson
Investments Master Fund LP and Moez Kassam

TAB 11

AMENI Electronically filed / Déposé par voie électronique : 29-Apr-2024
 MODIF Toronto Superior Court of Justice / Cour supérieure de justice
 ① RU _____

Court File No./N° du dossier du greffe : CV-20-00653410-00CL

① THE ORDER OF _____
 L'ORDONNANCE DU _____
 DATED/FAIT LE _____

Court File No. CV-20-00653410-00CL

REGISTRAR GREFFIER
 SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE

Digitally signed by Amaresh Bhaskaran
 Date: 2024.02.09 12:10:49 -05'00'

REGISTRAR
 SUPERIOR COURT OF JUSTICE

GREFFIER
 COUR SUPÉRIEURE DE JUSTICE

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
 ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
 JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
 JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and -

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
 ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM and
 ALLEN SPEKTOR ~~and ANDREW RUDENSKY~~**

Defendants by Counterclaim

AMENDED STATEMENT OF DEFENCE OF ANDREW RUDENSKY

1. The Defendant, Andrew Rudensky ("**Rudensky**"), admits none of the allegations contained in the Fresh as Amended Statement of Claim (the "**Claim**").

2. Rudensky either has no knowledge of or denies all other allegations in the Claim, except to the extent expressly admitted herein. Rudensky specifically denies that any of the Plaintiffs are entitled to any of the relief sought in paragraph 1 of the Claim.

Andrew Rudensky

3. Rudensky resides in Naples, Florida, USA.

4. Rudensky is a stock trader. Between approximately 2017 and January 2020, Rudensky traded stocks out of the office of the Delavaco Group headed by Andy DeFrancesco. Rudensky was not a partner or an employee in the Delavaco Group.

5. Rudensky has no relationship with the Defendants, Robert Doxtator and Jacob Doxtator.

6. Rudensky met the Defendant, James Stafford in 2018.

7. Rudensky denies having an *animus* against the Plaintiffs, Anson Advisors Inc., Anson Funds Management LP and Anson Investments Master Fund LP (together “**Anson**”) or their principal, the Plaintiff, Moez Kassam (“**Kassam**”) and/or blaming the Plaintiffs for the critical research findings of Hindenburg Research regarding Aphria Inc. Rudensky made money on trades of Aphria Inc. securities and did not suffer any meaningful losses as a result of any negative articles published about the company or about Andy DeFrancesco.

No Conspiracy

8. Rudensky denies having any involvement in the making and publication of the Unlawful Statements as defined in the Claim.

9. Rudensky denies entering into an agreement with any of the other Defendants to make and publicize the Unlawful Statements against the Plaintiffs with the predominant purpose of injuring them by damaging their business and reputation.

10. Rudensky further denies carrying out an alleged conspiracy with the other Defendants by any unlawful means with the knowledge that the Unlawful Statements would harm the Plaintiffs.

No False Light

11. Rudensky denies giving publicity to false allegations against the Plaintiffs that placed them in a false light. As set out above, Rudensky was not involved in making and publishing the Unlawful Statements.

12. In the alternative, there is no falsity in the Unlawful Statements for Rudensky to have knowledge of, or to have reckless disregard for. The Unlawful Statements are substantially true.

No Intentional Interference with Economic Relations

13. Rudensky denies making, assisting with, contributing to and/or publicizing any false, malicious, defamatory, or unlawful public statements about the Plaintiffs, Kassam

or other Anson personnel with the intent to harm the Plaintiffs' business and to damage their reputation.

14. In any event, there was no deception of third parties by the subject matter of the Unlawful Statements. Any harm to the Plaintiffs' reputation or business allegedly experienced is a direct result of the Plaintiffs' own conduct, including being the subjects of criminal and/or securities regulatory investigations, proceedings and orders in the United States.

No Appropriation of Personality

15. Rudensky denies purchasing the domain name www.MoezKassam.com or using it to publicize the Unlawful Statements. Rudensky also denies acquiring the email address info@moezkassam.com in furtherance of the alleged conspiracy.

16. In any event, Kassam is not a celebrity, and the acquisition of neither the domain name www.MoezKassam.com nor the email info@moezkassam.com constitutes an exploitation or appropriation of a proprietary right of Kassam to market his personality for commercial gain.

No Internet Harassment

17. Rudensky denies writing, publishing, disseminating, and publicizing any of the Unlawful Statements and further denies engaging in any "defamation campaign" against the Plaintiffs.

18. In any event, the writing, dissemination, and publication of the Unlawful Statements does not constitute “extreme conduct that is beyond all bounds of decency or tolerance,” and has not caused harm to the Plaintiffs.

No Defamation

19. Rudensky denies making the Unlawful Statements, including any and all alleged defamatory statements contained in the Claim.

20. In any event, the subject matter of the Unlawful Statements concerns the fairness and integrity of the capital markets, and the damage that is caused to companies and shareholders by the short-selling tactics allegedly employed by the Plaintiffs. This is a matter of public interest.

21. Furthermore, all of the alleged defamatory statements in the Unlawful Statements are either opinions or comments which are generally incapable of proof, or statements of fact that are substantially true. None of these constitute defamation.

This Action is an Abuse of Process, and a Proceeding That Limits Freedom of Expression on Matters of Public Interest

22. As set out above, Rudensky denies publicizing any defamatory statements. However, even if he had participated in making the Unlawful Statements alleged in the Claim, such matters are matters of public interest entitling the Defendants to bring a motion under s 137.1(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, to dismiss this claim. Rudensky reserves the right to do so at any time in this proceeding.

23. This proceeding was commenced in bad faith for the purpose of discouraging individuals from expressing themselves on matters of public interest related to the Plaintiffs' business practices and the corresponding fallout in the capital markets. If allowed to proceed, it will stifle broad participation in debates on these matters of public interest and defeat the objectives of s. 137.1 of the *Courts of Justice Act*.

General Defences

24. Rudensky denies that the Plaintiffs have suffered any damages and puts the Plaintiffs to the strict proof thereof.

25. In the alternative, if the Plaintiffs have suffered damages, which is not admitted but is expressly denied, such damages were too remote and unforeseeable and therefore not recoverable at law.

26. In addition, or in the further alternative, the Plaintiffs caused or contributed to some or all of any damages they may have suffered by engaging in the conduct outlined in some or all of the Unlawful Statements set out in the Claim. The Plaintiffs were contributorily negligent and Rudensky pleads and relies upon the relevant provisions of the *Negligence Act*, R.S.O. 1990, c. N.1, as amended.

27. In addition, the Plaintiffs have failed to take reasonable steps to mitigate any damages they may have suffered, including, but not limited to, seeking court orders requiring the ISP providers that host the relevant websites containing the alleged Unlawful Statements to remove them from the internet, and other steps.

28. The claim against Rudensky is scandalous, frivolous, vexatious, and an abuse of the process of this court. It is rife with improper pleadings, including the pleading of evidence, and was drafted for a different audience than this court.

29. Rudensky denies that the evidence pleaded in the Claim demonstrates his alleged involvement in the development and dissemination of the Unlawful Statements. Rudensky contests the authenticity of the alleged "Transcript #3" referred to in Appendix "E" of the Claim, which does not refer to him or any other speakers by name, and in which alleged conversation he has no recollection of participating. Rudensky further states that the Defendant, Robert Doxtator, has admitted under oath that he falsely accused Rudensky of participating in or contributing to the Defamatory Manifesto (as defined in the Claim) in his Whatsapp chat with Kassam on October 1, 2020, referenced in paragraph 98 of the Claim.

30. The Plaintiffs' conduct in naming Rudensky in this action, in harassing his family with improper efforts to serve him, in improperly noting him in default and in obtaining default judgment against him are part of a calculated, high-handed and malicious effort to intimidate Rudensky. The Plaintiffs are pursuing Rudensky in the hopes of obtaining information or cooperation from him that may assist the Plaintiffs in pursuing the other Defendants and Andy DeFrancesco, the latter whom the Plaintiffs believe is involved in the conduct described in the Claim. However, Rudensky was not involved in the dissemination of the allegedly defamatory publications set out in the Claim.

31. Kassam specifically called Rudensky prior to adding him as a defendant in the action and told Rudensky that he was not the target of this lawsuit, and that Kassam

would leave Rudensky out of it if Rudensky assisted him in pursuing the other Defendants and Andy DeFrancesco. Kassam further threatened to name Rudensky in a Globe & Mail article if he did not comply with his demands for assistance.

32. The Plaintiffs' claims are statute-barred. Rudensky pleads and relies on the *Limitations Act, 2002*, S.O. 2002, c. 24, Sched. B, as amended, and the *Libel and Slander Act*, R.S.O. 1990, c. L.12, as amended.

33. Rudensky requests that the action be dismissed against him in its entirety, and that he be awarded full or substantial indemnity costs of the action and/or costs as provided for under s. 137.1 of the *Courts of Justice Act*.

January 29, 2024

BLANEY MCMURTRY LLP

Barristers and Solicitors
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953

jpolyzogopoulos@blaney.com

Connor Allison (LSO #79878R)

Tel: (647) 776-7306

callison@blaney.com

Lawyers for the Defendant, Andrew
Rudensky

✓

TO: DAVIES WARD PHILLIPS & VINEBERG LLP

Barristers and Solicitors
155 Wellington Street West
Toronto, ON M5V 3J7

Matthew Milne-Smith (LSO #44266P)

Tel: (416) 863-5595
mmilne-smith@dwpv.com

Andrew Carlson (LSO #58850N)

Tel: (416) 367-7437
acarlson@dwpv.com

Maura O'Sullivan (LSO #77098R)

Tel: (416) 367-7481
mosullivan@dwpv.com

-and-

BENNETT JONES LLP

Barristers and Solicitors
37th Floor – 155 Wellington Street West
Toronto, ON M5V 3J7

Robert W. Staley (LSO #27115J)

Tel: (416) 863-1200
staleyr@bennettjones.com

Douglas A. Fenton (LSO #75001I)

Tel: (416) 863-1200
fentond@bennettjones.com

Dylan H. Yegendorf (LSO #85016M)

Tel: (416) 863-1200
yegendorfd@bennettjones.com

Lawyers for the Plaintiffs/Defendants by Counterclaim

AND

TO: KIM SPENCER McPHEE
Barristers and Solicitors
Suite 1203 – 1200 Bay Street
Toronto, ON M5P 2A5

Won J. Kim
Tel: (416) 349-6570
wjk@complexlaw.ca

Megan B. McPhee
Tel: (416) 349-6574
mbm@complexlaw.ca

Lawyers for the Defendants, James Stafford and
Jacob Doxtator

AND

TO: ROBERT LEE DOXTATOR
238 Ridge Rd.
Tyendinaga Mohawk Territory
Ontario, Canada K0K 1X0
harvestmoonresearch@gmail.com

Defendant/Plaintiff by Counterclaim

Court File No. CV-20-00653410-00C
JAMES STAFFORD ET AL
Defendant

and

ANSON ADVISORS INC. ET AL
Plaintiffs

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AMENDED STATEMENT OF DEFENCE
OF ANDREW RUDENSKY**

BLANEY MCMURTRY LLP

Lawyers
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953
jpolyzogopoulos@blaney.com

Connor Allison (LSO #79878R)

Tel: (647) 776-7306
callison@blaney.com

Lawyers for the defendant, Andrew Rudensky

TAB 12

Thomas P. Smith, Jr.
Michael D. Paley
Hane L. Kim
Pascale Guerrier
Katherine S. Bromberg
Danielle Srouf
Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
100 Pearl Street, Suite 20-100
New York, New York 10004-2616
(305) 982-6301 (Guerrier)
Email: GuerrierP@sec.gov

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

**ANDREW DEFRANCESCO, MARLIO
MAURICIO DIAZ CARDONA, CARLOS
FELIPE REZK, NIKOLA FAUKOVIC, and
CATHERINE DEFRANCESCO,**

Defendants.

23 Civ. _____ ()
ECF CASE

**JURY TRIAL
DEMANDED**

COMPLAINT

Plaintiff, Securities and Exchange Commission (the “Commission” or “SEC”), for its Complaint against Defendants Andrew DeFrancesco (“DeFrancesco”), Marlio Mauricio Diaz Cardona (“Diaz”), Carlos Felipe Rezk (“Rezk”), Nikola Faulkovic (“Faulkovic”), and Catherine DeFrancesco (collectively, the “Defendants”), alleges as follows:

SUMMARY OF ALLEGATIONS

1. Beginning in March 2018, Defendants DeFrancesco, Diaz, and Rezk, each of whom was an officer or director of Cool Holdings, Inc. (“Cool”), a publicly-traded company, orchestrated a fraudulent scheme to deceive the investing public about the operations and prospects of Cool, through repeated, materially false and misleading misstatements and omissions in SEC filings and in a promotional campaign.

2. DeFrancesco—the chief architect of the scheme—was chairman of Cool’s board of directors from March through December 2018. Diaz and Rezk were Cool’s chief executive officer and chief marketing officer, respectively, from March 2018 through early June 2019 (the “Relevant Period”).

3. Throughout the Relevant Period, Cool, the operator of a small chain of retail electronic stores, made materially false and misleading statements and omissions in its SEC filings, including about its critical business relationship with the consumer electronics giant Apple Inc. (“Apple”). Diaz signed each of Cool’s false and misleading quarterly reports; Diaz and Rezk both signed Cool’s false and misleading annual report; and Diaz, DeFrancesco, and Rezk all signed Cool’s false and misleading registration statement and amendments (collectively, the “Registration Statement”). The Registration Statement, which never went effective, sought to offer and sell up to \$25,000,000 worth of securities.

4. DeFrancesco, with the assistance of Diaz and Rezk, as well as his executive assistant Faulkovic, also orchestrated a “pump and dump” of Cool stock, which included the publication of a series of fraudulent articles, secretly funded by DeFrancesco, in mid-September 2018. Despite Cool’s serious financial problems, underperforming stores, and precarious relationship with Apple, the promotional articles baselessly stated, among other things, that

Cool's stores were more profitable per square foot than retailers such as Tiffany & Co. and Michael Kors, and that Cool planned to expand the number of its Apple-product-focused stores from nine locations in March 2018 to 200 locations by 2020. Cool's share price and trading volume jumped significantly during and following the publication of the false and misleading articles.

5. With Faulkovic's assistance, in the four days following the start of the promotion—while Cool's share price and trading activity were artificially elevated—DeFrancesco sold more than 500,000 shares that he owned and held in numerous brokerage accounts in the names of nominee entities under his secret control. DeFrancesco's proceeds from these sales totaled nearly \$3.5 million.

6. By the end of 2018, DeFrancesco had sold more than 1.6 million shares, all through accounts nominally controlled by his ex-wife Catherine DeFrancesco and other family members, but really controlled by DeFrancesco, for proceeds of more than \$8 million.

7. DeFrancesco, aided by Faulkovic and Catherine DeFrancesco, concealed his ownership of Cool shares, which at its height during the Relevant Period accounted for more than 32% of Cool's outstanding shares. In order to maintain the secrecy of DeFrancesco's stock ownership, he and Catherine DeFrancesco filed false beneficial ownership reports with the SEC.

8. Diaz, Faulkovic, and Rezk also sold Cool stock, while Cool was disseminating false and misleading information in its SEC filings.

VIOLATIONS

9. By virtue of the conduct alleged herein, each of the Defendants, directly or indirectly, singly or in concert, violated and are otherwise liable for violations of the federal securities laws as set forth herein.

10. DeFrancesco violated Sections 5(a) and (c) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77e(a) and (c)]; Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)]; Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]; Section 13(d) of the Exchange Act [15 U.S.C. § 78m(d)], and Rule 13d-1(a) thereunder [17 C.F.R. § 240.13d-1(a)]; and Section 16(a) of the Exchange Act [15 U.S.C. § 78p(a)], and Rule 16a-3 thereunder [17 C.F.R. § 240.16a-3].

11. Diaz violated Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)]; Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]; and, in the alternative, aided and abetted DeFrancesco’s violations of Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)] and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)].

12. Rezk violated Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)]; Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]; and, in the alternative, aided and abetted DeFrancesco’s violations of Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)]; and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)].

13. Faulkovic aided and abetted DeFrancesco’s violations of Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)] and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)].

14. Catherine DeFrancesco violated Section 13(d) of the Exchange Act [15 U.S.C. § 78m(d)], and Rule 13d-1(a) thereunder [17 C.F.R. § 240.13d-1(a)].

15. Unless the Defendants are permanently restrained and enjoined, they will continue to engage in the acts, practices, and courses of business set forth in this Complaint, and in acts, practices, and courses of business of similar type and object.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

16. The Commission brings this action pursuant to the authority conferred upon it by Sections 20(b) and (d) of the Securities Act [15 U.S.C. §§ 77t(b) and (d)], and Sections 21(d) and (e) of the Exchange Act [15 U.S.C. §§ 78u(d) and (e)].

17. The Commission seeks a final judgment: (a) permanently restraining and enjoining the Defendants from engaging in the transactions, acts, practices, and courses of business alleged in this Complaint; (b) ordering DeFrancesco, Diaz, Rezk, and Faukovic to disgorge the ill-gotten gains they received from the unlawful conduct set forth in this Complaint, together with prejudgment interest, pursuant to Sections 21(d)(3), 21(d)(5) and 21(d)(7) of the Exchange Act [15 U.S.C. §§ 78u(d)(3), 78u(d)(5), 78u(d)(7)]; (c) ordering Defendants to pay civil penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]; (d) as to DeFrancesco, Diaz and Rezk, prohibiting each from serving as an officer or director of any company that has a class of securities registered under Exchange Act Section 12 [15 U.S.C. § 78l] or that is required to file reports under Exchange Act Section 15(d) [15 U.S.C. § 78o(d)], pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)(2)]; and (e) ordering any other and further relief that the Court may deem appropriate.

JURISDICTION AND VENUE

18. This Court has jurisdiction over this action pursuant to Sections 22(a) and (c) of the Securities Act [15 U.S.C. §§ 77v(a) and 77v(c)] and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), 78aa].

19. Defendants, directly and indirectly, have made use of the means and instrumentalities of interstate commerce or the mails in connection with the transactions, acts, practices, and courses of business alleged herein.

20. Venue lies in this district pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Section 27 of the Exchange Act [15 U.S.C. § 78aa]. Certain of the acts, practices, transactions and courses of business alleged in this Complaint occurred within the Southern District of New York, and were affected, directly or indirectly, by making use of means or instrumentalities of transportation or communication in interstate commerce, or the mails. Among other things, at all relevant times, Defendants solicited investments in securities from investors in this District and sold securities through an exchange located in this District.

DEFENDANTS

21. DeFrancesco, born in 1970, is a resident of Miami Beach, Florida. He was married to Catherine DeFrancesco in 1999 and they divorced in or about 2017. DeFrancesco was chairman of the board of directors of Cool from March 12, 2018 through December 31, 2018.

22. DeFrancesco conducted business in North America through a company he called the “Delavaco Group” and described as a private equity and merchant banking firm. According to the Delavaco Group’s website, DeFrancesco held the titles of president and chief investment officer of the Delavaco Group. Delavaco Holdings, Inc. (“Delavaco”), which shared an address

and phone number with the Delavaco Group, was the corporate entity through which the Delavaco Group operated.

23. Diaz, born in 1974, is a resident of Coral Gables, Florida. He was Cool's CEO and a director from March 12, 2018 through June 5, 2019.

24. Rezk, born in 1973, is a resident of Miami, Florida. He was Cool's chief sales and marketing officer and a director from March 12, 2018 through June 5, 2019.

25. Faulkovic, born in 1985, is a resident of Oakland Park, Florida. Throughout the Relevant Period, she was an employee of the Delavaco Group, where she was DeFrancesco's executive assistant. During the Relevant Period, Faulkovic also went by the name Nikola Pineiro.

26. Catherine DeFrancesco, born in 1972, is a resident of Miami Beach, Toronto, and Gstaad, Switzerland. Throughout the Relevant Period, she was the nominal president of Delavaco and several other entities, which were actually controlled by DeFrancesco.

RELEVANT ENTITIES

I. THE ISSUER

27. Cool, now known as Simply, Inc., is a Maryland corporation with its principal place of business in Miami, Florida. Cool was created in March 2018 by the reverse merger of a private company, Cooltech, Inc. ("Cooltech"), with InfoSonics, Inc. ("InfoSonics"), a company that was publicly traded on Nasdaq. Following the merger, the surviving company was briefly known as InfoSonics before changing its name in June 2018 to Cool Holdings, Inc. and its ticker symbol to "AWSM." Throughout the Relevant Period, Cool's common stock traded on Nasdaq and was registered pursuant to Section 12(b) of the Exchange Act. For purposes of this Complaint, the company is referred to as "Cool" from March 2018 through 2019.

28. According to its first quarterly report filed with the Commission for the period

ending March 31, 2018, Cool was “a retailer and wholesaler of consumer electronics focused on the operation and expansion of our OneClick® retail stores in the United States, Latin America and Canada,” that sold “Apple and Apple-approved products and accessories.” As of that date, Cool had nine OneClick stores: six in Argentina and three in Florida.

29. On June 14, 2022, the company filed for bankruptcy under Section 7 of the Bankruptcy Code.

II. THE DEFRESCESCO NOMINEE ENTITIES

30. DeFrancesco Motorsports, Inc. (“DeFrancesco Motorsports”) is a corporation organized under the laws of the Province of Ontario, Canada. Throughout the Relevant Period, Catherine DeFrancesco was the nominal president of DeFrancesco Motorsports.

31. Delavaco is a corporation organized under the laws of the State of Florida. Throughout the Relevant Period, Catherine DeFrancesco was the nominal president of Delavaco.

32. Gorgie Holdings LLC (“Gorgie”) is a corporation organized under the laws of the State of Florida. Throughout the Relevant Period, Catherine DeFrancesco was the nominal manager of Gorgie.

33. GT Capital, Inc. (“GT Capital”), is a corporation organized under the laws of the Province of Ontario, Canada. Throughout the Relevant Period, DeFrancesco’s sister was the nominal president of GT Capital.

34. Marcandy Investment Corp. (“Marcandy”) is a corporation organized under the laws of the Province of Ontario, Canada. Throughout the Relevant Period, Catherine DeFrancesco was the nominal president of Marcandy.

35. Namaste Gorgie, LLC (“Namaste”) is a corporation organized under the laws of the State of Florida. Throughout the Relevant Period, Catherine DeFrancesco was the nominal

president of Namaste.

36. NG Bahamas Ltd. (“NG”) is a corporation organized under the laws of The Bahamas. Throughout the Relevant Period, Catherine DeFrancesco was the nominal director of NG.

37. Rockstar is an entity organized under the laws of The Bahamas. Throughout the Relevant Period, Catherine DeFrancesco was the nominal president, director and secretary of Rockstar.

38. Sunnybrook Preemie Investments, Inc. (“Sunnybrook”) is a corporation organized under the laws of the Province of Ontario, Canada. Throughout the Relevant Period, DeFrancesco’s mother was the nominal president of Sunnybrook.

39. Four trusts, using the naming convention of “The Catherine DeFrancesco ITF” followed by the name of one of the DeFrancescos’ four children, collectively (the “Children’s Trusts”) were nominally trusts created for each of the children of Andrew and Catherine DeFrancesco. Throughout the Relevant Period, Catherine DeFrancesco was the trustee for each of these trusts; however DeFrancesco controlled the Children’s Trusts, made investment decisions for the Children’s Trusts and directed trading decisions in the Children’s Trusts’ brokerage accounts.

40. DeFrancesco Motorsports, Delavaco, Gorgie, GT Capital, Marcandy, Namaste, NG, Rockstar, Sunnybrook, and the Children’s’ Trusts (collectively the “Nominee Entities”) were created by or at the direction of DeFrancesco.

41. Notwithstanding the names of the individuals who, on paper, were the beneficial owners of these entities, DeFrancesco actually controlled all of these entities. He made all their business decisions, including investment decisions, and directed all trading in their brokerage

accounts.

42. Most of the Nominee Entities, including Delavaco, shared as an address 366 Bay Street, #200, Toronto, ON M5H 4B2 or 2300 E. Las Olas Boulevard, 4th Floor, Ft Lauderdale, Florida 33301.

FACTS

43. As described in greater detail below, Defendants each had a different role in the scheme to deceive the public about Cool.

44. DeFrancesco was integrally involved in each aspect of the fraudulent scheme:

- a. He was a key player in the creation of Cool, a publicly-traded company that would serve as a vehicle for market manipulation;
- b. He took Cool public despite his knowledge, and without public disclosure, of Cool's precarious financial condition;
- c. He controlled Cool, including its access to capital, and used his position to amass a huge position in Cool shares;
- d. He created a network of entities, nominally owned and controlled by others, and used these entities to hold, trade and conceal his substantial Cool stock holdings;
- e. He failed to publicly report his ownership of Cool shares, as he was legally required to do;
- f. He participated in, and secretly funded a fraudulent promotional campaign that disseminated baseless statements about Cool and omitted information necessary to make the promotional claims not misleading;
- g. He directed Faulkovic to ensure that Cool shares held in the name of his

Nominee Entities had been deposited at brokerages in advance of the fraudulent promotion, so that he would be able to sell those shares as soon as the fraudulent promotion had the desired effect on the market for Cool shares; and

- h. He liquidated his Cool shares—including immediately after the demand for, and price of, Cool stock spiked in response to the fraudulent promotional campaign—making millions of dollars.

45. Diaz and Rezk, along with DeFrancesco, created Cool and took it public. From the beginning of Cool’s existence as a publicly-traded company, through the entire Relevant Period, Diaz and Rezk hid Cool’s significant business problems from the public, and they participated in the dissemination of false and misleading information about Cool in its SEC filings and in the promotional campaign. While Cool continued to deceive the public, both Diaz and Rezk sold their shares of Cool for proceeds of approximately \$922,000 and \$838,000, respectively.

46. Faukovic assisted DeFrancesco in carrying out several aspects of the fraudulent scheme, including helping him conceal his ownership of Cool shares.

47. Catherine DeFrancesco lied about the control of Nominee Entities and ownership of shares held in the names of those entities, making misrepresentations and omitting material information in an SEC filing.

I. DeFrancesco, Diaz, and Rezk Created Cool and Took It Public Despite Financial and Performance Troubles.

48. DeFrancesco, Diaz, and Rezk created Cool and took it public in March 2018, despite their knowledge of the business’s financial difficulties, the poor performance of its stores, and the precarious status of Cool’s critical relationship with Apple.

49. The three men first met and began to do business in or about 2015. At the time, Diaz and Rezk worked at Icon Networks LLC (“Icon”), a distributor of consumer electronics, including Apple products.

50. By mid-2016, DeFrancesco, Diaz and Rezk had decided to create a holding company that would acquire consumer electronics businesses, and to take that company public.

51. In or about October 2016, Cooltech was incorporated to serve as the holding company. Diaz became Cooltech’s CEO, Rezk became its chief sales and marketing officer, and DeFrancesco became its board chairman.

52. Shortly thereafter, Cooltech acquired Icon and four OneClick stores, which sold Apple products, two each in the United States and Argentina.

53. In connection with these acquisitions, DeFrancesco provided financing and certain of the Nominee Entities received more Cooltech shares.

54. By December 2016, immediately after these acquisitions, Diaz and Rezk were already struggling to find enough capital to support Cooltech’s business.

55. That month, Diaz floated a proposal to raise cash from investors; however, DeFrancesco thwarted that proposal, replying in an email to Diaz that “if any funds are raised outside of the Delavaco I’m out of the deal and will need to be paid out immediately.”

56. On or about July 25, 2017, Cooltech entered into a reverse merger agreement with InfoSonics, a Nasdaq-listed issuer that DeFrancesco had found and identified as a possible merger candidate, by which Cooltech would become a publicly-traded company. In connection with the InfoSonics merger, DeFrancesco entered into transactions in which the Nominee Entities obtained a significant amount of InfoSonics shares.

57. By the fourth quarter of 2017, months before the reverse merger was completed,

Cooltech's relationship with Apple was deteriorating. In October and November 2017, for example, Apple repeatedly contacted Diaz about paying overdue invoices for inventory and held back inventory until the company brought its account current.

58. On January 17, 2018, as a result of poor performance by Cooltech, representatives from Apple met with Rezk and other representatives of Cooltech. As memorialized in an email from Apple to Rezk and others on that date, Apple stated at the meeting that it was halting the expansion of Apple's licensing in Latin America with Cooltech—even prohibiting the opening of three new stores in Argentina that Apple had previously approved—until “the performance of existing stores reach the approved business plan and metrics” (the “January 2018 halt”).

59. The email also noted, “CoolTech agreed that [a] big part of the slow performance of the new stores is driven by the fact that credit has been an issue. . . .”

60. Cooltech's money woes were not limited to its stores. As of mid-February 2018, as DeFrancesco, Diaz, Rezk, and Faulkovic were aware, the company owed more than \$75,000 to the landlord for the rental of Cool's corporate offices in Miami.

61. On March 12, 2018, the reverse merger of Cooltech and InfoSonics was finalized and Cool became a publicly-traded company. DeFrancesco, Diaz, and Rezk became Cool's board chairman, CEO, and chief marketing officer, respectively.

62. In connection with the merger, the InfoSonics shares DeFrancesco had purchased for his Nominee Entities became Cool shares. In addition, the Cooltech shares held by the Nominee Entities also became Cool shares, resulting in a large Cool share ownership by the Nominee Entities.

63. Diaz and Rezk also obtained Cool shares in connection with the merger.

II. Cool's Financial Troubles Continued and Further Strained Its Relationship with Apple.

64. Following the merger, Cool continued to be unable to meet obligations to Apple. Cool was habitually past due on its account with Apple, leading Apple to threaten to put Cool's account on hold.

65. In a May 4, 2018 email, for example, a collections manager at Apple informed DeFrancesco, Rezk, and Diaz, "If we don't receive payment today we will be forced to put One Click's account on hold. Please . . . confirm payment of the \$518K that is due."

66. The next day, in a series of emails between DeFrancesco and Rezk pertaining to the Apple collection manager's email, DeFrancesco told Rezk, "They are telling us to [F*ck] off." Rezk replied, "Yes. The relationship is strained because we have not been on time with payments."

67. In a reply email, DeFrancesco indicated to Diaz and Rezk that he would soon "be prepared" to invest \$600,000 to \$1 million more in Cool.

68. In that same May 5, 2018 email conversation, Diaz explained the amount of money DeFrancesco was offering was not enough. Diaz stated, "We are not able to raise money or get a line of credit. . . . We need to look into a deeper strategy."

69. Rezk agreed with Diaz, stating, "Even though paying apple [sic] would help, this would only be a bandaid and We [sic] need to sort out the big picture like being fully bankable and having the proper capital structure to be self sufficient."

70. DeFrancesco replied that he was "working on a \$2.5 to \$4m overall plan for inventory."

71. Further compounding Cool's woes, DeFrancesco, Diaz and Rezk tried unsuccessfully to persuade Apple to lift the January 2018 halt on Cool's expansion in Latin

America, which was Cool's biggest market for Apple stores during the Relevant Period.

72. On June 7, 2018, DeFrancesco sent an email, drafted by Rezk, to a director at Apple responsible for Apple's Latin American operations (the "Apple Director"), and copied Faulkovic. The email claimed that Cool had made progress regarding store operations and inventory levels, that DeFrancesco and his partners had "funded US\$3.7 Million financing last Friday for the company," and that "[t]hese funds are intended to further accelerate and optimize the operation of our current stores as well as potential expansion once Apple is comfortable with our performance."

73. On June 13, 2018, the Apple Director responded to DeFrancesco's email, copying Faulkovic. The Apple Director stated that Apple reviewed "the impact of the initiatives taken by CoolTech" and identified several areas of concern including:

- a. "Inventory deficiencies across all Authorized Locations and key [lines of business]";
- b. "Inventory . . . not sufficient to meet agreed business plans"; and
- c. "Authorized Locations are under-performing against business plans"

74. The Apple Director concluded that, based on these deficiencies, Cool was "far from reaching proposed 'Business Plan' metrics."

75. The Apple Director also attached documentation to his email, supporting Apple's findings regarding Cool's poor performance.

76. DeFrancesco forwarded the Apple Director's June 13 email to Diaz and Rezk.

77. On June 14, 2018, Apple emailed Cool, copying Rezk and others, that "the amount of \$429,709.45 is currently past due" and in addition to that amount Cool would need to pay another \$243,841.76 by June 29. The email further stated that Cool's "overall credit

standing with Apple has already been affected and will continue to deteriorate the longer you wait to clear this past due.”

78. On the same day that Cool received this email from Apple, Cool issued a press release, with the heading “InfoSonics Announces Strategic Name Change to Cool Holdings, Inc.”

79. Notwithstanding the many ominous communications with Apple and the large past due amount, the June 14 press release quoted DeFrancesco:

Effective today our focus is to continue the expansion of **our strong partnership with Apple®**, one of the world’s largest and most iconic brands, and to exploit additional investment and acquisition opportunities of minority and majority interests in other premium retail brands to accelerate profitable growth.

(Emphasis added.)

80. The June 14, 2018 press release also quoted DeFrancesco as saying, “We will continue expanding the retail footprint of our OneClick® branded stores to become the largest authorized reseller of Apple® products and services in the Americas.”

81. On June 27, 2018, the Apple Director emailed DeFrancesco and requested to meet after having not heard from him since the director’s email to DeFrancesco on June 13, 2018.

82. On June 28, 2018, DeFrancesco emailed the Apple Director a message drafted by Rezk, claiming that Cool was making progress and raising the hope of expanding the number of Cool stores in Latin America.

83. On July 4, 2018, DeFrancesco again emailed the Apple Director, stating that Cool was “preparing to forward another cash infusion for expansion.”

84. Faukovic arranged a call among the Apple Director and others from Apple, DeFrancesco, Rezk, and Diaz for July 16, 2018.

85. Rezk prepared talking points for DeFrancesco for the call, specifically flagging the January 2018 halt as one of the causes of Cool's performance issues.

86. Despite DeFrancesco's pleas to Apple in June and July 2018 to permit Cool to pursue expansion plans, Apple did not agree to lift the halt.

87. While Cool and Apple were communicating in May, June and July 2018 about late payments and Cool's failure to meet business plan metrics, Cool also continued to be late in its rent payments for its corporate offices.

88. When on August 6, 2018 DeFrancesco emailed Diaz about the failure to pay rent, Diaz replied, "Every penny is going to Apple for more inventory to achieve 30 days improvement for [the Apple Director]."

89. On August 20, 2018, Cool issued a press release announcing that it had exercised an option, negotiated in connection with the reverse merger on March 12, 2018, whereby Cool acquired a chain of seven OneClick stores in the Dominican Republic, bringing the total number of Cool-owned stores to 16.

90. The press release also stated that OneClick is "a chain of retail stores and an authorized reseller under Apple® Premium Partner, APR (Apple® Premium Reseller) and AAR MB (Apple® Authorized Reseller Mono-Brand) programs . . ."

91. Rezk forwarded the announcement to the Apple Director on the same day.

92. On August 22, 2018, the Apple Director emailed Diaz and Rezk, replying to Rezk's August 20 email. In connection with Cool's stores in Argentina, the email stated, "[Cool is] not yet delivering the results that we both agreed on in a consistent way. We also continue to have problems with Credit Hold because payments are not received on time There issues create several gaps in the supply chain that do not help us achieve the consistency in the business

we want to see.”

93. With respect to the stores in the Dominican Republic, the email noted that “the stores were without Inventory in store. In many cases [these stores] do not have all the products. Sometimes only low capacity models etc.”

94. Apple also took exception to Cool’s August 20 press release, stating, “As for the press release . . . not all the stores (as you know) in the Dominican Republic are in the program and the press release alludes to the fact that they are. . . . The unauthorized stores do not help the One Click (sic) brand or Apple because they lack the basic elements to achieve the success of the Monobrand program.”

95. Apple’s August 22, 2018 email also set specific terms for lifting the January 2018 halt on Cool’s expansion. Apple stated:

My message to you is as follows. We have to ensure that all stores have consistent inventory, that invoices are paid on time, that the experience is consistently good, and that the stores in the program consistently comply with the program’s guidelines. For us to re-authorize an expansion with One-Click we need this to start happening in a consistent way for a reasonable time and in all stores that already operate in Latin America.

III. DeFrancesco, Rezk, and Diaz Signed False and Misleading SEC Filings from March through September 2018.

96. From March through September 2018, Cool made several materially false and misleading statements in filings with the Commission. These filings also omitted information necessary to make the statements made not materially misleading. For example, while possessing facts to the contrary, Cool projected explosive and imminent growth, including a greatly increased number of stores, and failed to disclose its damaged relationship with Apple and failure to operate existing stores profitably.

97. Cool’s quarterly report on Form 10-Q for the quarter ending March 31, 2018,

filed on May 21, 2018, signed by Diaz, and Cool's quarterly report on Form 10-Q for the quarter ending June 30, 2018, filed on August 14, 2018, also signed by Diaz each stated:

- a. Our goal in the next three (3) years is to expand our network of OneClick stores to 200 locations in Latin America, the U.S. and Canada to become one of Apple's largest retail partners. We expect that our growth will come from a combination of organic expansion on a store-by-store basis, as well as external acquisitions.
- b. [T]he growth of our business is highly dependent upon our relationship with Apple in providing us with the licenses and approvals necessary to expand our footprint into various countries and regions around the world. Apple has very strict performance standards and guidelines that we must achieve and adhere to in order to be successful and continue to receive their support. Consequently, any deterioration of our performance or failure to adhere to their guidelines could jeopardize our strategy and adversely affect our financial performance.
- c. Our sales and profitability depend in part upon opening new stores [selling Apple products] and operating them profitably If we fail to manage new store openings in a timely and cost-efficient manner, our growth or profits may decrease.

98. Each of these statements was incorporated by reference into Cool's Registration Statement, filed on June 15, 2018, and amended August 28 and September 10, 2018, which was signed by Diaz, Rezk and DeFrancesco.

99. The statements, and the SEC filings that contained or incorporated these statements, were false and misleading because Cool omitted the material facts necessary in order to make the statements not misleading, including that:

- a. Apple had halted Cool's Latin American expansion by January 2018, and this halt remained in effect;
- b. Cool had already repeatedly failed to adhere to Apple's guidelines, and Cool's

failure to adhere to these guidelines was not merely a theoretical possibility;

c. Cool was unprofitable and had been continually underfunded with dire cash positions and financing prospects; and

d. Contrary to Cool's purported expansion plans, Cool did not have a license from Apple to operate in Canada, and had no concrete U.S. expansion plans.

100. At the time that Diaz signed each of these SEC filings, he knew of and understood the dire significance of Apple's halt on Cool's Latin American expansion. Diaz was also aware that public disclosure of the January 2018 halt by Cool could be critically damaging for the company and its stock price. Moreover, Diaz knew that Cool had already failed to meet Apple's performance requirements, and that the existing stores were not operating profitably. Yet he knowingly signed each of these SEC filings. Accordingly, he knew or was reckless in not knowing that the above-mentioned statements, contained or incorporated in Cool's quarterly reports and Registration Statement, were false and misleading.

101. At the time, DeFrancesco and Rezk signed the Registration Statement, they were also aware and understood the significance of the January 2018 halt, that Cool's purported goal of expanding to 200 stores was unattainable and had no basis in reality, that Cool had already failed to meet Apple's performance requirements, and that the existing stores were not operating profitably. Yet they both knowingly signed the Registration Statement. Accordingly, they knew or were reckless in not knowing that the above-mentioned statements, incorporated by reference into the Registration Statement, were false and misleading.

IV. DeFrancesco, Aided by Diaz and Rezk, Orchestrated a Pump and Dump in Mid-September 2018.

102. While DeFrancesco, Diaz, and Rezk were misleading the public about Cool's business and prospects, DeFrancesco (through the Nominee Entities) was preparing for, and

orchestrating, a pump and dump, including by amassing control over nearly one-third of Cool's publicly traded shares.

A. DeFrancesco Created an Infrastructure of Nominee Entities to Facilitate, with Faulkovic's Help, the Clandestine Ownership and Trading of Securities.

103. Even before his association with Cool, DeFrancesco had created numerous entities, including the Nominee Entities, that he could secretly control and use to covertly hold and trade securities that he owned.

104. DeFrancesco structured most of these entities to be nominally headed by Catherine DeFrancesco. His sister and mother were each the nominal head of one Nominee Entity.

105. DeFrancesco controlled all of the Nominee Entities and made all of their business decisions, including their investment and trading decisions.

106. During the Relevant Period, DeFrancesco entrusted Faulkovic to perform numerous tasks to facilitate his secret control of the Nominee Entities.

107. He directed Faulkovic to help open brokerage accounts for Nominee Entities, and to carry out his instructions with respect to the accounts, including wiring funds out of the accounts and ensuring shares were deposited into them.

108. During the Relevant Period, Faulkovic had online access to brokerage accounts for Delavaco and the Children's Trusts.

109. Faulkovic worked with Cool executives to get Cool shares for DeFrancesco transferred into the names of Nominee Entities.

110. Faulkovic also frequently arranged for Catherine DeFrancesco to sign documents pertaining to Nominee Entities.

111. Faulkovic consistently, and exclusively, followed DeFrancesco's instructions with

respect to the cash and securities in the names of the Nominee Entities, even though she knew he was not an officer of these entities, and on paper was not in control of these entities.

B. DeFrancesco Continually Amassed Cool Shares in the Names of the Nominee Entities.

112. Before the March 2018 merger with InfoSonics, DeFrancesco acquired Cooltech shares in connection with his financing of the company, putting the shares in the names of Nominee Entities. When the merger occurred, these shares were converted to shares of Cool, still in the Nominee Entities' names.

113. Similarly, DeFrancesco entered into pre-merger transactions in which he obtained InfoSonics shares in the names of the Nominee Entities that also converted into Cool shares after the merger was finalized, also still in the Nominee Entities' names.

114. Less than a month after the merger, in April 2018, DeFrancesco arranged for Delavaco to obtain a promissory note, in exchange for a \$1 million loan to Cool. The loan was actually financed by funds from three of the Nominee Entities, even though DeFrancesco had the note issued to Delavaco alone.

115. On April 17, 2018, Cool filed a disclosure statement with the SEC relating to this promissory note, disclosing only that the company had entered into a loan transaction with Delavaco, to be evidenced by a note. The statement was materially misleading, as it omitted that the loan agreement was with a related party, that the noteholder was a related party, and that the loan had actually come from a nominee entity controlled by board chairman DeFrancesco.

116. On May 30, 2018, DeFrancesco signed a board resolution approving a debt conversion agreement through which Cool would issue shares in repayment of the April 2018 promissory note, as well as in repayment of other debt held by the Nominee Entities and other noteholders.

117. As a further bonus, the proposed debt conversion agreement, approved by DeFrancesco, provided that the noteholders, including the Nominee Entities, would also receive warrants, entitling them to buy even more shares at an even lower price in the future.

118. In July 2018, DeFrancesco acquired, through Delavaco, additional notes held by another Cool investor.

119. On August 15, 2018, the debt conversion agreement closed. DeFrancesco converted the April 2018 promissory note, the additional notes obtained in July 2018, and other debt held in the name of Nominee Entities. In total, DeFrancesco obtained, in the names of the Nominee Entities, almost a million Cool shares at a below-market price, as well as almost a million warrants that could be exercised at an even lower price.

120. Once again, Cool failed to disclose that Cool and DeFrancesco had engaged in a related party transaction. On August 16, 2018, Cool filed a Form 8-K with the SEC, disclosing the debt conversion transaction, but omitting that numerous nominee entities owned and controlled by board chairman DeFrancesco had benefited.

121. Later in August 2018, the Nominee Entities received more than 65,000 shares in connection with Cool's exercise of its option to acquire OneClick stores in the Dominican Republic.

122. As described in greater detail below, as DeFrancesco was acquiring these shares and Cool was making false and misleading SEC filings, he was planning a fraudulent promotional campaign to drive up Cool's share price.

123. In the lead up to the promotional campaign, at DeFrancesco's instruction, Faulkovic sought to identify every share the Nominees Entities, and thus DeFrancesco, owned, and worked with brokers and transfer agents to remove any restrictive legends, so that

DeFrancesco would be able to sell the Cool shares without delay.

124. On September 13, 2018, Faukovic emailed DeFrancesco with a report and breakdown of the 2,356,427 shares in the names of Nominee Entities, as summarized in the table below.

Nominee Entities' Ownership of Cool shares as of September 13, 2018

Name	Number of Shares
Catherine DeFrancesco ITF [Child A]	157,149
Catherine DeFrancesco ITF [Child B]	157,149
Catherine DeFrancesco ITF [Child C]	157,149
Catherine DeFrancesco ITF [Child D]	157,350
DeFrancesco Motorsports Inc.	5,844
Delavaco	1,131,284
Gorgie	278,741
Marcandy	29,631
Namaste	32,562
Rockstar (including shares held in an account under the name "DSB Capital, Ltd." an entity that had merged into Rockstar)	111,361
NG	135,869
Sunnybrook	2,338
TOTAL:	2,356,427

125. By September 2018, DeFrancesco's holdings represented more than 32% of Cool's outstanding shares.

126. As set forth below, DeFrancesco did not disclose this large position in Cool stock in any SEC filing, notwithstanding that he was legally required to do so.

C. DeFrancesco, Diaz, and Rezk Orchestrated a False Promotional Campaign to Boost the Price of Cool Shares.

127. While DeFrancesco secretly acquired more and more Cool shares, placing them in accounts in the names of the Nominee Entities, he also executed a plan to boost the price of Cool's stock with misleading promotional articles so that he could profitably sell the shares to

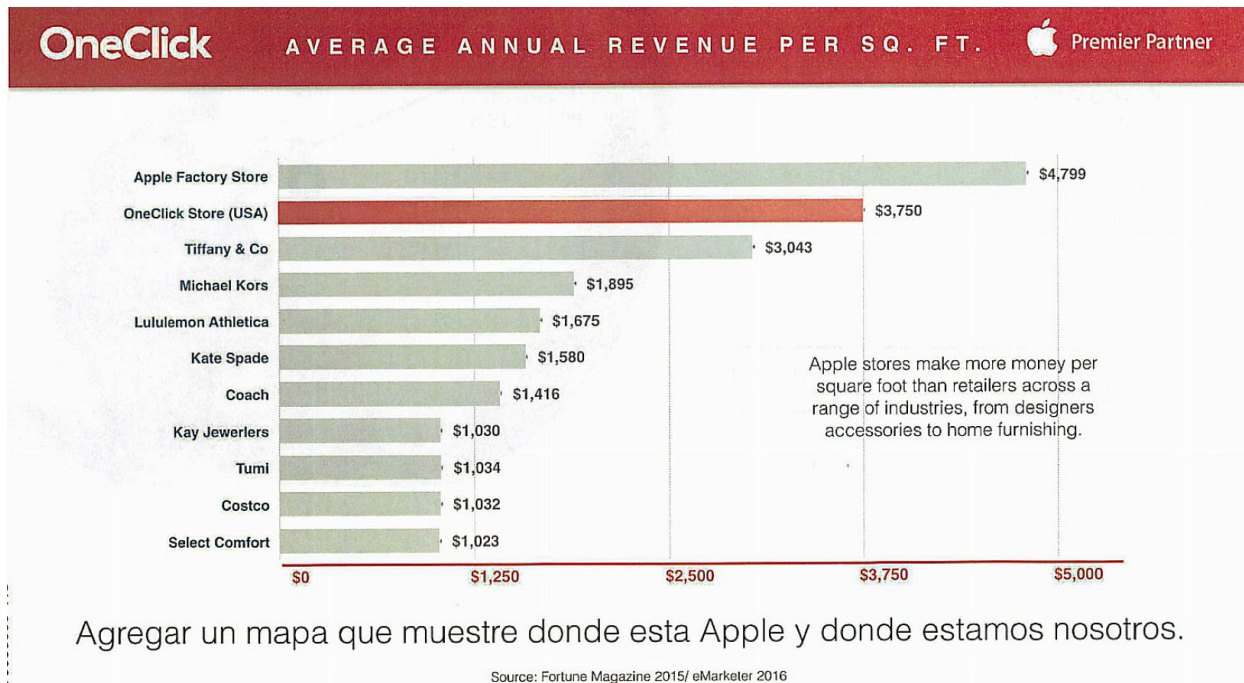
public investors who were deprived of the information that they were buying from a company control person.

128. On June 22, 2018, DeFrancesco hired a known promoter of penny stocks (the “Promoter”) to conduct a promotional campaign for Cool for \$350,000 in cash plus 150,000 shares of Cool’s securities. DeFrancesco directed a Delavaco associate (“Associate A”) to coordinate with Diaz and Rezk on the promotion.

129. On June 25, 2018, Rezk emailed the Promoter a business marketing presentation about Cool along with a “talking points” document, and copied DeFrancesco, Diaz, and Associate A on the email.

130. In these “talking points,” Rezk wrote, “Cool Holdings . . . has the task of becoming Apples [sic] largest . . . retailer in the Americas including Canada, USA and Latin America. The project is very ambitious and aims to have 200 stores by the year 2020.” According to the talking points, this would be accomplished “Via Organic Growth” and “Via Acquisitions.” Rezk wrote, “Apple has trusted OneClick with it’s [sic] growth strategy and we are one the few companies that is expanding aggressively in these three markets.”

131. The business marketing presentation Rezk sent the Promoter stated that Cool's OneClick stores had an average annual revenue per square foot of \$3,750 and outpaced other, major retailers, as reflected in the following excerpt¹:



132. DeFrancesco, Rezk, and Diaz knew this claim was materially false and misleading.

133. Cool's internal revenue estimates were significantly lower for those same stores as of October 2018, ranging from just \$200 in revenue per square foot for a 1,589 square foot store in the Dominican Republic, to a high of \$3,653 in revenue per square foot for a 452 square foot store in Argentina.

134. According to Cool's internal revenue estimates, at that time, the average revenue per square foot across its then 17 stores was \$1,348 and the average square foot size was 1,022

¹ The Spanish sentence as translated into English, upon information and belief, is: "Add a map that shows where Apple is and where we are."

square feet.

135. Based on the business marking presentation, along with conversations with Rezk and press releases Rezk sent the Promoter, the Promoter drafted several articles.

136. On September 4, 2018, the Promoter sent an email to Rezk, DeFrancesco, another Cool director and Associate A, with drafts of two articles “for approval.”

137. The draft articles falsely stated, among other things, that Cool’s existing stores “earn an average of \$3,750 per square foot,” and “The Company is planning 200 stores in the U.S. by 2020. With an average size of 1200 square feet, that’s a revenue stream worth \$900 million.”

138. The Promoter’s email suggested numerous potential headlines, most of which incorporated the baseless \$900 million figure, such as “The \$900 Million Retail Tech that Outdoes Apple,” and “Why is Apple Giving This Tiny Stock a \$900 Million Revenue Stream?”

139. On September 5, 2018, Associate A forwarded the articles to Rezk, who had already received them, and to Diaz, for review and comments. Diaz sent a reply email to DeFrancesco, Associate A, and Rezk, writing, “We have no funding for this. We are a bunch of irresponsible [sic] people if we approve this knowing the amount of outstanding obligations piling up. Please don’t do it.”

140. Rezk replied that day to DeFrancesco, Associate A, and Diaz, stating, “Andrew we cannot afford this. Last time was tough to suggest. We do not have this on our budget.” DeFrancesco responded later that day to Diaz, Rezk, and Associate A, stating, “I will pay for it and take it back out of the financing.”

141. On September 6, 2018, Associate A emailed Rezk, the Promoter, DeFrancesco, and Faulkovic, and asked Rezk to “confirm your edits are final.” Associate A also wrote, “I have

included Nikki [Faukovic] on this chain. She will be send [sic] funds so pls send her wire details.” Rezk responded: “Yup...mine are final...Unless [Diaz] or [DeFrancesco] have anything to add.”

142. On September 10, 2018, the Promoter sent an email to Rezk and Associate A with the subject line “Lawyers Feedback on Cool Holdings – Urgent,” stating that “it is critical that you have support that confirms” several claims in the draft articles, including, “Cool Holdings plans to roll out 200 boutique stores by 2020,” and “the \$3,750 per square foot figure.” Associate A forwarded the email to Diaz.

143. On September 11, 2018, Rezk sent a reply email to the Promoter, copying Diaz and Associate A, stating, among other things, “We have shared this information with our vendors, customers and investors in [sic] multiple occasions . . . Having said this, we have not placed [the business marketing plan] on our website because of the implications of posting it.”

144. Rezk’s email further stated, as to the representation that Cool planned to roll out 200 stores by 2020, that this statement has “implications because of the cash requirements to get there.”

145. On September 11, 2018, the Promoter again emailed Rezk, copying Diaz, further inquiring about the \$3,750 per square foot figure. The email stated, in part:

This is the figure that is driving our projections of potentially \$900 million in revenue, which is repeated throughout all of our articles.

If the \$3,750 per square foot figure only applies to the 2 or 3 stores in Florida (I note that the graphic refers to OneClick USA), then there is no basis to use that same figure for the 240 planned stores in Latin America. Thus, there would be no basis for a \$900 million potential revenue projection.

Could you please provide the backup for this as soon as possible.

Sorry to be a pain – I know all of this is tedious – but we just want

to keep both of us safe from an [sic] possible problems down the road.

146. On September 12, 2018, Rezk replied to the Promoter, copying Diaz and Associate A, “the 3750 figure applies to all stores it is an average per store.”

147. On September 12, 2018, the Promoter sent five articles to Rezk, Diaz, DeFrancesco, and Associate A to authorize for publication. The Promoter also asked Rezk for “the updated presentation following my mail from yesterday? My lawyer really needs this to keep us all safe.”

148. Rezk responded with one change unrelated to the \$3,750 number on September 12, 2018.

149. The Promoter then sent the articles back and wrote to Rezk, copying Diaz, DeFrancesco, and Associate A, and asked, “Could you please review and let us know if we are good to go?” Rezk replied on September 12, 2018, in an email to the Promoter, also copying Diaz, DeFrancesco, and Associate A, “Looks good.”

150. On September 16, 17, and 19, 2018, the promotional articles were published online.

151. The headlines of the articles were also false and misleading. These headlines included: “Small NASDAQ Company Just Got a Huge \$900 Million Opportunity from Apple” and “Why is Apple Giving This Tiny Stock a \$900 Million Opportunity.”

152. The \$900 million figure was derived by combining several false data points that Rezk had provided, including the false \$3,750 per square foot revenue number, the false projection of growth to 200 stores, and the false 1,200 square feet size per store.

153. Each article also included the false statements that Rezk had supplied and confirmed to the Promoter about Cool’s revenue per square foot, including: “Cool Holdings . . .

and its all-Apple stores already earn an impressive \$3,750 in revenue per single square foot.

That's more than Tiffany & Co., more than Michael Kors—and way more than Costco.”

154. At least two of the articles also included the following false and misleading statement:

You might not have heard of them yet, but in the next couple of years, you will – when the hundreds of expected Cool Holdings-owned OneClick stores selling Apple products rise up and one day potentially turn into 1,000, from as far North as Canada to the southernmost tip of Latin America.

This statement was misleading because the articles failed to disclose that Cool had insufficient operating capital and that Apple had already halted Cool's expansion and they had no license to operate Apple stores in Canada.

155. The articles included numerous other baseless assertions. One of the articles, for example, falsely claimed Apple was giving Cool “a taste of its hugely profitable real estate segment.” This assertion was in the draft article that Rezk, Diaz, and DeFrancesco received for final approval.

156. Another article stated that Cool's stores were so successful, they were “even closing in on Apple-owned stores,” falsely suggesting that Cool stores were becoming even more profitable beyond the false numbers provided in the article. This baseless assertion was also contained in the draft articles that Rezk, Diaz, and DeFrancesco received for final approval.

157. The articles also contained false disclaimers stating that Cool had paid \$415,000 over four months for the promotional campaign. In reality, DeFrancesco had paid for the promotional campaign.

158. DeFrancesco intentionally concealed that he was funding the articles because at the time of the articles he was Cool's board chairman and he was planning to immediately sell a

substantial number of Cool shares that he had surreptitiously acquired and secretly held in accounts in the names of Nominee Entities.

159. The secret funding of the promotion was facilitated by Faulkovic. She forwarded the promoter's invoice for \$350,000 to another Delavaco employee, copying DeFrancesco, noting that the invoice was "made out to Cool Holdings Inc. for USD \$350k Delavaco is funding it."

160. In the same email thread, Faulkovic further clarified that "I spoke to Andy [DeFrancesco] and this will be paid from [Nominee Entity] Sunnybrook Preemie Investments Inc. Canada – treated as a loan but no formal paperwork."

161. That same day, DeFrancesco authorized a \$200,000 wire out of Delavaco's account into Sunnybrook's account.

162. In addition to funneling the cash portion of the Promoter's fee through Sunnybrook, DeFrancesco also transferred 150,000 Cool shares to the promoter from another Nominee Entity, GT Capital.

D. The Promotional Campaign Was Abruptly Halted, After the Promotional Articles Came to Apple's Attention.

163. On September 19, 2018, Apple's Legal Director for Latin America spoke with Rezk and followed up by email attaching a link to one of the promotional articles, demanding "written confirmation from Cool Holdings that Cool Holdings and its affiliates will . . . not do anything like this paid advertising again."

164. After the call with Apple's Legal Director, Rezk emailed DeFrancesco and Diaz on September 19, 2018 stating that Cool was risking its contract with Apple "because of the paid campaign."

165. On September 21, 2018, Rezk sent Apple the requested confirmation signed by

DeFrancesco, copying DeFrancesco and Diaz. No further articles were published after that date.

However, Cool did not issue any retraction or correction.

166. On September 27, 2018, Apple notified Cool by email that “Apple will not approve Reseller’s requests for further expansion of its Authorized Locations [in Latin America] in view of the poor business metrics of the existing One Click stores evidenced during the last 24 months, such as . . . One Click stores [being] at 30% of the agreed business cases,” and Cool utilizing 90% to 100% of its credit line “with multiple halts, affecting supply and therefore performance.”

E. DeFrancesco Sold More Than 500,000 Cool Shares Into the Inflated Market the Week of the Paid Promotion.

167. Cool’s share price and trading volume jumped significantly during and following the promotional campaign. Cool’s closing price, on September 14, 2018, prior to the publication of the promotional articles, was \$4.5960 and the trading volume of Cool shares was 211,413.

168. On September 17, 2018, after the publication of the fraudulent articles began, Cool’s closing price jumped over 50% to \$7.02 and the trading volume increased about 30-fold to 6,636,314. The closing price nearly quadrupled to \$18.25 on September 21, with trading volume up 50-fold to 10,247,992, compared to the September 14 figures.

169. The chart below illustrates the impact of DeFrancesco’s paid promotion of Cool during September 2018:



170. From September 17 to September 20, 2018, while the fraudulent promotion was occurring, accounts in the names of the Nominee Entities sold more than 500,000 Cool shares for proceeds of nearly \$3.5 million.

171. By the end of 2018, accounts in the names of the Nominee Entities had sold about 1.6 million shares for proceeds in excess of \$8 million.

172. DeFrancesco sold into the inflated market while knowingly or recklessly disregarding that there were materially misleading statements in Cool's SEC filings, and that the promotional articles that he funded were false.

V. Following the Promotional Campaign, Diaz and Rezk Signed More SEC Filings with Material Misstatements and Omissions.

173. From November 2018 through May 2019, Cool continued to repeat the false and misleading statements and continued to omit information necessary to make the statements made in its SEC filings not materially misleading, including by projecting growth, including increased number of stores, and failing to disclose Cool's damaged relationship with Apple and its failure

to operate existing stores profitably, while continuing to possess facts to the contrary, and despite further warnings from Apple.

174. Cool's quarterly report on Form 10-Q for the quarter ending on September 30, 2018, filed on November 14, 2018 (the "September 2018 10-Q"), signed by Diaz, like the earlier SEC filings stated:

Our goal in the next three (3) years is to expand our network of OneClick stores to 200 locations in Latin America, the U.S. and Canada to become one of Apple's largest retail partners. We expect that our growth will come from a combination of organic expansion on a store-by-store basis, as well as external acquisitions.

175. The September 2018 10-Q, Cool's annual report for 2018 on Form 10-K, filed with the SEC on April 16, 2019("the 2018 Annual Report"), signed by Diaz and Rezk; and Cool's quarterly report on Form 10-Q for the period ending March 31, 2019, filed on May 15, 2019, signed by Diaz also each stated:

- a. [T]he growth of our business is highly dependent upon our relationship with Apple in providing us with the licenses and approvals necessary to expand our footprint into various countries and regions around the world. Apple has very strict performance standards and guidelines that we must achieve and adhere to in order to be successful and continue to receive their support. Consequently, any deterioration of our performance or failure to adhere to their guidelines could jeopardize our strategy and adversely affect our financial performance.
- b. Our sales and profitability depend in part upon opening new stores [selling Apple products] and operating them profitably If we fail to manage new store openings in a timely and cost-efficient manner, our growth or profits may decrease.

176. The statements, and the SEC filings that contained these statements, were false and misleading because Cool omitted the material facts necessary in order to make the

statements not misleading, including that:

- a. Apple had halted Cool's Latin American expansion in January 2018, and this remained in effect;
- b. Cool had already failed to adhere to Apple's guidelines, and Cool's failure, repeatedly, to adhere to these guidelines was not merely a theoretical possibility;
- c. Cool was unprofitable and had been continually underfunded with dire cash positions and financing prospects;
- d. Contrary to Cool's purported expansion plans, Cool did not have a license from Apple to operate in Canada, and had no concrete U.S. expansion plans.

177. At the time that Diaz signed each of these SEC filings, he was aware and understood the dire significance of Apple's halt on Cool's Latin American expansion. Diaz was also aware that public disclosure of this fact by Cool could be critically damaging for the company and its stock price. Moreover, Diaz knew that Cool had already failed to meet Apple's performance requirements, and that the existing stores were not operating profitably. Yet he knowingly signed the filings that omitted this information. Accordingly, he knew or was reckless in not knowing that the above-mentioned statements were false and misleading.

178. At the time Rezk signed the 2018 Annual Report, he also knew and understood the significance of the January 2018 halt, that Cool's growth goals were unattainable and had no basis in reality, that Cool had already failed to meet Apple's performance requirements, and that the existing stores were not operating profitably. Accordingly, he knew or was reckless in not knowing that the above-mentioned statements were false and misleading. Yet he knowingly signed the filing that omitted this information.

VI. Rezk and Diaz Sold Cool Shares.

179. Both Diaz and Rezk left their employment with Cool in June 2019.

180. Diaz and Rezk sold Cool's shares between September 6, 2019 and October 23, 2019.

181. Rezk sold approximately 777,704 Cool shares for proceeds of about \$922,000.

182. Diaz sold approximately 591,034 Cool shares for proceeds of about \$838,000.

183. At the time Diaz and Rezk sold Cool's shares, the company had not corrected or retracted the above-described materially false and misleading claims in the SEC filings and promotional articles, filed or disseminated while Diaz and Rezk were officers of Cool.

184. At the time Diaz and Rezk sold these Cool shares, they knew, or were reckless in not knowing, that the publicly available information about Cool, including in Cool's SEC filings was materially false and misleading.

VII. Faulkovic Sold Cool Shares.

185. Between June 14, 2018 and December 31, 2018, Faulkovic sold at least 2,629 Cool shares for proceeds of \$10,385.

186. At the time she sold Cool shares, Faulkovic was aware of Cool's precarious business relationship with Apple, including the January 2018 halt and Cool's difficulty even paying rent on its corporate offices.

187. Faulkovic was also aware that DeFrancesco paid for the fraudulent promotion in September 2018, even though the articles stated that they were funded by Cool.

188. She also knew that DeFrancesco had paid for the promotion through a Nominee Entity.

189. Faulkovic knew that DeFrancesco owned and controlled the shares in the accounts

of the Nominee Entities, and throughout 2018 she assisted DeFrancesco in maintaining the fiction that he did not own shares.

190. Faulkovic sold the Cool shares while she was aware of, and substantially assisting aspects of DeFrancesco's fraudulent scheme.

VIII. DeFrancesco and Catherine DeFrancesco Lied to Auditors, Aided by Faulkovic.

191. In December 2018, Cool's auditor resigned and a new auditor was engaged in early 2019. In order to approve Cool's 2018 audit, the new auditor required documentation from Cool that DeFrancesco had no control or influence over, or beneficial ownership in, Delavaco.

192. The auditors prepared written confirmations for both DeFrancesco and Catherine DeFrancesco to sign and sent the confirmations to a Cool officer who forwarded them to Faulkovic who "has agreed to coordinate getting the signatures from both of them."

193. Notwithstanding DeFrancesco's complete control and influence over Delavaco, both DeFrancesco and Catherine Francesco signed the confirmations, dated March 19, 2019, stating that DeFrancesco did not have control, influence or beneficial ownership in Delavaco.

194. The confirmation that Catherine DeFrancesco signed falsely represented to the auditor that:

- a. "Andrew A. DeFrancesco ('Mr. DeFrancesco') has no ownership interest or right to obtain ownership interest in Delavaco Holdings, Inc. or any other related company that transacted business with Cool Holdings, Inc. ('The Delavaco Group')."
- b. "Mr. DeFrancesco is not involved in the management or directorship of The Delavaco Group."

- c. “Mr. DeFrancesco does not have the ability to influence or control the decision making of The Delavaco Group”.
 - d. “Mr. DeFrancesco does not have an ability to influence or control [Catherine DeFrancesco’s] decision making as it pertains to the operations The Delavaco Group.”
195. The confirmation that DeFrancesco signed falsely represented to the auditor that:
- a. “[He has] no ownership interest or right to obtain ownership interest in Delavaco Holdings, Inc. or any other related company that transacted business with Cool Holdings, Inc. (‘The Delavaco Group’).”
 - b. “[He is] not involved in the management or directorship of The Delavaco Group.”
 - c. “[He does] not have the ability to influence the decision making of The Delavaco Group.”
 - d. “[He does] not have an ability to influence or control the decision making of Catherine DeFrancesco as it pertains to the operations of The Delavaco Group.”

196. Cool’s auditors did not identify transactions with Delavaco as related party transactions, and these related party transactions with Delavaco were therefore not disclosed to investors, because DeFrancesco and Catherine DeFrancesco signed these false confirmations.

197. Faulkovic assisted DeFrancesco in this deception. Faulkovic, as DeFrancesco’s assistant at Delavaco, knew or recklessly disregarded that DeFrancesco, and not Catherine DeFrancesco, controlled the Nominee Entities. Faulkovic also knew or recklessly disregarded that DeFrancesco made all decisions for Delavaco.

198. Faukovic carried out DeFrancesco's instructions regarding payments from Delavaco and managed Delavaco's brokerage accounts at DeFrancesco's direction, and nonetheless arranged for DeFrancesco and Catherine DeFrancesco to sign false confirmations for the auditor, disavowing DeFrancesco's control of Delavaco.

199. On March 20, 2019, Cool's CFO emailed Faukovic for her help in organizing a call between the auditors and Catherine DeFrancesco regarding the confirmation that Catherine DeFrancesco had signed.

200. On March 21, 2019, Faukovic emailed Catherine DeFrancesco, copying DeFrancesco: "the Cool auditors need to have a call with you discussing [the confirmation]. . . . It's simply confirming all the points on the document – but I can walk you through it first."

201. Faukovic spoke with Catherine DeFrancesco on March 22, 2019, prior to Catherine DeFrancesco's call with the auditors. Faukovic coached Catherine DeFrancesco to say that DeFrancesco had no control or influence over, or beneficial ownership in Delavaco.

202. While on the call with Faukovic, Catherine DeFrancesco took notes of the points Faukovic instructed her to make on the call with the auditor including that "Andy has nothing in Delavaco Holdings"; that DeFrancesco is not involved "in anything delavaco group"; that she and DeFrancesco are divorced; and that she is president of Delavaco.

203. While on the phone with Catherine DeFrancesco, and walking her through the upcoming call with the auditor, Faukovic emailed Catherine DeFrancesco the confirmation that she had signed, as a further reminder of the representations Catherine DeFrancesco needed to make.

204. Faukovic knew or recklessly disregarded that these representations were false.

IX. DeFrancesco Offered and Sold Securities to the Public in Violation of Section 5.

205. DeFrancesco arranged for the Nominee Entities to acquire Cool shares directly from Cool in unregistered transactions and those shares were thus “restricted,” meaning that they could not be resold absent registration or pursuant to an exemption from registration.

206. The Nominee Entities and Cool were under the common control of DeFrancesco, who was a control person of the issuer, Cool, making the shares held in the name of the Nominee Entities “control shares” as well as restricted shares.

207. In 2018, DeFrancesco, as part of the conduct described above, used means of interstate commerce to orchestrate the offer and sale of over a million Cool shares to the public.

208. No registration statement was filed or was in effect with the Commission for any of DeFrancesco’s 2018 sales of Cool shares through the Nominee Entities.

209. When DeFrancesco directed the sales of Cool shares from accounts held in the name of the Nominee Entities, the brokers sold for the issuer’s control person in unregistered transactions in a public distribution.

210. The brokers were underwriters, and the resulting transactions violated Section 5.

211. DeFrancesco’s offers and sales through his Nominee Entities did not qualify for the registration exemption under Securities Act Section 4(a)(1), which exempts transactions by any person other than an issuer, underwriter or dealer.

212. DeFrancesco also could not rely upon the Securities Act Rule 144 “safe harbor” exemption for sales by control persons because his sales exceeded the volume limitations of Rule 144(e).

213. As a Cool affiliate, under the safe harbor provisions of Rule 144, DeFrancesco was subject to a volume restriction of about 467,715 shares, based on Cool’s average weekly

trading volume. By selling more than 1.6 million shares from mid-September 2018 through December 2018, DeFrancesco exceeded the limit by more than 1.1 million shares.

X. DeFrancesco Failed to Make Required Filings with the SEC and C. DeFrancesco filed a False Schedule 13G Beneficial Ownership Report.

A. DeFrancesco Failed to File Schedule 13D Beneficial Ownership Reports

214. DeFrancesco was legally required to file with the SEC a Schedule 13D beneficial ownership report pursuant to Section 13(d) of the Exchange Act and Rule 13d-1 thereunder to the extent he was the beneficial owner of greater than five percent of Cool's common stock.

215. DeFrancesco, the DeFrancesco Nominees and Catherine DeFrancesco acted as a group under "common control" of DeFrancesco for purposes of acquiring, holding, and ultimately disposing of Cool shares.

216. By no later than August 15, 2018, DeFrancesco beneficially owned, in the names of Nominee Entities, more than 10% of Cool's outstanding shares at that time.

217. As of September, 2018, the Nominee Entities owned more than 32% of the outstanding Cool shares.

218. Notwithstanding DeFrancesco's control over the Nominee Entities, and the huge combined holdings of these entities, DeFrancesco failed to file a Schedule 13D with the Commission.

B. Catherine DeFrancesco Filed a False Schedule 13G Beneficial Ownership Report.

219. On September 11, 2018, Delavaco filed with the SEC a Schedule 13G beneficial ownership report, signed by Catherine DeFrancesco, disclosing its ownership of 650,844 shares of Cool as of August 31, 2018.

220. That filing failed to identify, as legally required, DeFrancesco as the beneficial

owner of Delavaco's Cool shares.

221. That filing also did not identify, as legally required, other Nominee Entities—many of which were also nominally headed by Catherine DeFrancesco—that also held Cool securities, and that were under the common control of DeFrancesco.

XI. DeFrancesco Failed to File Beneficial Ownership Reports on Form 4 in Violation of Section 16(a) and Rule 16a-3 thereunder.

222. As a director of Cool, DeFrancesco was required to file reports with the Commission—including a Form 4—pursuant to Exchange Act Section 16(a) and Rule 16a-3 thereunder which require certain directors and officers, and persons who beneficially own more than 10% of a registered class of a company's equity securities, to file reports of ownership and changes in ownership with the Commission.

223. By no later than August 15, 2018, DeFrancesco acquired more than 10% of a registered class of Cool's equity securities at least as of August 15, 2018.

224. DeFrancesco failed to make the required filing on Form 4 disclosing his ownership of these shares or his sales of Cool shares through the Nominee Entities.

FIRST CLAIM FOR RELIEF
(Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder)
(Against DeFrancesco, Diaz and Rezk)

225. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

226. By engaging in the acts and conduct described in this Complaint, DeFrancesco, Diaz and Rezk, directly or indirectly, singly or in concert, in connection with the purchase or sale of securities and by the use of means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange, knowingly or recklessly: (i) employed one or more devices, schemes, or artifices to defraud; (ii) made one or more untrue statements of a

material fact or omitted to state one or more material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and/or (iii) engaged in one or more acts, practices, or courses of business which operated or would operate as a fraud or deceit upon any person.

227. By reason of the foregoing, DeFrancesco, Diaz and Rezk, directly or indirectly, singly or in concert, violated, and unless enjoined, will continue to violate Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

SECOND CLAIM FOR RELIEF
(Violations of Section 17(a) of the Securities Act)
(Against DeFrancesco)

228. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

229. By engaging in the acts and conduct described in this Complaint, DeFrancesco, directly or indirectly, in the offer or sale of securities and by use of the means or instruments of transportation or communication in interstate commerce or the mails: (1) knowingly or recklessly employed one or more devices, schemes, or artifices to defraud; (2) knowingly, recklessly or negligently obtained money or property by means of one or more untrue statements of a material fact or omissions of a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and/or (3) knowingly, recklessly or negligently engaged in one or more transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchaser.

230. By reason of the foregoing, DeFrancesco, directly or indirectly, violated, and unless enjoined, will continue to violate Sections 17(a)(1)-(3) of the Securities Act [15 U.S.C. §§ 77q(a)(1)-(3)].

THIRD CLAIM FOR RELIEF
(Violations of Sections 17(a)(1) and (3) of the Securities Act)
(Against Diaz and Rezk)

231. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

232. By reason of the conduct described above, Diaz and Rezk, directly or indirectly, in the offer or sale of securities and by use of the means or instruments of transportation or communication in interstate commerce or the mails: (i) knowingly or recklessly employed one or more devices, schemes, or artifices to defraud; and/or (ii) knowingly, recklessly or negligently engaged in one or more transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchaser.

233. By reason of the conduct described above, Diaz and Rezk, directly or indirectly, violated, and unless enjoined, will continue to violate Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)].

FOURTH CLAIM FOR RELIEF
(Violations of Sections 5(a) and 5(c) of the Securities Act)
(Against DeFrancesco)

234. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

235. DeFrancesco, directly or indirectly violated Sections 5(a) and 5(c) of the Securities Act, by: (i) making use of the means or instruments of transportation or communication in interstate commerce or of the mails to sell such securities, through the use or medium of a prospectus or otherwise, or (ii) to carry or cause to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale, securities as to which no registration statement was in

effect; and (iii) by making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of a prospectus or otherwise, any security as to which no registration statement had been filed.

236. By reason of the conduct described above, DeFrancesco, directly or indirectly, violated, and unless enjoined, will continue to violate Sections 5(a) and (c) of the Securities Act [15 U.S.C. §§ 77e(a) and (c)].

FIFTH CLAIM FOR RELIEF
(Violations of Section 13(d) of the Exchange Act and Rule 13d-1(a) Thereunder)
(Against DeFrancesco and Catherine DeFrancesco)

237. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

238. During the Relevant Period, the stock of Cool was a security under Section 3(a)(10) of the Exchange Act [15 U.S.C. § 78c(a)(10)].

239. During the Relevant Period, Cool had equity securities that were registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l].

240. Pursuant to Section 13(d)(1) of the Exchange Act [15 U.S.C. § 78m(d)(1)] and Rule 13d-1(a) thereunder [17 C.F.R. § 240.13d-1(a)], persons who directly or indirectly acquire beneficial ownership of more than 5% of a Section 12-registered class of equity securities are required to file a Schedule 13D, or, in limited circumstances, a Schedule 13G. Section 13(d)(3) of the Exchange Act [15 U.S.C. § 78m(d)(3)] states that “act[ing] as a ... group” in furtherance of acquiring, holding, or disposing of equity securities is enough to establish the group as a single “person.” When a group is required to make a Schedule 13D filing, that group must “identify all members of the group.”

241. By engaging in the acts and conduct described in this Complaint, DeFrancesco

and Catherine DeFrancesco were each under an obligation to file with the Commission true and accurate reports with respect to their ownership of Cool securities, and failed to do so.

242. By reason of the foregoing, DeFrancesco and Catherine DeFrancesco violated, and unless enjoined, will continue to violate Section 13(d) of the Exchange Act [15 U.S.C. § 78m(d)] and Rule 13d-1(a) thereunder [17 C.F.R. § 240.13d-1(a)].

SIXTH CLAIM FOR RELIEF
(Violations of Section 16(a) of the Exchange Act and Rule 16a-3 Thereunder)
(Against DeFrancesco)

243. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

244. During the Relevant Period, the stock of Cool was each a security under Section 3(a)(10) of the Exchange Act [15 U.S.C. § 78c(a)(10)].

245. During the Relevant Period, Cool had equity securities that were registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l].

246. As a director of Cool and having acquired more than 10% of a registered class of Cool's equity securities, DeFrancesco failed to timely and accurately file Form 4 reports of ownership and changes of ownership with the Commission as required.

247. By reason of the foregoing, DeFrancesco violated, and unless enjoined, will continue to violate Section 16(a) of the Exchange Act [15 U.S.C. § 78p(a)], and Rule 16a-3 thereunder [17 C.F.R. § 240.16a-3].

SEVENTH CLAIM FOR RELIEF
(Aiding and Abetting Violations of Securities Act Sections 17(a)(1) and (3)
(Against Diaz, Rezk and Faulkovic)

248. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

249. By engaging in the acts and conduct described in the Complaint, DeFrancesco violated Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)].

250. Diaz, Rezk and Faulkovic knowingly or recklessly provided substantial assistance to DeFrancesco in his violations of Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)].

251. By reason of the foregoing, Diaz, Rezk and Faulkovic are liable pursuant to Section 15(b) of the Securities Act [15 U.S.C. § 77o(b)] and Section 20(e) of the Exchange Act [15 U.S.C. § 78t(e)] for aiding and abetting DeFrancesco's violations of Sections 17(a)(1) and (3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and (3)], and unless enjoined, will continue to aid and abet these violations.

EIGHTH CLAIM FOR RELIEF
(Aiding and Abetting Violations of Exchange Act Section 10(b) and
Rules 10b-5(a) and (c) Thereunder)
(Against Diaz, Rezk and Faulkovic)

252. The Commission realleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 224 of this Complaint.

253. By engaging in the acts and conduct described in the Complaint, DeFrancesco violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)].

254. Diaz, Rezk and Faulkovic knowingly or recklessly provided substantial assistance to DeFrancesco in his violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)].

255. By reason of the foregoing, Diaz, Rezk and Faulkovic are liable pursuant to Section 15(b) of the Securities Act [15 U.S.C. § 77o(b)] and Section 20(e) of the Exchange Act [15 U.S.C. § 78t(e)] for aiding and abetting DeFrancesco's violations of Section 10(b) of the

Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and (c) thereunder [17 C.F.R. §§ 240.10b-5(a) and (c)], and unless enjoined, will continue to aid and abet these violations.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court enter a Final Judgment:

- A. Permanently enjoining DeFrancesco, his agents, servants, employees and attorneys, and those persons in active concert or participation with him, from violating, directly or indirectly, Sections 5(a) and 5(c) and 17(a) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c) and 77q(a)] and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];
- B. Permanently enjoining Diaz and Rezk, their agents, servants, employees and attorneys, and those persons in active concert or participation with them, from violating, directly or indirectly, Sections 17(a)(1) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and 77q(a)(3)], and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];
- C. Permanently enjoining Faulkovic, her agents, servants, employees and attorneys, and those persons in active concert or participation with her, from violating, directly or indirectly, Sections 17(a)(1) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77q(a)(1) and 77q(a)(3)], and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a) and 10b-5(c) thereunder [17 C.F.R. §§ 240.10b-5(a) and 240.10b-5(c)];
- D. Permanently enjoining DeFrancesco and Catherine DeFrancesco, their agents, servants, employees and attorneys, and those persons in active concert or

participation with them from violating Section 13(d) of the Exchange Act [15 U.S.C. § 78m(d)] and Rule 13d-1(a) thereunder [17 C.F.R. § 240.13d-1(a)];

- E. Permanently enjoining DeFrancesco, his agents, servants, employees and attorneys, and those persons in active concert or participation with him from violating Section 16(a) of the Exchange Act [15 U.S.C. § 78p(a)] and Rule 16a-3 thereunder [17 C.F.R. § 240.16a-3];
- F. Ordering DeFrancesco, Diaz, Rezk, and Faukovic to disgorge, with prejudgment interest, all ill-gotten gains obtained by reason of the unlawful conduct alleged in this Complaint pursuant to Sections 21(d)(3), 21(d)(5) and 21(d)(7) of the Exchange Act [15 U.S.C. §§ 78u(d)(3), 78u(d)(5) and 78u(d)(7)];
- G. Ordering the Defendants to pay civil monetary penalties pursuant to Section 20(d) of the Securities Act [15 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)];

- H. Permanently prohibiting DeFrancesco, Diaz and Rezk from serving as an officer or director of any company that has a class of securities registered under Section 12 of the Exchange Act [15 U.S.C. § 78l] or that is required to file reports under Section 15(d) of the Exchange Act [15 U.S.C. § 78o(d)], pursuant to Section 20(e) of the Securities Act [15 U.S.C. § 77t(e)] and 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)]; and
- I. Granting such other and further relief as this Court may deem just and proper.

Dated: January 6, 2023
New York, New York

By: /s/ Thomas P. Smith, Jr.
Thomas P. Smith, Jr.
Michael D. Paley
Hane L. Kim
Pascale Guerrier
Katherine S. Bromberg
Danielle Srouf
Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
100 Pearl Street, Suite 20-100
New York, New York 10004-2616
(305) 982-6301 (Guerrier)
Email: GuerrierP@sec.gov

TAB 13


Short message report

Conversations: 1	Participants: 2
Total Messages: 61	Date Range: 10/1/2020

Outline of Conversations



CHAT - 00004 - 2020/10/01 • 61 messages on 10/1/2020 • Betting Bruiser
<16132435556@s.whatsapp.net> • Moez Kassam <+14165009999>

 **CHAT - 00004 - 2020/10/01**

MK **Moez Kassam <+14165009999>** 10/1/2020, 2:22 AM
I lost u there

MK **Moez Kassam <+14165009999>** 10/1/2020, 2:23 AM
Your phone die ?

**Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:11 PM
I think we have a deal ... let me know how much you think you owe me from the past and will get that looked after then go from there. Nate signed off also on me helping but you better stay true to your word.

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:14 PM
Sounds good

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:16 PM
Send me an invoice for \$50k cdn for the research services you have provided. I hope you see the step in the right direction and sky is limit from here.

**Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:18 PM
https://www.osc.gov.on.ca/documents/en/Proceedings-RAD/rad_20190709_rudenskyp.pdf

**Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:18 PM
^ would be the first guy I sue if I was you

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:19 PM
I need proof or atleast smoke that he's involved

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:19 PM
I need texts , emails etc. It's all staying with us , we Defn aren't posting. It's all for counsel , so won't come back at all

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:20 PM
Also if it starts getting into sensitive stuff , I'm happy to indemnify you , if by chance u get brought into a suit

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:20 PM
But I need real info

MK **Moez Kassam <+14165009999>** 10/1/2020, 3:20 PM
Emails and chats from Stafford , Rudensky , whomever else

**Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:22 PM

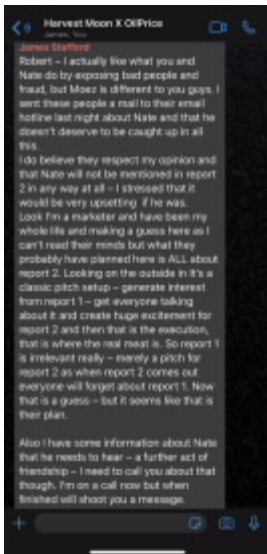


Image: b7af9ada-b8ee-4e83-9394-3ba17113ed6a.jpg (165 KB)

- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:23 PM
That's what Stafford sent me today
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:23 PM
That the general game plan for part 2
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:23 PM
He has PI's following you and Sunni and maybe spears
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:24 PM
He has a broker at PI financial that seems to have been giving him information also ... I think he said Gary on a phone call but can't recall
- MK **Moez Kassam <+14165009999>** 10/1/2020, 3:26 PM
Who's in charge of the hotline , we need to figure out who he's feeding the info to
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:26 PM
Rudensky for sure wrote part 1 ... Stafford was paying him to do it ... he tried to get me to talk to him ... I assume he's one running the hotline
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:27 PM
He has a women PI also involved he is paying but Rudensky works with him regularly on other things as well ...
- MK **Moez Kassam <+14165009999>** 10/1/2020, 3:27 PM
Need proof Rudensky is involved
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:27 PM
Rudensky said that he was talking to you directly so don't trust that guy
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 3:27 PM
I'm telling you 100% he is
- MK **Moez Kassam <+14165009999>** 10/1/2020, 3:29 PM
I haven't spoken to him in 4 months I think. Again I need conversations showing his involvement

Key is this Hotline. That people are feeding into it. What are the emails and phone numbers. Who runs it , how do they submit etc

- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:21 PM
I'll get you invoice for what I think you owe me ... you get me braid indemnification stating I'll never be identified and remain anon ... never will be sued by Anson for any reason ... create list of questions you want answered then we can go from there.
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:40 PM
I can't do that
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:40 PM
Once I get results , happy to do it
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:40 PM
But until then , I need to see progress first
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:42 PM
Just show me who's involved with reasonable facts/proof for our team and I can give you the blanket immunity
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:44 PM
Alright I'll let Nate know you don't wanna do it
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:44 PM
Sue me for all I care ... I got no money in my name and no assets.
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:44 PM
I sent invoice for what you owe me and you should settle that first out of principle
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:47 PM
I wouldn't sue u for ur assets
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:47 PM
Not that I even want to
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:47 PM
Again why does always have to get so hostile
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:48 PM
Sue me for whatever I don't care ... I have a law degree ... we can go that route you just promised that yesterday
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:48 PM
Unconditional
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:48 PM
Not hostile whatsoever
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:48 PM
I don't want to sue , not sure why ur making it an issue
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:48 PM
Because I don't trust you yet.
- MK **Moez Kassam <+14165009999>** 10/1/2020, 5:49 PM
I'm just saying , I'm Happy to over pay and I thought \$50k was more than reasonable. Adjust it and I'll pay it either way

I don't even need u to support

MK

Moez Kassam <+14165009999>

10/1/2020, 5:49 PM

Happy to pay either way

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:49 PM

I sent invoice for what I think you owe me ... if you don't pay it

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:50 PM

I can make 250k going to the other side

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:50 PM

And that's not owed to me ... that's just to help bury you. Choice is yours.

MK

Moez Kassam <+14165009999>

10/1/2020, 5:51 PM

I'm not following

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:51 PM

Your offering me what exactly to help you

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:51 PM

Money that's owed to me ... indemnification agreement ... be part of the team and be kept in the loop.

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:52 PM

I'm saying I was originally offered a lot more money to help the people trying to bury you and I'm only do this for favour to Nate.

MK

Moez Kassam <+14165009999>

10/1/2020, 5:53 PM

I'm offering 50k to settle old , and as for new, sky is limit. If u give me the nuts as to who exactly is running the hot line with proof and who contributed , pick your amount. \$250k? Be involved on our stuff going forward, sky is the limit.

MK

Moez Kassam <+14165009999>

10/1/2020, 5:54 PM

U said that is what u wanted, to work together , get ideas. That's a given if u help me here

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:54 PM

Again ... I sent invoice for \$75k I think is fair for what you owe me ... I wanna sign indemnification... then we go from there. I'll try my best to get you what you need. That's all.

#

Betting Bruiser <16132435556@s.whatsapp.net>

10/1/2020, 5:55 PM

trading

TORONTO – The Ontario Securities Commission (OSC) and the Investment Industry Regulatory Organization of Canada (IIROC) encourage the public to submit tips on potential abusive trading in securities of Ontario reporting issuers, including illegal insider trading, market manipulation or abusive short selling.

As outlined in [joint whistleblower guidance](#) published today, the OSC and IIROC have reason to believe that certain market participants may be engaged in abusive short selling practices. In particular, anyone with first-hand knowledge or other specific and credible evidence about short selling into or ahead of public offerings or private placements of Ontario securities is strongly encouraged to submit a tip.

Those who provide information to the OSC Whistleblower Program may be eligible for awards of up to \$5 million for tips that lead to an OSC enforcement action. For more on the OSC's Whistleblower Program, including award eligibility and how to submit a tip, visit: <http://www.officethewhistleblower.ca>.

For more information about IIROC's Whistleblower program, visit: <https://www.iiroc.ca/industry/Pages/whistleblower.aspx>.

IIROC is the national self-regulatory organization that oversees all investment dealers and their trading activity in Canada's debt and equity markets. IIROC carries out its regulatory responsibilities under Recognition Orders from the provincial securities commissions that make up the Canadian Securities Administrators (CSA).

Image: 1bfd2d53-d48d-4527-8ca0-14c6dcdcc659.jpg (142 KB)

- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 5:55 PM
You obviously need to put an end to this.
- MK **Moez Kassam <+14165009999>** 10/1/2020, 6:06 PM
The report had nothing to do with front running. This reg is from that task force findings
- MK **Moez Kassam <+14165009999>** 10/1/2020, 6:06 PM
Atleast that's my read
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 6:07 PM
Alright I don't read it that way and what people are coming forward with about Anson had a lot to do with front running private placements
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 6:07 PM
Brokers being implemented in giving you the information beforehand
- # **Betting Bruiser <16132435556@s.whatsapp.net>** 10/1/2020, 6:21 PM
But that's my offer so get you Chief legal officer or whatever to draw me up and indemnification agreement ... cause she won't be happy either if someone implicates her also. I'm in the all the legal circles and I know her husband stood to gain on the zenabis/tiray deal also. I'm smarter then your average bear.

TAB 14

3rd Call – Lots of info

CM: Can we start by running through the list of what we've got.

Insider: Names, dates, deals, people obviously. You have Catalyst Capital which outlines a lot of co-conspirators. He has a new Hedgefund manager with this Malik guy, you can find his name on the disclosures.

Anson tries really hard to keep their name off the deals they try to do because everyone knows if they are involved in a private placement then they are giving a vote of confidence to the company but everybody knows that they are most likely short. So they give a little bit to get a lot.

He keeps a lot of the stuff in house but uses some mouth pieces out there to amplify his short position when he needs to.

As you've seen with Hindenburg Research and Citron Research and Friendly Bear – 90% of the time that's Moez. Moez also has a friendly relationship with Marco Hanes – the guy that was in the movie the Big Short. He's a character.

I know Andrew Left and Citron were his main mouthpiece for a long time. They worked extensively together.

CM: And what's the process with these guys? How does it actually work?

Insider:: Well Facedrive is a different example where he was under water and he was getting calls that he was going to get margin called. But a lot of the time, he uses Andrew Left to put out a report when he is trying to cover. So he wants to cover in one day, so he calls Andrew Left and he puts out a bogus report under Citron Research and they will use the volatility in the market. Which is why 90% of the time Citron puts out these reports, the stock goes up.

TM: Because that's the bottom of that trade and so that's the cover and that's the exit for those guys.

Insider: Exactly. But this was different with Facedrive and so was NTAR when he used Hindenburg. It seems the only time he reaches out to Nate is when he's in trouble. He is saying, I am over my head, this company is a fraud, here's the information and put something out on it.

But a majority of the time with Friendly Bear or Citron is basically just to get out when it's hit the bottom of the trade. Because he has such large positions if he did start to cover on low volume it would run up the stock.

So on Facedrive, I think some of his naked short positions were getting margin called and that's why it ran as much as it did.

CM: How big do you think his short is on Facedrive?

Insider:: It's probably over 10 million dollars worth. People on the street are saying he is still short and he is wishing he didn't go short so early. He is short at \$7 a share.

TM: Do you think from what you heard from this trade that it morphed into a much bigger position, where he started at \$7 and kept adding and adding and buried himself

Insider:: I'm not exactly sure, there's a lot of talk of this private placement. I heard that no-one at Anson talked to the CEO so he must have reached out through one of his other funds to try to facilitate a debt financing deal or a private placement. So I'm not sure if he planned to cover his shorts there, but that's where he hit panic mode. Whoever got wind of what he was doing booted him out, so that's when he started panicking because he would be forced to cover on the open market with little liquidity compared to his 10 million short. Then he started naked shorting on top of his 10 million, then he was forced to cover. So he's already down a bunch of money from naked short covering at 12-15 when he got margin called. And now he's not getting a private placement he is stuck. When Nate put out that report he covered some obviously.

TM: How would he be carrying that kind of size with only 5 million shares out, is the majority of that million shares naked? Because I don't know how there can be that many shares available.

Insider:: He might have a share loan agreement with somebody.

TM: Well there are only a few guys with that kind of size.

CM: Yes, but most of that is going to be taken out of the market, they are taking 1.3 million shares out of the market and there's probably only a million, a million and a half shares out there that aren't held by friendlies. I don't know where he will have left to run.

TM: That would be a tough situation for him then. That has what's baffled me, the juggling he would have to do because it's pretty tightly held. If that's not the case then he is absolutely scrambling.

Insider:: Yes, I think it's a combination of both. He might have an initial loan somewhere, a base at \$7 and then he continually just tried to go naked and if you guys are recycling the float the whole time then he is in trouble. And there was panic in his voice when I spoke to him.

So again, he's not only going to get bought in, he's going to get bought in and then run up the share price even more on a tight float so he will lose a lot.

TM: And given the size of that fund now, when you're at 250 and he takes a 10-15 million hit that's a significant hit.

Insider: Exactly, and his shareholders aren't going to be very happy with that.

And he did the same thing with NTAR – it's one that did a better job when Nate put out the report. He shorted early, it capped out about 300 million or 400 million. Because that's what short sellers look for in Canada, when a market cap raises to 300-500 million, that's when you see a lot of these names hit the wall.

You have that with Facedrive, it hit 500 million and he shorted and you guys ran it to 1-2 billion.

Moez has enough influence that he can stay naked for 30 days+.

So he might have got called and then moved it through another broker. So if you guys are looking at the price action, where is a lot of the buying coming from since a couple of days before the short report to today?

CM: CIBC were locking up quite a few and House 1.

TM: He would get leeway because of the fees he would pay, then when he runs out, he would buy a little back, put it back at another one and then would have accounts on every desk on the street. Each round is 5-6 days. So he could do it for slightly over a month.

But when I spoke to him he told me it was getting more challenging. I've known Moez for a bit and he has told me that now anything over a million naked short is stressful and not as easy as it used to be. Now if a third of that was uncovered, that's a big number for any of these firms. So now it's millions of dollars of exposure and trying to give the guy some leeway but the walls are closing in on the guy.

Insider: Yeah. He uses CIBC, RBC, TD and Fidelity, those are the main ones as well as a few other small brokerages, Haywood, Canacord, PI – he has accounts there.

TM: When he went to Nate, in your experience with these kind of trades. How blunt is he in giving you the information of his situation and how much trouble he is in. I hear he didn't disclose it this time?

Insider: Nate says to me all the time, he doesn't like to deal with the noise. So he probably wouldn't even ask. When I talked to him the day before and said I hear Moez is in trouble here, I don't appreciate that we are doing a favour for Moez here what's going on?

He said Moez just promoted a 'good idea' a month ago. But he presented it when he was at the height of his trouble. Nate got a million dollars of borrow somehow. He said that's all he could get.

TM: Was Nate taken aback when you told him that Moez was in trouble? Was he pissed off?

Insider: He was really salty about it and salty that I was giving him a hard time about it. I'm his friend and told him I hate Moez and if Moez was in trouble we should have just started buying. And he was like, well, I got the information from him, we vetted it and then did our own research. So he explained to me that it was an easy short report because it was a layup. So he said it was easy and didn't have to put time or energy into it and let the research speak for itself. And he said to me, it's down 50% from when I got the information, I won't lose money here. Moez might but I won't.

TM: Yeah it was brought to him at \$24. At that level it made sense.

I understand you're protecting your buddy. But I've been on the street for 15 years and Moez seems like a guy who would have dinner with you and shake your hand and then screw you over and I don't get how he survives.

And what you described, I know you're protecting your buddy there, but this guy could turn on us at any point. Why would you help him out with his track record. You know how he operates.

CM: Ok – can we focus a little more on other deals where he slipped up. We need to focus on the illegal behaviour, where do we need to look?

Insider: GNUS is one that everybody has told me he made a boatload of money off. A heavily manipulated stock. He has been putting out bogus news. He was on both sides of that deal I've been told. He's got in with management, he got them to put out bogus news a bunch of times. He's been in and out a bunch of times. You see there's been a fake thing put on a message board that said Disney was going to take a 5% stake in GNUS and that is why the stock got bumped up and a couple of other bogus news releases. So that's the other one he's had a big win on. But again, from my understanding he was playing both sides of the trade and he put a bunch of maple syrup over it and called it a day. If

you see the price action on GNUS, it was a small float, heavily manipulated both ways and every time it was jolting up that was Moez covering the big positions.

He definitely did slip up there, because he was pressuring the company to put bogus releases and information on friendly websites that sent the stock sky high.

CM: Any idea which websites they were. Who he dealt with?

Insider: I would have to look at all the names of the company and circle someone. He just befriends people so who knows. He probably met someone 6 months ago at a dinner and hit it off and then six months later he's not friends with those people anymore. That's how he operates.

TM: I think one of the things on how he operates. I used to be very close with Danny Guy who ran Solita and he went through the whole Marco attack which Anson helped with. But it's the movement of any of those naked short positions. The juggling of them. Multiple entities, trading account. Moving those short positions there's a big question on the marking of the ticket because there are some of those desks marking these long sales. So he would have 50,000 shares and go short 500 but mark it as a net long sale and it would knock it down. So that is where there are regulatory issues on the movement of naked positions, the marking of tickets.

They are very well organized, and the whole process. But the marking of tickets and moving short positions around the street.

CM: How do we find that out? Has he left anything uncovered?

Insider: It's hard.

TM: In my opinion, that would have to come from the traders who are making the trade. They would tell him he would have to clear his position and we need to find out where that position went. Is it a block trade? I'm sure he's not trading to himself but through a Park Web a Semara and then kicks it back and keeps shorting against it from another firm. That's the information we need.

Insider: I know who has accounts on the trading desk but realistically unless I am making them a bunch of money they won't suddenly give information on Moez. He pays a ton of money.

CM: What if we were to put pressure on the banks and brokerages? Credit compliance etc. Then they would take a closer look at their operations.

Insider: Canacord is the shadiest broker in the business so what do you want me to say? They do a lot more shady stuff than Moez. But the regulators are on this, if you look at the news coverage in the last 2 weeks, there has been a concerted effort and a bill that's been put forward to stop naked short selling in Canada for anybody involved in any broker deals.

I have been told that is a law that's come in because of Moez and Anson because he pretends he's long. He will buy 100,000 in these private placement and tell everyone he is long. When anyone argues he says, I've got a private placement or this or that to show he's long. And it's not true, he's hiding this position. The regulators are onto it. The easiest way is to cut him out of private placements.

TM: Well here's a story for both of you, I was a broker and G&P for over 10 years and Moez traded through the guy next to me. So Moez calls him and he gets a call on an OTC stock. In the email chain

back and forth it was go get short 500-800 and my guy wrote back and then Moez said I will be out by tomorrow.

Those emails were found by tomorrow and then he was sat down with the broker and asked to explain the emails. And that's one of many many tales I'm sure.

CM: where would you look to get the right information?

Insider: I would look at what he is disclosing as his holdings. And usually those are the long positions he is short on. Until the regulators come in on naked shorting, he'll just keep doing it.

He front runs private placements but where does he get the information on those? His brokers. So if Cannaccords doing a raise. They will know days in advance and they will go to Moez and let him know it's coming. Moez will short it, and it looks good on Cannaccord and Moez will start a base position. So if it's free trading Moez not only gets his short position covered days before. He also gets his free warrant.

TM: That could be an area of focus. You make a lot of enemies. But no question, Moez deals are getting presold and marketed with discussions with these groups. How much are you in, we are thinking over putting a list together. As soon as they have those talks, they are being tipped off that financing is coming. Moez knows if he swings a big enough stick he can start getting in and getting short.

They are making those guys money though, that's the issue. They want their percent. They want a 10-20-30 million deal.

CM: I want to understand who he is as a person, can you give me some colour.

Insider: He's a piece of shit. He befriends people, uses people. I just spoke to the best man at his wedding and they don't talk about shorting anymore because he just feeds everyone shit. This is his best friend. They don't talk about short selling because it ruins the friendship. His only real friends are those foody losers he hangs around with.

TM: I think his passion and weakness is food. 5 days a week. He doesn't pay for most meals. He will have each meal paid for by a different issuer. They would pay for the dinners 4-5 days a week.

If you were on social media you would see every day there is a full dinner with a new crew. He's close with Dan Sternbot and Dun Cubit. They work on these things together.

CM: If you were to do surveillance on him, where would you look?

Insider: We just run his position up like the guys at Tilray did. That really hurt him. But it took Peter Steele and his group of guys to basically say, we have more money than you, fuck you. He was with Kevin Murphy and was buddy buddy with them and telling them he was long but he was 10 times short. These people would spill their guts and he would leak that info.

TM: On the Tilray story, I have a pretty good idea of what was going on. He has some real heavyweights coming to these meeting. He was outside hundreds of millions of dollars when it was at its high. How was he able to stay through that? How was that onside from a regulatory perspective? He had 60-90 days to make it through? How did he ever make it through that?

Insider: Well he lost 600 million.

CM: Wow.

TM: His original plan was to go in at the IPO round and to play both sides and run up the stock and short it on the way down. But the Tilray guys had different plans. He started putting that short on between 45 and 60 bucks and then it got carried away and he was doing private SPA. It briefly traded up to 300.

Insider: That would be for sure margin called.

CM: Was that 600 million redemptions or actual loss?

Insider: That was actual loss. He was up to 50 million from the IPO and then lost an additional 500 million or so?

TM: Was that disclosed to his investors properly? Do you think he was disclosing that during his monthly?

Insider: That's why you need to get somebody to buy into his fund and see what he is reporting to his shareholders. I know he was reporting to his shareholders that he had an 800 million short fund. Then that went down to 250 or 280 so it was disclosed.

I don't know if it was disclosed that he lost it all in one trade.

CM: Let's go back to Moez the man, what else does he do?

Insider: He's just a figurehead. **Sunny Puri is his left hand man and he's a weasel.** Moez is just a gluttonous guy who has these people do all his dirty work.

Sunny worked at RBC and I'm pretty sure Moez wife worked at RBC as well. He befriends people in the business. He used Sunny at RBC then convinced him to come work for him.

His wife is related to David Cynamon who has a substantial amount of friends. But I have also heard that Cynamon has a hidden life and they are extremely close. So anything on Cynamon would be very damaging to Moez as well. He's a guy in many many of those dinners. He has cosmetic surgery and doesn't even look like a person.

CM: I'm not sure we should be going down that avenue. Who do you think would talk?

Insider: Sunny Puri but I don't know how weak he will be. I've never seen Sunny outside his office or the restaurant. I hate Sunny, so if I see him I'll try and embarrass him to the point he leaves and he'll avoid me on the street.

TM: Sunny would know where all the bodies are buried but I don't think you could flip him.

CM: How about gambling? I've heard he's a gambler and very unpopular in the community.

Insider: That's where he started out, he and his best friend went to university together and that's where they made all their money on sports betting and horseracing. He's a big guy, he was his best man. And he introduced me to Moez a long time ago and promised me the world if I helped this guy, and none of them came true.

This Alan guy has recommended so many people that Moez fucked over that he doesn't involve himself in the circle anymore. I gave him a hard time.

They made money sports gambling, then he transitioned into short selling. He first started making a name for himself was shorting Cannabis stocks on the OTC about 8 years ago when he heard about the rule that would come down on those guys. That's when he made his first 100 million. And then he met more people and ran it up to 800 million.

There are a ton of people who don't like him. 90% of the people on the street don't like him.

I know the Armenian guy knocked him out. He was an investor in his fund and he lost him this mob money. The guy was offended when he demanded the money back and Moez said 'it's as easy as taking money out of my right pocket and putting it into my left pocket' and the guy took offence to it and so he knocked him out.

He had asked him multiple times with an actual discussion, and he took real offence that Moez was talking down to him like he wasn't smart and he was offended that Moez wouldn't have that conversation and was just trying to reduce it to that and he was giving half assed answers and he was showing no respect.

CM: How did he get off the hook with the Armenian? And do you have any names of other people he's upset.

Insider: Anybody with money that's done a big deal that don't like him. There are people like me telling everyone to keep Anson Funds out of these deals. He took advantage of a lot of Cannabis people because they were desperate to stay afloat.

Zenabis was a big one where he planted Adam Spears as a director. Med Men was another one where they were taking him out to dinners and all his advice was designed to help his short.

Moez isn't stupid, he saw these guys were more gluttonous than him and they're irresponsible and he knew that if I give it a push it will fall. And he approached the short community to put pressure on it. And what he got in return was a bunch of special warrants that were tradable after a time and he controlled the market with them and then shorted them too. You don't have to be a brain surgeon.

He befriends people, front runs news or private placements or he'll plant people. Or all three.

Insider: He puts in a private placement and demands his friend is on the board. Spears is one of the only guys that he trusted. He used him as a plant. He walked away from Ansons and every time Moez got a new deal he would put Spears in as an advisor who would share all these terrible ideas. To the point where management caught wind of it. Tilray came in and gave Zenibus a helping hand and a 30 million loan to try to fend off Moez but it was too late at that point. And Tilray didn't even sue Zenabis, they didn't even care. They didn't even file the lawsuit because they knew they were giving it to fuck over Moez. But he had too many people on the inside.

Whenever Adam had news he would walk over and have dinner with Moez and tell him some good news was coming. Moez would cover and then short it back down again.

TM: Do you think part of the reason Adam left was so he could have the separation?

Insider: Absolutely. Moez needed him to gain confidence.

TM: That becomes interesting, because he left Anson in 2014. If he left specifically, and said he wasn't doing it anymore, but continued to work with Moez, that would suggest it was a plan to be an advisor.

Insider: I don't think he went off in 2014 because he was named in the Catalyst law suit.

CM: Ok – how do we prove this? He placed someone on the inside to sabotage a company. That's huge.

Insider: I don't know. Adam Spears left the Anson fund in February 2018 and started a business called Ace 143.

TM: In 2018? I left in 2015 and he had come in and said his goodbyes a year earlier.

CM: And when did the rest of it start?

TM: Right after Tilray. If you look at the names in that lawsuit. Westface Capital, Gregory Boland, Anson Fund, Adam Spears, Sunny Puri, Clarity Spring which was Nate, Bruce Langstaff etc. And 10 other John Does.

Look at those names, you will see them in advisory rolls in the companies Moez was shorting.

CM: Ok – we will try that. We need to make him toxic to force the regulators. What is the most toxic things he has done that would upset people.

Insider: If you look at all the people who got sued with the Catalyst guys. You know who his partners are. The brokerages need pressure. I know Chris Langstock got caught up with Moez and Canacord kicked him out. So if you shame the brokers, they kick him out. But then he will find the next guy.

TM: He is very cheap too in terms of paying out. He rented a cottage last summer, which he trashed. He is about to move forward on putting in an offer on a cottage, and right before he signed the papers, he goes to the brokerage and says I want you to cut the commission from 6-2% or I'll go with my friend. Just a bad guy.

He also paid a Wall Street Journal guy to put out an article on him.

CM: What has he done in the U.S. then?

Insider: GNUS was a U.S. one. He manipulated it up in early June to short it on the way down. That's stock market manipulation. He got in close with them and got them to put out bogus news, it went up to nearly \$8 and it's trading at \$1.76 today. That's a huge win for him. 7x.

If you look at his portfolio on EDGAR it says he's long on GNUS. **He wasn't.**

He would give 100,000 if they agree to put it into stock promotion so he can stock it. He will lose 100,000 to gain 10 million. But you need to know his different feeder funds – he is careful.

We need to be able to show he was short.

He doesn't really go for the big boards. CSE is his big go to. When NTAR seemed shit. He got short when it was about 500 million market cap and he knows these smaller markets have a limit to them. That's his playbook.

TM: Looking for U.S. companies. With the dual listing. Is there anything done untoward on those?

Insider: I don't know. I know a good example of recent one in True Leaf. He used Andy and his network. He had a bunch of bad information about the woman's husband being on Fraud charges and a bunch of indoor plantations and insider deals. So he got Brady and that group of people to send information to a friend of mine called Zigmund who runs Geoinvesting which is a short research play. Then he started his old short selling company called Grizzly something. And all the info he got from the True Leaf fund he got from Brady and them. Ziggy wrote an amazing report and caused the market to go down but it only went down for a day because Moez was so short. Moez got Citron to reach out to Ziggy and Ziggy wrote the report for Citron and Citron put out the report on GSX. But that didn't work out because it's so heavily manipulated by the Chinese.

CM: Could you ever see him bribing a regulator?

Insider: He tries to stay as far away from them as possible. **It's the brokers and banks to look at.** I was told a year and a half ago they raided his office but nothing came about officially.

There are articles about Tilray, so that's been written about.

CM: Anything else about him?

Insider: He has given a bunch of money to Agr Khan Foundation and the Jewish Appeal because of his wife.

But how much of that is a tax write off?

All he cares about is his foody friends. He will stab anybody in the back to make a nickle. That's why the twins had enough of him.

If you look at Sol Global, Anson Fund owns 18% of that company. That's why Andy thinks he's a friend. If he has to put in 1.2 million bucks to make 10 million on info. That's what he does.

He just wants access to information for a low cost.

Insider: He did this to Stan Bharti. If you look at Acosta, they outlined how he used his original loan to influence the company. I'm not sure if there was a lawsuit there though.

Stan was the director in the company. Stan is the biggest pump and dump. He has two sons who he has trained to do the exact same thing, I can give you some names. Stan needs money for a placement, he calls up Moez, they pump it up, he shorts it down.

Some African Cannabis deal, some COVID things. And now Stan's sons are doing the same thing.

He leverages those merchant banks for info. With Stan, he gets money on the way up and then gets the access to info to short it.

On the Acosta one he had 18 percent of that company. He is buying up influence and shorting on the way down.

CM: Is there anything we can do to help Andy or is he just screwed?

Insider: The FCC investigation is still ongoing. I told Andy to be careful. He was just oblivious. What pissed him off is that he trashed his cottage. Just disrespect. Before he didn't believe Moez would give Nate the info to short aphria.

If I'm someones friend and I go to their wedding I would never think that either.

But he killed Andy's reputation. I feel bad but Andy brought it upon himself. He had his guard down. It's too late now.

Loads of people got in a lot of shit because of it. It was an exaggerated short report.

Everybody got mad and nobody wanted to touch Andy and it was all Moez.

CM: What happened with Catalyst Capital?

Insider: It's still ongoing. Nate got roped into it even though he was just putting out information. Somebody got hold of documents from Anson and their names were all in there. Nate still has to travel to Canada all the time to go to court.

So that's why I leaned on him to get out of this one.

CM: Did Catalyst miss out on anything?

Insider: I don't know. It was a shitty company. Anybody can sue anybody.

CM: Going back to surveillance. Do you think there is any upside to that?

Insider: I don't think so, I think you can just follow him on social media. He doesn't really do much but eat. The whole room by the end of the night you will see who was there on his social media.

You can see in 2018, Moez and them had no problem putting out their own short reports. Sunny put out a short report on AAXN. After that, Anson don't put their name on anything because they don't want to get sued.

I don't think anything happened. A lot of these companies can't afford to sue. AAXN had no problem recovering. He really doesn't want to be sued. It's bad publicity.

I'm going to keep talking, but with COVID it's hard to bump into people. But the way we hurt this guy is by doing a report and getting the regulators to look at it. But he will get his lawyers to fight it. He's an interesting character, all the people I've met on Bay Street, he's the only person who really gives me the creeps. He's got a huge ego. He pays people to cover him. Him being the top 40/40, he pays them to make him look good.

So when you are new to the street, you google and it will pull up all these fluff articles. It is all pay to play.

And if you don't have 100 deals you would think his money is good. Brokers want that money. Catalyst filed a lawsuit in 2017 and it's 2020 and still going on.

CM: Can you expand on him buying in one fund and covering in another.

Insider: Just start looking through SEDAR and look at the companies. If he invests 100 times, the price action in those companies all fall flat on their face. How is his fund working if everything he buys is down 90%? It doesn't make sense.

I guess naked short selling he times it on disclosure. If I am short on January 2nd, my report will be what I held on January 1st. And he's out strategically shorting by March 20th. He's covered all his positions. Then do his reporting and he shorts again.

TM: Interesting, the link in the long position to the fund making returns. The timely trade on naked shorting. The access to the information he would be using, he is using that edge to prime those sales and move around the long position.

If he doesn't get his way and he's leaning on the company and they don't let him do what he wants, he will ruffle feathers and say, we own 18% we want to have a CEO change. Then all of a sudden if he is threatening to remove you and you're making 300,000 and your first time as a CEO he just leans on you. He has a temper but it's a fake one. It's all just creating leverage.

He finds a company with a weak CEO and they desperately need money and he shorts them.

He only needs to be short 10 days to make money on a private placement. Because name a company that isn't doing private placements at a discount. So he's laughing and he has his free warrants so he can short the stock more because he has a security blanket with those warrants.

So he's front running private placements. That's what he's trying to do.

CM: It's actually very smart as a strategy.

Insider: Yes, and it works. The best way you can find who he is associated with, put his name or his wife's name in and you will see who he shmoozes.

He could have bought a house anywhere in the world, but he bought it by these influential people.

He's friends with the Cannaccord guys, Davio, etc.

I hate all these people.

But he makes them money. Davio makes more money as the CEO of Canacord than any big bank CEO. As soon as these Private Placements stop he will lose his 400 million base salary.

It's people like Sanders who are doing all the dirty work.

TM: What we need to do is up the pressure on the brokers. They are providing him the rope for his naked shorts. So we need to target Cannaccord and the boutique shops.

Insider: Another one is a company called Cobalt 27. Anson was in a private placement. Cobalt 27 wasn't doing what Anson wanted so Anson put out a press release on August 20th 2019 to say we are a minority share holder and we believe it is committing fraud. This is a company they are supposedly long in. To the tune of 15 million dollars. They said 21 million of the fees in consulting were excessive. They said they are willing to go to the auditors.

If you don't do what he says he uses his minority interest to cause headaches for everyone.

A lot of people are annoyed at him because it's his fault they are taking away the naked shorts.

I am going to Toronto next week to find out what he's short on. He can lean on people too.

But there are lots of examples of how he's hurt people.

TM: Nothing else from me right now. I think we are on the same page, this is reinforcing some of the stuff I've heard.

ANSON ADVISORS INC. et al.
Plaintiffs

-and-

JAMES STAFFORD et al.
Defendants

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

**MOTION RECORD OF THE PLAINTIFFS
(Refusals Motion Against Andrew Rudensky)**

BENNETT JONES LLP

3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Robert W. Staley (LSO #27115J)
Email: staleyr@bennettjones.com

Douglas A. Fenton (LSO #75001I)
Email: fentond@bennettjones.com

Dylan H. Yegendorf (LSO #85016M)
Email: yegendorfd@bennettjones.com

Tel: 416.863.1200

Lawyers for the Plaintiffs/Moving Parties,
Anson Advisors Inc., Anson Funds Management LP, Anson
Investments Master Fund LP and Moez Kassam