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5	IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON	
6 7	CHRIS HUNICHEN, individually and on behalf of all others similarly situated,	No. 2:19-cv-00615
8	Plaintiff,	
9	V.	CLASS ACTION COMPLAINT JURY DEMAND
10	Atonomi LLC, a Delaware LLC, CENTRI	
11	Technology, Inc., a Delaware Corporation, Vaughan Emery, David Fragale, Rob Strickland, Kyle Strickland, Don Delageh	
12	Strickland, Kyle Strickland, Don Deloach, Wayne Wisehart, Woody Benson, Michael Mackey, James Salton, and Luis Paris	
13	Mackey, James Salter, and Luis Paris, Defendants.	
14	Defendants.	
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18	based upon personal knowledge as to Plaintiff and Plaintiff's own acts, and upon info	
	i and pellet as to all other allegations, based o	on investigation of counsel. This invest

Plaintiff, individually and on behalf of all others similarly situated, alleges the following based upon personal knowledge as to Plaintiff and Plaintiff's own acts, and upon information and belief as to all other allegations, based on investigation of counsel. This investigation included, inter alia, a review of public statements and disclosure materials prepared by Defendants; media reports; interviews; social media; and other information concerning Defendants. The investigation of the facts pertaining to this case is continuing. Plaintiffs believe that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

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I. INTRODUCTION

This suit seeks the return of approximately \$25,000,000, together with statutory
 interest and attorneys' fees, which Defendants procured from investors through the sale of
 unregistered securities in violation of the Washington Securities Act, Chapter 21.20 RCW (the
 "Act").

6 7 8

2. The Act forbids the sale of unregistered securities, and allows purchasers of unregistered securities to assert joint and several liability against anyone whose acts were substantial contributing factors in the sales transaction.

9 3. The Act requires sellers and controllers to return the purchase price of unregistered
10 securities plus statutory 8% interest from the date of sale, together with reasonable attorneys' fees.

4. In spring 2018, Atonomi LLC ("Atonomi"), a wholly owned subsidiary of
CENTRI Technologies, Inc. ("CENTRI"), raised approximately \$25,000,000 through the sale of
unregistered securities in through an "Initial Coin Offering," or "ICO."

14 5. Atonomi as seller, and the remaining defendants, as persons who substantially
15 contributed to the Atonomi ICO, thereby violated the WSA through their sale of unregistered
16 securities they called "coins," or "tokens," which they sold in the ICO.

17 6. The securities sold in the ICO were neither registered as required under the Act,
18 nor subject to any exemption from registration.

7. The ICO resulted in the sale of approximately \$25,000,000 in unregistered
securities, and therefore every defendant is jointly and severally liable for \$25,000,000 in refunded
sales proceeds, together with 8% interest dating from the spring 2018 sale, and attorneys' fees.

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II. JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction over the claims pursuant to 28 U.S.C.
§ 1332(d)(2) because the amount in controversy exceeds \$5,000,000 exclusive of interest and costs
and at least one member of the putative class of plaintiffs is a citizen of a State different from any
defendant.

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 3 of 19

9. This Court has also subject matter jurisdiction over the claims pursuant to 28
 U.S.C. § 1332(d)(2) because the amount in controversy exceeds \$5,000,000 exclusive of interest
 and costs and at least one member of the putative class of plaintiffs is a foreign citizen or subject of
 a foreign state and any defendant is a citizen of a State.

5 10. This Court has personal jurisdiction over Atonomi and CENTRI because both
6 corporate entities reside in this state by virtue of each maintaining its principal place of business in
7 this state.

8 11. This Court has personal jurisdiction over certain among the individual defendants
9 because they reside in this state.

10 12. This Court has personal jurisdiction over all individual defendants because, as 11 described in greater detail below, each individual defendant purposely availed himself of the 12 privilege of conducting activities within this state, thus invoking the benefits and protection of the 13 laws of Washington.

14 13. This Court has personal jurisdiction over all individual defendants because, as
15 described in greater detail below, each individual defendant committed activities in violation of the
16 Act in this state and judicial district and/or directed at residents of this state, and thereby caused
17 harm within this state and to residents of this state.

18 14. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b)(1) and (2) because
19 both corporate defendants Atonomi and CENTRI reside in this state and judicial district by virtue
20 of each maintaining its principal place of business in this state and judicial district.

21

III. PARTIES

15. Plaintiff Chris Hunichen invested \$191,250 in the Atonomi ICO on February 22,
2018.

24 16. Defendant Atonomi is a Delaware Limited Liability Company with a principal place
25 of business in Seattle, Washington.

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Class Action Complaint and Jury Demand - 3 No. 2:19-cv-00615

Ard Law Group PLLC

P.O. Box 11633 Bainbridge Island, WA 98110 Phone: (206) 701-9243

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 4 of 19

1 17. Defendant CENTRI is a Delaware corporation with a principal place of business in
 2 Seattle, Washington.

3 18. Defendant CENTRI is the parent company and sole owner of Atonomi LLC.
4 19. Defendant Vaughan Emery ("Emery") is the founder and former CEO of Atonomi,
5 a Director of Atonomi, and currently is the self-described "evangelist" for Atonomi. Emery is also
6 the founder and former CEO of Defendant CENTRI. Emery is a Washington resident.

7 20. Defendant David Fragale was at all relevant times the Chief Product Officer of
8 Atonomi, and is a co-founder of Atonomi.

9 21. Defendant Robert Strickland is the current CEO of Atonomi and CENTRI. During
10 the ICO, Robert Strickland was a Director of Atonomi.

11 22. Defendant Kyle Strickland is the "community manager" for Atonomi, and in that
12 role directed and continues to direct numerous company communications with investors and
13 prospective investors about the ICO.

14 23. Defendant Don Deloach was at all relevant times the President of Atonomi and a
15 Director of Atonomi, as well as President and COO of CENTRI.

16 24. Defendant Wayne Wisehart was at all relevant times a Director of both Atonomi
17 and CENTRI. Wisehart is a Washington resident.

18 25. Defendant Woody Benson was at all relevant times a Director of Atonomi.

19 26. Defendant Michael Mackey was at all relevant times the Chief Technology Officer
20 of both Atonomi and CENTRI. Mackey is a Washington resident.

21 27. Defendant James Salter was at all relevant times the Director of Marketing for both
22 Atonomi and CENTRI. Salter is a Washington resident.

23 28. Defendant Luis Paris was at all relevant times the Principal R&D Engineer of both
24 Atonomi and CENTRI. Paris is a Washington resident.

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IV. FACTS

2 A. Blockchains And ICOs

29. As the SEC has explained, a "blockchain is an electronic distributed ledger or list
of entries - much like a stock ledger - that is maintained by various participants in a network of
computers. Blockchains use cryptography to process and verify transactions on the ledger,
providing comfort to users and potential users of the blockchain that entries are secure."¹ Wellknown examples of blockchain technology underly the Bitcoin and Ethereum virtual currencies.

8 30. Atonomi advertised that the project for which it sold "tokens" or "coins" would
9 use blockchain technology that it intended to develop after the sale of the tokens.

31. A blockchain can be shared and accessed by anyone with appropriate permissions 10 11 using the same software protocol. For example, to operate the Bitcoin shared ledger, computers must run the same version of the Bitcoin protocol. In this manner, blockchains are distributed or 12 decentralized because they are hosted and perpetuated by numerous "nodes" spread across 13 computers around the globe, including in the United States. Because the shared ledger is 14 decentralized in this manner, there is no central point of failure where the shared ledger can be 15 corrupted. Also, the blockchain ledger is not controlled or maintained by any single entity, but 16 17 exists simultaneously on computers all over the world.

32. By way of illustration, when any transaction is effected using the Bitcoin or
Ethereum blockchains, the transactions are recorded in tens of thousands of nodes throughout the
world. The distribution of Bitcoin and Ethereum nodes may be viewed at the following websites:
https://bitnodes.earn.com/ and https://www.ethernodes.org/network/1. The United
States hosts a large number of the active nodes worldwide.

- 33. A blockchain records all transactions in the network in theoretically unchangeable,
 digitally recorded data packages called "blocks." Each block contains a batch of records of
 25
- ¹ Investor Bulletin: Initial Coin Offerings, U.S. SECURITIES AND EXCHANGE COMMISSION (July 25, 2017), https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib coinofferings.

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 6 of 19

transactions, including a timestamp and a reference to the previous block, linking the blocks 1 together in a chain - hence the term "blockchain." For a transaction to be valid on the blockchain, 2 all network participants must first reach a "distributed consensus" on the validity of transactions 3 under review. Blockchains reach consensus by using the same cryptographic algorithm to verify 4 5 each transaction submitted to the blockchain. For cryptocurrencies secured by a widely distributed blockchain network, any attempt to submit a false or malicious transaction would be extremely 6 difficult, if not impossible, since a malicious actor must gain control of a majority of the nodes on 7 8 the blockchain to achieve a malicious purpose. Once a transaction is validated on the blockchain, the transaction cannot be canceled, reversed, or altered in any way. Because the blockchain records 9 and secures information for all transactions, a participant can see every transaction involving the 10 11 currency all the way back to genesis.

34. Blockchain technologies and distributed ledgers may create and disseminate virtual 12 "tokens" or "coins." A token or coin may entitle its holders to certain rights related to an 13 underlying venture, such as rights to profits, shares of assets, rights to use certain services provided 14 by the issuer, and/or voting rights. The tokens or coins may also be traded on online exchanges, in 15 exchange for virtual or fiat currencies. As the SEC has stated, based on these rights, "in certain 16 17 cases, the tokens or coins will be securities and may not be lawfully sold without registration with the SEC or pursuant to an exemption from registration."² 18

The Creation of Atonomi 19 В.

20 35. CENTRI Technologies states that it "provides a complete, advanced security solution for the Internet of Things."³ 21

36. On December 4, 2017, CENTRI formed Atonomi, as a wholly owned subsidiary of 22 CENTRI and a Delaware LLC. 23

- 24
- 2 Id. 25

CLASS ACTION COMPLAINT AND JURY DEMAND - 6 No. 2:19-cv-00615

³ See https://www.centritechnology.com/company-about-centri/ (last accessed February 26 4, 2019).

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 7 of 19

37. On December 5, 2017, Atonomi issued a press release identifying itself as "the
 blockchain-based arm of leading IoT security provider CENTRI Technology."⁴

3 38. In that press release, Atonomi further "announced the launch of the Atonomi
4 Network, a crypto-security protocol that will enable advanced trust and identity validation for IoT
5 devices for the first time."⁵

6 39. On March 15, 2018, Atonomi registered to do business in this State, and identified
7 CENTRI Technology as its registered agent for service of process.

8 C. The Atonomi ICO

9 40. Almost immediately after its formation, and even before registering to do business
10 in Washington, Atonomi began raising funds through the sale of unregistered securities.

11 41. Atonomi sold securities through an written instrument called a "Simple Agreement
12 for Future Tokens," or "SAFT." An exemplary SAFT between Atonomi and Plaintiff McGrath
13 is attached hereto as Exhibit A.

14 42. The SAFT is a contract between Atonomi and each investor whereby the investor
15 transferred a digital currency with a specified value in U.S dollars to Atonomi.

16 43. Atonomi in exchange promised to transfer Atonomi blockchain tokens to the17 investor in the future.

18 44. The SAFT is an investment contract.

19 45. The SAFT is the offer and sale of a security instrument, as it states on the first page,
20 first line.

46. The SAFT "certifies that in exchange for the payment by [name] (the
"Purchaser") of [an amount of Ethereum coins] (the "Purchase Amount") on or about [date],
Atonomi, LLC, a duly formed Delaware limited liability company in good standing (the

 ^{25 &}lt;sup>4</sup> See https://atonomi.io/news/centri-technology-launches-atonomi-network-to-bring-security-and-trust-to-internet-of-things (last accessed February 14, 2019).
 26 ⁵ Id.

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 8 of 19

"Company"), hereby issues to the Purchaser the right to purchase certain units of the Atonomi
 Token (the "Token(s)"), subject to the terms and conditions set forth below." Exhibit A at 2.

47. In each SAFT, "[t]he Company and Purchaser agree the Purchase Amount has a
value of US\$ [specified amount] for purposes of Section 3." Exhibit A at 2.

48. Atonomi conducted the ICO for the purpose of raising investment capital.

49. As stated in the SAFT, "'<u>SAFT</u>' means an instrument containing a future right to
7 Tokens, similar in form and content to this instrument, *sold by the Company for the purpose of*8 generating future revenue." Exhibit A at 4 (emphasis added).

9 50. Atonomi stated that it would use the investment capital to develop blockchain
10 technology.

11 51. As stated in the SAFT, "The Purchaser understands that the design and structure
12 of the Token, the Atonomi Protocol, and the allocation and distribution of Tokens remain under
13 development and may materially change from their current descriptions in the Company's
14 whitepaper and other materials." Exhibit A at 7.

15 52. After Atonomi's employees developed the technology, it would issue tokens to
16 investors, who could then resell the tokens at a profit to those interested in actually implementing
17 the future Atonomi technology.

18 53. However, as the SAFT warned, "The Purchaser understands there is no guarantee
19 that the distribution of the Tokens will occur at any particular time or at all." Exhibit A at 7.

54. Further demonstrating that the SAFT and ICO represented the sale of securities,
the parties to the SAFT agreed "to treat this instrument as a forward contract for U.S. federal,
state and local income tax purposes . . . "

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55. A forward contract is a type of security instrument.

56. Between January and June, 2018, Atonomi entered into numerous SAFTs with
investors and obtained direct transfers of Ethereum from these investors.

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1 57. Upon information and belief, on June 6, 2018, Atonomi also undertook a "public 2 sale" wherein it took in investments from retail investors that did not sign any SAFT. 3 58. On June 6, 2018, Defendants announced on Atonomi's website that "the sale is now closed." The announcement stated further: 4 5 We sold approximately 133m tokens to our pre-cleared purchasers and received 14,000 ETH in this public sale. We had 14,300 customers buy our tokens and we are so very appreciative of your belief in the power of securing the IoT with the Atonomi 6 Network. To check if your transaction was successful, you can confirm by searching your transaction ID on EtherScan. There you can look for the "Success" status 7 indicator. Also, to see how many ATMI tokens you purchased, look at the circled field.⁶ 8 9 59. Upon information and belief, Defendants raised at least \$25,000,000 in the Atonomi ICO. 10 11 D. Each Defendant Has Joint And Several Liability For The Atonomi ICO 12 60. Defendant Atonomi sold the securities in the ICO. 13 61. Defendant CENTRI, as the parent company and sole owner of Atonomi, directly 14 controlled Atonomi and its sale of the securities. 15 62. In messages sent to an investor in the Atonomi ICO on or about February 14, 2019 16 Defendant Fragale, who left Atonomi in August, 2018, stated that, "[CENTRI] did [the Atonomi 17 ICO] to raise money for centri, They've used it to try and find a buyer for centri. But no one will buy it." See Exhibit B. According to Fragale, "CENTRI sees [the Atonomi ICO] as a product sale 18 19 so it's revenue and they can use it however they want." Id. Fragale further stated that, "centri took 20 the ICO funds and used it to pay its bills." Id. 21 63. In messages posted to a public chatroom on or about February 15, 2019, a former 22 employee of Atonomi named Grant Fjermedal stated that "[t]he venture capital firm that had been 23 funding CENTRI for some years was eager to get something back from their investment. They had 24 25 26 ⁶ See https://atonomi.io/news/sale-closed (last accessed February 18, 2019).

Class Action Complaint and Jury Demand - 9 No. 2:19-cv-00615

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 10 of 19

continued funding CENTRI as Atonomi was created. ... things soon shifted to CENTRI soon after
 the ICO, which is exactly when the new CEO was brought in."

3 64. CENTRI and Atonomi are closely linked beyond merely a corporate parent-child
4 relationship.

65. CENTRI acknowledged as recently as March 2019 that its leadership and
Atonomi's leadership jointly hosted meetings and sponsored events at Mobile World Congress
2019 in Barcelona. See Exhibit C.

66. Defendant Emery is a founder of Atonomi. See Exhibit D.

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9 67. Defendant Emery, as the CEO of Atonomi, was an officer of Atonomi during the
10 time Atonomi sold the securities.

11 68. Defendant Emery is also a founder of CENTRI. *See* Exhibit E.

12 69. Defendant Robert Strickland was a director of Atonomi during the time Atonomi13 sold the securities. See Exhibit F.

14 70. Defendant Strickland has also since been appointed CEO of both Atonomi and
15 CENTRI. See Exhibit F.

16 71. Defendant CENTRI refers to Atonomi not as a separate company but as "the
17 blockchain-based product business unit of CENTRI." See Exhibit G.

18 72. Defendant CENTRI also refers to Atonomi as one of its products. See Exhibit H.

19 73. Defendant Deloach is President and COO of CENTRI. See Exhibit G.

74. Defendant Mackey, as the Chief Technology Officer of Atonomi, was an officer of
Atonomi during the time Atonomi sold the securities. See Exhibit I.

22 75. Defendant Mackey is also the Chief Technology Officer of CENTRI. See Exhibit I.

23 76. Defendant Fragale, as the Chief Product Officer of Atonomi and co-founder of
24 Atonomi, was an officer of Atonomi during the time Atonomi sold the securities.

25 77. Defendant Paris, as the Chief Data Scientist of Atonomi, was an officer of Atonomi
26 during the time Atonomi sold the securities. See Exhibit E.

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 11 of 19

78. Defendant Paris is also a founder of CENTRI. See Exhibit E. 1 2 79. Defendant Wisehart was a director of Atonomi during the time Atonomi sold the securities. See Exhibit J. 3 80. Defendant Wisehart was also a director of CENTRI during the time Atonomi sold 4 the securities. See Exhibit J. 5 81. Defendant Benson was a director of Atonomi during the time Atonomi sold the 6 securities. 7 82. Defendant Kyle Strickland, as the "community manager" for Atonomi, materially 8 9 aided each transaction in the securities through his acts in conducting and/ or directing all company communications with investors and prospective investors about the ICO. 10 83. 11 Defendant Salter, through his role as the head of marketing for Atonomi, materially aided in the sale of the securities through, e.g., participating in online Q&As in which he touted the 12 security. 13 14 84. During the ICO, Defendant Salter was also the head of marketing for CENTRI. See Exhibit E. 15 The Atonomi ICO Was A Securities Offering; The Atonomi Token Is A Security 16 E. 85. 17 On March 20, 2018, Atonomi filed a Form D, "Notice of Exempt Offering of Securities" with the United States Securities Exchange Commission. 18 86. 19 In filing the Form D, Atonomi acknowledge that it was selling a security. 20 87. Atonomi told all investors that its ICO was a securities offering. 88. The SAFT states that "THE OFFER AND SALE OF THIS SECURITY 21 INSTRUMENT HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 22 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES LAWS 23 OF CERTAIN STATES. THIS SECURITY MAY NOT BE OFFERED, SOLD OR 24 OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS 25 PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES 26

LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN 1 EXEMPTION THEREFROM." Exhibit A at 1 (emphasis in original). 2 The SAFT is an investment contract: "an investment of money in a common 89. 3 enterprise with profits to come solely from the efforts of others." 4 5 90. Entering into the SAFT and transferring Ethereum tokens to Atonomi constituted an investment of money. 6 91. Each SAFT identified the number of Ethereum tokens used for the purchase of 7 Atonomi tokens. 8 92. Each SAFT characterized the number of Ethereum tokens as a "Purchase 9 Amount." 10 93. 11 Each SAFT gave a value in U.S. dollars attributable to the Ethereum tokens. 94. Atonomi thereby sold securities which it called tokens. 12 95. Investors who entered into SAFTs with Atonomi invested in a common enterprise 13 with a reasonable expectation of profits. 14 96. Atonomi informed investors that the reason for the ICO was to raise funds for 15 Atonomi to use to develop blockchain technology and issue future tokens, from which investors 16 would profit. 17 97. The SAFT described the SAFT's terms as "an instrument containing a future right 18 to Tokens . . . sold by the Company for the purpose of generating future revenue." Exhibit A at 4. 19 98. 20 Investors in the Atonomi ICO expected to profit from the managerial and technical efforts of Atonomi and its employees. 21 99. Investors in the Atonomi ICO did not expect to have to work themselves to develop 22 the blockchain technology for Atonomi to succeed and return a profit to investors. 23 24 25 26

1 100. Indeed, as a part of its ICO, Atonomi published a "product roadmap" stretching
 2 from 2018 to 2019, describing the product it would build using ICO funds, which is still available
 3 on its website.⁷

101. The SAFT included the definition that "<u>Atonomi Protocol</u>' means the Atonomi
protocol and infrastructure *under development by Company* that is designed to enable, through
specified uses of the Token, security for Internet-of-Things devices." Exhibit A at 3 (emphasis
added).

8 102. On information and belief, Atonomi launched a "beta" network shortly before the
9 June 6, 2018 public token sale.

10 103. On information and belief, the beta network had few or no users for its stated
11 purpose of securing IoT devices.

12 104. On information and belief, the Atonomi tokens, when sold, performed no practical13 function other than as an investment.

14 105. Approximately one month after the completion of the ICO, instead of developing
15 any blockchain protocol of its own, Atonomi launched an Ethereum-based token on July 12, 2018,
16 distributed these tokens to the over 14,000 investors in its ICO, and "unlocked" the tokens for
17 trading immediately.⁸

18 106. The Atonomi tokens were issued and exist solely on the Ethereum cryptocurrency19 network.

20 107. As of the date of this complaint, the Atonomi tokens have developed no substantive
21 utility other than as a vehicle for investment.

108. These Atonomi tokens were securities, and were not registered nor subject to anyexemption from regulation.

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25 ⁷ See https://atonomi.io/solution (last accessed February 18, 2019).

²⁶ * See https://atonomi.io/news/atonomi-tokens-update (last accessed February 18, 2019).

Class Action Complaint and Jury Demand - 13 No. 2:19-cv-00615

109. On August 6, 2018, Atonomi published a "Community FAQ" on its website. In
 response to a question about "New Exchanges," that is, trading venues for the Atonomi token.
 Defendants stated:

We are actively engaged in dialogue with top exchanges. We are not in a position to comment on which exchanges will be listing the ATMI token before that happens but we expect the current list to expand.⁹

6 110. On September 23, 2018, Defendant Emery spoke with an investor in a private online
7 chat on the Telegram chat platform. In response to a question about what exchanges Atonomi will
8 be listed on, Defendant Emery stated that, "I am in regular contact with the team at Bittrex¹⁰ that
9 does the onboarding. We seem to be through their diligence and pending listing. I have asked for a
10 timeline, but they do not provide any listing details. There are a number of tier #2 exchanges we
11 are looking into as well."

111. In messages sent to an investor in the Atonomi ICO on or about February 14, 2019
Defendant Fragale stated, referring to Atonomi, "that is an unregistered security in my book." *See*Exhibit B.

15 F.

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The Atonomi ICO Was Not Registered

112. The Atonomi ICO was not registered with the Securities Exchange Commission.

17 113. The Atonomi ICO was not registered with any federal agency responsible for18 overseeing securities offerings.

19 114. In filing a Form D, Atonomi asserted that its sale of securities did not require20 registration.

21 115. The Atonomi ICO was not registered with the Washington State Department of22 Financial Institutions.

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⁹ See https://atonomi.io/news/latest-community-faqs (last accessed February 18, 2019).

¹⁰ Bittrex, a Seattle-based cryptocurrency exchange, is one of the largest such exchanges in the country.

Class Action Complaint and Jury Demand - 14 No. 2:19-cv-00615

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 15 of 19

1 116. The Atonomi ICO was not registered with any Washington state agency responsible
 2 for overseeing securities offerings.

G. The Atonomi ICO Was Not Exempt From Registration

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4 117. In filing a Form D, Atonomi claimed that its sale was exempt from registration
5 because it would comply with the restrictions in 17 C.F.R. § 203.506(b) ("Rule 506(b)").

6 118. On information and belief, Atonomi and all defendants knowingly offered and sold,
7 or were willfully blind to the fact that they offered and sold, the securities in the Atonomi ICO in
8 violation of the restrictions set forth under Rule 506(b).

9 119. On information and belief, Atonomi and all defendants knowingly offered and sold,
10 or were willfully blind to the fact that they offered and sold, the securities in the Atonomi ICO to
11 more than 35 unaccredited investors.

12 120. On information and belief, Atonomi and all defendants knowingly offered and sold,
13 or were willfully blind to the fact that they offered and sold, the securities in the Atonomi ICO
14 through a general solicitation.

15 121. On information and belief, Atonomi and all defendants knowingly offered and sold,
16 or were willfully blind to the fact that they offered and sold, the securities in the Atonomi ICO to
17 unaccredited investors without providing the disclosure documents required by federal law for
18 such sales.

19 122. On information and belief, Atonomi and all defendants knowingly offered and sold,
20 or were willfully blind to the fact that they offered and sold, the securities in the Atonomi ICO
21 without implementing the limitations on resale required for exempt securities.

123. Indeed, Atonomi distributed ICO tokens—which are securities—a mere month
after the completion of the ICO.

24 124. Defendants did not comply with Rule 144 and lock up the tokens—which are
25 securities—for 12 months as required.

125. Instead, Defendants unlocked the tokens for trading immediately.

Class Action Complaint and Jury Demand - 15 No. 2:19-cv-00615

1 126. Defendants repeatedly assured investors that they were seeking exchanges -2 liquidity venues - to list Atonomi tokens for public trading. 3 127. Atonomi tokens have been publicly trading on exchanges as well as in direct investor to investor transactions since July 2018. 4 5 128. Defendants have not made any effort to lock up these securities. 129. Since listing, the price of Atonomi tokens have collapsed by over 98% and any 6 7 market for them has effectively evaporated. 8 V. CLASS ALLEGATIONS 9 130. Plaintiffs bring this action as a class action pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure on behalf of the following Class of persons: 10 11 All persons and entities who, directly or indirectly through an intermediary, purchased the Atonomi Initial Coin Offering conducted in spring and summer 2018. 12 131. 13 Excluded from the Class are Defendants herein and any person, firm, trust, corporation, or other entity related to or affiliated with any Defendant. 14 132. 15 Plaintiffs reserve the right to amend the Class definition if further investigation and/or discovery indicate that the Class definition should be narrowed, expanded, or otherwise 16 modified. 17 18 133. Upon information and belief, there were approximately 14,300 investors in the 19 Atonomi ICO. The number of individuals and entities who comprise the Class are so numerous 20 that joinder of all such persons is impracticable and the disposition of their claims in a class action, rather than in individual actions, will benefit both the parties and the courts. Class members may 21 be identified from records maintained by Defendants, and may be notified of the pendency of this 22 action by mail or electronic mail using the form of notice similar to that customarily used in 23 securities class actions. 24 Plaintiffs' claims are typical of the claims of the other members of the Class. All 25 134. members of the Class have been and/or continue to be similarly affected by Defendants' wrongful 26

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 17 of 19

1 conduct as complained of herein, in violation of federal law. Plaintiffs are unaware of any interests that conflict with or are antagonistic to the interests of the Class. 2

Plaintiffs will fairly and adequately protect the Class members' interests and have 3 135. retained counsel competent and experienced in securities class actions and complex litigation. 4 5 Plaintiffs and their counsel will adequately and vigorously litigate this class action, and Lead Plaintiff is aware of his duties and responsibilities to the Class. 6

7 136. Defendants have acted with respect to the Class in a manner generally applicable to each Class member. Common questions of law and fact exist as to all Class members and 8 9 predominate over any questions affecting individual Class members. The questions of law and fact common to the Class include, inter alia: 10

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- a. Whether the offer of the Atonomi SAFT Atonomi ICO constituted the sale or offer of "securities;"
- b. Whether Defendants were required to file a registration statement for the Atonomi ICO;
- c. Whether Defendants sold, directly or indirectly controlled a seller, were 15 partners, officers, directors, or persons who occupy a similar status as to a 16 seller, or were employees who materially aided in sales of the Atonomi 17 securities offering; and 18
 - d. Whether Plaintiffs and the Class are entitled to recover the consideration paid for the security, together with interest at eight percent per annum from the date of payment, costs, and reasonable attorneys' fees, and the proper calculation and amount of that consideration, interest, costs, and fees.

137. A class action is superior to all other available methods for the fair and efficient 23 adjudication of this controversy since joinder of all Class members is impracticable. Furthermore, 24 as the injury and/or damages suffered by individual Class members may be relatively small, the 25 expense and burden of individual litigation makes it impossible as a practical matter for Class 26

Case 2:19-cv-00615 Document 1 Filed 04/25/19 Page 18 of 19

members to individually redress the wrongs done to them. There will be no difficulty in managing
 this action as a class action.

3 138. Defendants have acted on grounds generally applicable to the entire Class with
4 respect to the matters complained of herein, thereby making appropriate the relief sought herein
5 with respect to the Class as a whole.

6

VI. CAUSE OF ACTION

7 139. Plaintiffs hereby incorporate by reference the allegations contained in the preceding
8 paragraphs of this Complaint.

9 140. This sole Count is brought pursuant to the Washington Securities Act, RCW
10 21.20.430, on behalf of the Class, against all defendants.

11 141. Defendants sold unregistered securities, directly or indirectly controlled the seller
12 of unregistered securities, were a partner, officer, director or person who occupies a similar status
13 or performs a similar function of such seller of unregistered securities, or were the employee of
14 such a seller of unregistered securities who materially aided in the sale.

15

16

VII. PRAYER FOR RELIEF

WHEREFORE, Plaintiffs and the Class pray for relief and judgment as follows:

A. Declaring that this action is properly maintainable as a class action under Rule
23 of the Federal Rules of Civil Procedure, and certifying Plaintiffs as the Class representatives
and their counsel as Counsel for the Class;

B. Declaring that Defendants offered and sold unregistered securities in violation
of the Washington Securities Act;

C. Awarding Plaintiffs and the members of the Class the remedy of recovery of the consideration paid for the security, together with interest at eight percent per annum from the date of payment, costs, and reasonable attorneys' fees, against all Defendants, jointly and severally; and

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

Class Action Complaint and Jury Demand - 18 No. 2:19-cv-00615

1	VIII. JURY DEMAND	
2	Plaintiff and the Class hereby demand a trial by jury.	
3		
4	April 25, 2019.	
5	ARD LAW GROUP PLLC	
6	By: the	
7	Joel B. Ard, WSBA # 40104	
8	Ard Law Group PLLC	
9	P.O. Box 11633	
9	Bainbridge Island, WA 98110	
10	Phone: (206) 701-9243	
11	Attorneys for Plaintiffs	
12	AFN LAW PLLC	
13		
14	By:	
	Angus F. Ni, WSBA # 53828	
15	AFN LAW PLLC	
16	506 2nd Ave, Suite 1400	
17	Seattle, WA 98104	
	Phone: (646) 543-7294	
18	Attorneys for Plaintiffs	
19		
20		
21		
22		
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24		
25		
26		

Class Action Complaint and Jury Demand - 19 No. 2:19-cv-00615

Ex.



[Series 1]

NOTICE TO RESIDENTS OF THE UNITED STATES

THE OFFER AND SALE OF THIS SECURITY INSTRUMENT HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "<u>SECURITIES ACT</u>"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THIS SECURITY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM.

NOTICE TO RESIDENTS OF CANADA

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT THE ISSUER BECOMES A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY.

NOTICE TO RESIDENTS OF CHINA

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NOTICE TO RESIDENTS OF THE UNITED KINGDOM

IN THE UNITED KINGDOM THIS DOCUMENT IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT (AND ANY INVESTMENT ACTIVITY TO WHICH IT RELATES WILL BE ENGAGED ONLY WITH): (i) INVESTMENT PROFESSIONALS (WITHIN THE MEANING OF ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE "<u>FPO</u>")); (ii) PERSONS OR ENTITIES OF A KIND DESCRIBED IN ARTICLE 49 OF THE FPO; (iii) CERTIFIED SOPHISTICATED INVESTORS (WITHIN THE MEANING OF ARTICLE 50(1) OF THE FPO); AND (iv) OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "<u>RELEVANT PERSONS</u>").

THIS DOCUMENT HAS NOT BEEN APPROVED BY AN AUTHORIZED PERSON. ANY INVESTMENT TO WHICH THIS DOCUMENT RELATES IS AVAILABLE ONLY TO (AND ANY INVESTMENT ACTIVITY TO WHICH IT RELATES WILL BE ENGAGED ONLY WITH) RELEVANT PERSONS. THIS DOCUMENT IS DIRECTED ONLY AT RELEVANT PERSONS AND PERSONS WHO ARE NOT RELEVANT PERSONS SHOULD NOT TAKE ANY ACTION BASED UPON THIS DOCUMENT AND SHOULD NOT RELY ON IT. IT IS A CONDITION OF YOU RECEIVING AND RETAINING THIS DOCUMENT THAT YOU WARRANT TO THE COMPANY, ITS DIRECTORS, AND ITS OFFICERS THAT YOU ARE A RELEVANT PERSON.

ATONOMI, LLC

<u>SAFT</u>

(Simple Agreement for Future Tokens)

THIS CERTIFIES THAT in exchange for the payment by <u>Chris Hunichen</u> (the "<u>Purchaser</u>") of <u>225</u> ETH (the "<u>Purchase Amount</u>") on or about <u>Feb-22-2018</u>, Atonomi, LLC, a duly formed Delaware limited liability company in good standing (the "<u>Company</u>"), hereby issues to the Purchaser the right to purchase certain units of the Atonomi Token (the "<u>Token(s)</u>"), subject to the terms and conditions set forth below. The Company and Purchaser agree the Purchase Amount has a value of US\$ <u>\$191,250</u> for purposes of Section 3.

1. **Events.**

Token Sale. If a Token Sale occurs before the expiration or termination (a) of this instrument, the Company will deliver to the Purchaser at the Token Sale, according to the procedures specified separately by the Company, a number of Tokens equal to the (i) Purchase Amount divided by the (ii) Price Per Token, as defined below. In connection with the purchase of Tokens pursuant to this Section 1(a), the Purchaser will execute and deliver to the Company all transaction documents related to the Token Sale (the "Token Sale Documents"); provided, that such Token Sale Documents are the same documents to be entered into with the Public Purchasers (the "Final Token Sale Terms"). Such Final Token Sale Terms will supersede the disclosures, terms and conditions previously provided, made available to or discussed with the Purchaser, if any, except that the Price Per Token shall be as set forth herein and the method of payment for the Token by, and procedures for delivery of the Token to, the Purchaser shall be determined by the Company in its sole discretion on or about the time of the Token Sale. The Purchaser acknowledges that the terms of sale of the Tokens, until superseded by the Final Token Sale Terms, are subject to change in the sole and absolute discretion of the Company as and to the extent the Company deems necessary or advisable in connection with the Token Sale. In addition, this Section 1(a) shall not apply if the representations and warranties of Token purchasers set forth in the Token Sale Documents are not true with respect to the Purchaser at the time of the Token Sale or the Purchaser is otherwise not eligible to participate in the Token Sale under the public terms of the Token Sale. In the event the Purchaser is not eligible to participate in the Token Sale under the public terms of the Token Sale, the Company will promptly pay to the Purchaser (as a general unsecured creditor) following the consummation of the Token Sale an amount equal to (1) the Purchase Amount, plus (2) the Purchase Amount multiplied by the difference, if any, between the Price Per Token specified herein and the Price Per Token paid by the Public Purchasers in the Token Sale.

(b) **Bonus Tokens.** In addition to the Tokens specified in Section 1(a), the Company agrees to deliver to the Purchaser a number of bonus tokens equal to (i) [25%] of the

Purchase Amount divided by (ii) the Price Per Token (the "Bonus Tokens") for no additional consideration.

(c) <u>Dissolution Event</u>. If there is a Dissolution Event before this instrument expires or terminates, the Company will pay an amount equal to the Purchase Amount, due and payable to the Purchaser immediately prior to, or concurrent with, the consummation of the Dissolution Event. As an obligation to a general unsecured creditor, the Purchase Amount will be paid prior and in preference to any distribution of any of the assets of the Company to holders of outstanding shares of capital by reason of their ownership thereof. If immediately prior to the consummation of the Dissolution Event, the assets of the Company legally available for distribution to the Purchaser and all holders of all other SAFTs (the "Dissolving Purchasers"), as determined in good faith by the Company, are insufficient to permit the payment to the Dissolving Purchasers of their respective Purchase Amounts, then the entire assets of the Company legally available for distribution will be distributed with equal priority and pro rata among the Dissolving Purchasers in proportion to the Purchase Amounts they would otherwise be entitled to receive pursuant to this Section 1(b).

(d) <u>**Termination**</u>. This instrument will expire and terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this instrument) upon either (i) the delivery of Tokens to the Purchaser pursuant to Section 1(a); or (ii) the payment, or setting aside for payment, of amounts due the Purchaser pursuant to Section 1(b).

2. **Definitions**.

"<u>Atonomi Protocol</u>" means the Atonomi protocol and infrastructure under development by Company that is designed to enable, through specified uses of the Token, security for Internet-of-Things devices.

"<u>Disqualified Jurisdiction</u>" means the People's Republic of China, Vietnam and New York State.

"<u>Dissolution Event</u>" means (i) a voluntary termination of operations of the Company; (ii) a general assignment for the benefit of the Company's creditors; or (iii) any other liquidation, dissolution or winding up of the Company (excluding a liquidity event), whether voluntary or involuntary.

"<u>Price Per Token</u>" means the price per Token paid to the Company by the Public Purchasers in ETH. For purposes of the foregoing calculation, if there is more than one price per Token paid by Public Purchasers in a Token Sale, then the applicable price per Token shall be the price per Token paid with respect to a plurality of Tokens sold to Public Purchasers in such Token Sale.

"<u>Public Purchasers</u>" means the purchasers in a Token Sale who do not pay a discounted price to purchase Tokens.

"Token Sale" means a bona fide transaction or series of transactions, pursuant to which the Company, a wholly owned subsidiary of the Company, a Designated Non-profit Foundation (as defined below), or a wholly owned subsidiary of a Designated Non-profit Foundation sells Tokens to the general public in an intentionally publicized product launch of the Tokens. As used herein, a "Designated Non-profit Foundation" is a non-profit foundation (i) that transfers a substantial portion of the Tokens sold in a Token Sale to the Company for no or de minimis consideration or for non-cash or part cash and part non-cash consideration; or (ii) to which the Company transfers the Tokens.

"<u>SAFT</u>" means an instrument containing a future right to Tokens, similar in form and content to this instrument, sold by the Company for the purpose of generating future revenue.

3. <u>**Currency Treatment.</u>** In the event that the Purchase Amount (or any portion thereof) is paid in any currency or property, including digital currencies, other than U.S. dollars, the value of the Purchase Amount (or the applicable portion thereof) shall be deemed to be, at the Company's election (i) the U.S. dollar equivalent of such currency or property as of the date and time this instrument is executed by the Company as published on such exchange or exchanges as shall be determined in the sole discretion of the Company, or (ii) the U.S. dollar value, net of any exchange fees or costs, actually received by the Company upon exchange of such currency or property into U.S. dollars.</u>

4. <u>**Tax Treatment.</u>** Each of the Company and the Purchaser agree to treat this instrument as a forward contract for U.S. federal, state and local income tax purposes, and will not take any position on any tax return, report, statement or other tax document that is inconsistent with such treatment, unless otherwise required by a change in law occurring after the date hereof, a closing agreement with an applicable tax authority or a final non-appealable judgment of a court of competent jurisdiction.</u>

5. <u>Company Representations.</u>

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when Tokens are to be delivered to the Purchaser, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To the knowledge of the Company, it is not in violation of (i) its current certificate of incorporation or bylaws, (ii) any material statute, rule or regulation applicable to the Company or (iii) any material indenture or contract to which the Company is a party or by which it is bound, where, in

each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) To the knowledge of the Company, the performance and consummation of the transactions contemplated by this instrument do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) To the knowledge of the Company, no consents or approvals are required in connection with the performance of this instrument, other than (i) the Company's corporate approvals and (ii) any qualifications or filings under applicable securities laws.

THE COMPANY MAKES NO WARRANTY WHATSOEVER WITH (e) RESPECT TO THE TOKENS. INCLUDING ANY (i) WARRANTY OF MERCHANTABILITY; (ii) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; WARRANTY OF TITLE; OR (iii) WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR EXCEPT AS EXPRESSLY SET FORTH HEREIN, PURCHASER OTHERWISE. ACKNOWLEDGES THAT IT HAS NOT RELIED UPON ANY REPRESENTATION OR WARRANTY MADE BY THE COMPANY, OR ANY OTHER PERSON ON THE COMPANY'S BEHALF.

(f) To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms) sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes and other intellectual property rights necessary for its business as now conducted and as currently proposed to be conducted, without an infringement of the rights of, others. Atonomi Token is not a proprietary trade name of the Company.

6. **Purchaser Representations.**

(a) The Purchaser has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes a legal, valid and binding obligation of the Purchaser, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) The Purchaser is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act. The Purchaser has been advised that this instrument has not been registered under the Securities Act, or any U.S. state securities laws and, therefore, cannot be transferred unless registered under the Securities Act and applicable U.S.

state securities laws or unless an exemption from such registration requirements is available. The Purchaser is purchasing this instrument for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. The Purchaser has such knowledge and experience in financial and business matters that the Purchaser is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Purchaser's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

(c) The Purchaser understands that there is no guarantee that Tokens will ultimately be sold in a Token Sale for any specific price per Token, or at all. The Purchaser has such knowledge and experience in financial and business matters that the Purchaser is capable of evaluating the merits and risks of entering into this SAFT and of purchasing Tokens.

(d) The Purchaser represents that it has adequate information on which to base its decision to purchase Tokens through this instrument, notwithstanding the fact that the terms of the Token Sale are not yet final and may undergo changes before they are superseded by the Final Token Sale Terms. The Purchaser acknowledges that such potential changes may be significant and understands that the Final Token Sale Terms will be binding on the Purchaser regardless of the extent, nature or impact of such changes .

(e) The Purchaser's entry into this SAFT complies with applicable laws and regulations in the Purchaser's jurisdiction.

(f) The Purchaser understands that the Purchaser bears sole responsibility for any taxes as a result of the matters and transactions that are the subject of this instrument, and any future acquisition, ownership, use, sale or other disposition of Tokens held by the Purchaser. To the extent permitted by law, the Purchaser agrees to indemnify, defend and hold the Company or any of its affiliates, employees or agents (including developers, auditors, contractors or founders) harmless for any claim, liability, assessment or penalty with respect to any taxes (other than any net income taxes of the Company that result from the delivery of Tokens to the Purchaser pursuant to Section 1(a) of the instrument) associated with or arising from the Purchaser's purchase of Tokens hereunder, or the use or ownership of Tokens.

(g) The Purchaser is not a resident of or domiciled in any Disqualified Jurisdiction or purchasing the Tokens from a location in any Disqualified Jurisdiction.

(h) The Purchaser is not (i) a citizen or resident of a geographic area in which use of cryptographic tokens is prohibited by applicable law, decree, regulation, treaty, or administrative act, (ii) a citizen or resident of, or located in, a geographic area that is subject to U.S. or other applicable sanctions or embargoes, or (iii) an individual, or an individual employed by or associated with an entity, that is identified on the U.S. Department of Commerce's Denied Persons or Entity List, the U.S. Department of Treasury's Specially Designated Nationals or Blocked Persons Lists, or the U.S. Department of State's Debarred Parties List. If the Purchaser's country of residence or other circumstances change such that the above representations are no longer accurate, the Purchaser will immediately notify Company.

(i) The Purchaser will not use the Tokens in connection with any activity that violates applicable laws in any relevant jurisdiction, including, but not limited to, use of the Tokens in connection with transactions that violate U.S. federal or state securities or commodity laws.

(j) The Purchaser understands that the design and structure of the Token, the Atonomi Protocol, and the allocation and distribution of Tokens remain under development and may materially change from their current descriptions in the Company's whitepaper and other materials.

(k) The Purchaser understands there is no guarantee that the distribution of the Tokens will occur at any particular time or at all.

(1) The Purchaser will at all times maintain control of the Purchaser's wallet where any Tokens are stored, and the Purchaser will not share or disclose the account credentials associated with such wallet with any other party. If the Purchaser transfers Tokens into another wallet or vault, the Purchaser will likewise at all times maintain control of such other wallet or vault, and will not share or disclose the account credentials associated with such other wallet or vault with any other party.

7. **Conflicts Waiver.** Each party to this SAFT acknowledges that Perkins Coie, LLP ("<u>Perkins</u>"), counsel to the Company, has in the past performed and is or may now or in the future represent one or more Purchasers or their affiliates in matters unrelated to the transactions contemplated by this SAFT (this "<u>Transaction</u>"), including representation of such Purchasers or their affiliates in matters of a similar nature to this Transaction. The applicable rules of professional conduct require that Perkins inform the parties hereunder of this representation and obtain their consent. Perkins has served as counsel to the Company and has negotiated the terms of this Transaction solely on behalf of the Company. The Company and each Purchaser hereby (i) acknowledge that they have had an opportunity to ask for and have obtained information relevant to such representation; (ii) acknowledge that with respect to this Transaction, Perkins has represented solely the Company, and not any Purchaser or any stockholder, director or employee of the Company or any Purchaser; and (iii) gives its informed consent to Perkins' representation of the Company in this Transaction.

8. <u>Miscellaneous</u>.

(a) This instrument is one of a series of SAFTs designated by the SAFT Series number specified above and issued in a series of multiple closings to certain persons and entities by the Company from time to time (collectively, the "<u>SAFTs</u>"); provided that each SAFT instrument included within the same Series of SAFTs shall be offered and sold on substantively the same terms. Any provision of this instrument, or of any of the SAFTs issued under this SAFT Series, may be amended, waived or modified only upon the written consent of the Company and the holders of this SAFT Series representing a majority in aggregate purchase amount paid to the Company with respect to all outstanding SAFTs of this SAFT Series at the time of such amendment, waiver or modification.

(b) This instrument sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous disclosures, discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) Any notice required or permitted by this instrument will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

(d) Neither this instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this instrument and/or the rights contained herein may be assigned without the Company's consent by the Purchaser in whole or in part to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Purchaser, including, without limitation, any general partner, managing member, officer or director of the Purchaser, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Purchaser; and *provided, further*, that the Company may assign this instrument in whole, without the consent of the Purchaser, (i) in connection with a reincorporation to change the Company's domicile or a transfer by way of continuation of the company to another jurisdiction or (ii) to either a wholly-owned subsidiary of the Company or a Designated Non-profit Foundation that is the seller of the Tokens in the Token Sale.

(e) In the event any one or more of the provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this instrument operate or would prospectively operate to invalidate this instrument, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this instrument and the remaining provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(f) The Purchaser shall, and shall cause its affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably requested by Company to carry out the provisions of this instrument and give effect to the transactions contemplated by this instrument, including, without limitation, to enable the Company or the transactions contemplated by this instrument to comply with applicable laws. (g) The Company shall not be liable or responsible to the Purchaser, nor be deemed to have defaulted under or breached this instrument, for any failure or delay in fulfilling or performing any term of this instrument when and to the extent such failure or delay is caused by or results from acts beyond the affected party's reasonable control, including, without limitation: (i) acts of God; (ii) flood, fire, earthquake or explosion; (iii) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, or other civil unrest; (iv) change in or application of law; or (v) action by any Governmental Authority.

(h) All rights and obligations hereunder will be governed by the laws of the state of Delaware, without regard to the conflicts of law provisions of such jurisdiction.

(Signature Page Follows)

[Series 1]

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered.

THE COMPANY:

ATONOMI, LLC

DocuSigned by:

Vaughan Emery By

Name: Vaughan Emery

Title: CEO

Address:

701 5th Avenue Suite 550

Seattle WA 98104 USA

Email: legal@atonomi.io

THE PURCHASER:

Chris Hunichen

(PRINT NAME)

DocuSigned by: livis Hunidian By: -4F16C6B27F6B433 (Signature)

Name: Chris Hunichen

Title:

Address:

Hermosa Heights Villa 70

Playa Hermosa, CR 50503

Email: bighuni@gmail.com

Ex.



- Geo 34/24/13 44% and 22:54 David last seen recently Also, I believe that you can't raise money and abandon the project 16:29 11 That is an unregistered securities sale in my book 16:29 David They argue the product has been sold. Th... Indeed 16:29 1 Yes I totally agree w you 16:29 I'm just stating their argument 16:29

It's totally insane but they are desperate. Vaughan does not have a good history and is a bad guy. He used to refer to community as "a bunch of fucking little bitches"

I believe you. They were disrespectful, their attitude told everything 16:31

Yes. New ceo told us that the companies were combining but







And the project is completely abandoned 16:34

Yeah I know. Centri sees this as a product sale so it's revenue and they can use it however they want. That's the risk of investing in US ICOs 16:45

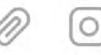
David

Yeah I know. Centri sees this as a product...

They didn't promote this. I'm sure people wouldn't wanted to buy an useless product 16:50 V

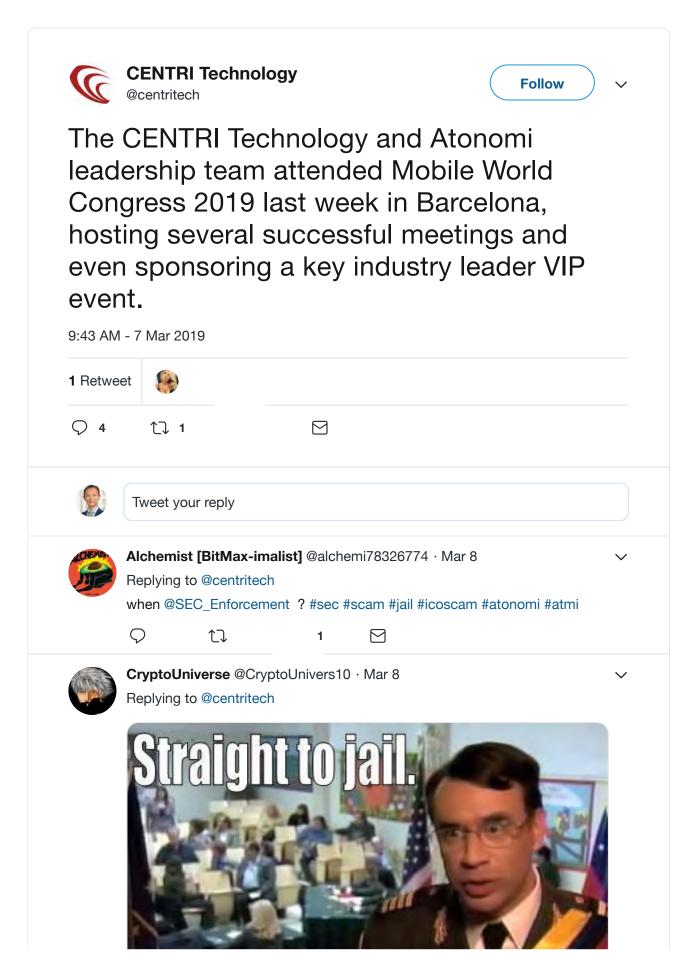
they did it to raise money for centri. They've used it to try and find a buyer for centri. But no one will buy it. Vaughan lied to me about building blockchain. It was scam from the beginning

> Yeah, I believe that too now. They had no intention to build something for Atonomi. All their actions say so



17:12 1

Ex.

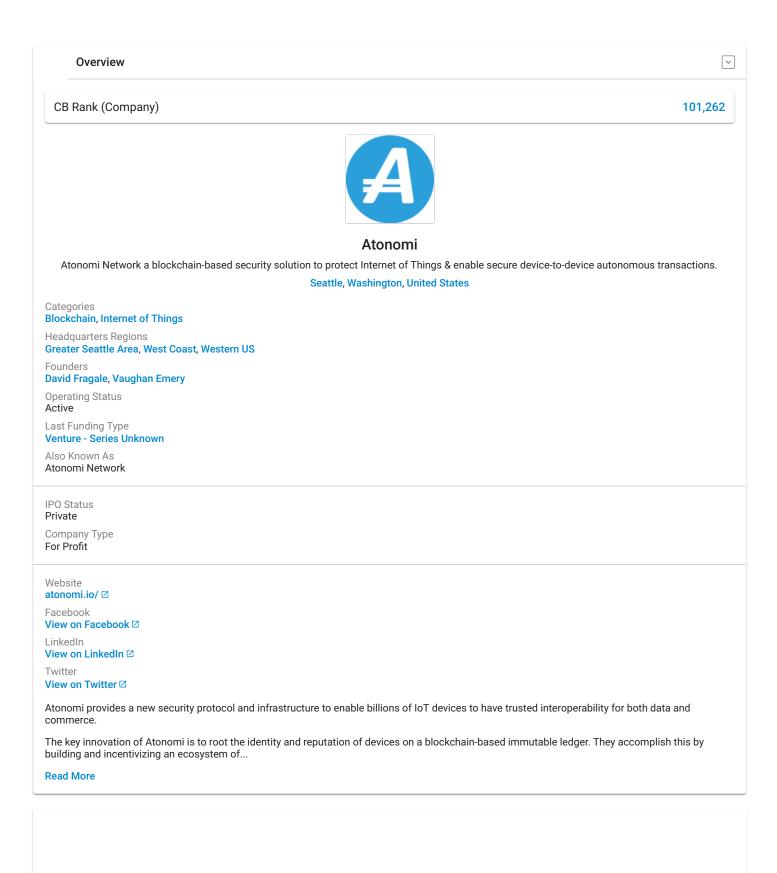


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Ex.

crunchbase

Atonomi



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M Investo Number of I Atonomi is func Investo Kosmos Ca Related Western US	Aar 2, 2018 Aar 2, 2018 Investors ded by Kosmos nvestors partic or Name apital d Hubs	Ventur Atonor s Capital. cipated in the · · · · · · · · · · · · · · · · · ·	e most fund	ing rounds	5?		1 Fundir	ng Round		P	artners	▼ 1 ▼ ▼
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M Investo Number of I Atonomi is func Investo Kosmos Ca Related Western US Washingtor	Aar 2, 2018 Investors ded by Kosmos nvestors partic or Name apital d Hubs S Blockchain C n Companies tes Internet of	Ventur Atonor	e most fund Lead I	ing rounds	5?		1 Fundir	ng Round		P	artners	▼ 1 ∞w ▼ ▼ 503 6,661
M Investo Number of I Atonomi is func Investo Kosmos Ca Related Western US Washington United Stat Seattle Cor	Aar 2, 2018 Investors ded by Kosmos nvestors partic or Name apital d Hubs S Blockchain C n Companies tes Internet of	Ventur Atonor	e most fund Lead I ub Name	ing rounds	5?		1 Fundir	ng Round		P	artners	 ▼ 1 ow ✓ ✓ ✓ 503 6,661 2,054

4/16/2019

Case 2:19-cv-00615 Document 1/10m#ffee/104/25/19 Page 21 of 66

PwC Alumni Founded Companies	288
West Coast Internet of Things Companies	952
Private Washington Companies	6,503
United States Blockchain Companies	995
VIEW ALL >	

Website Tech Stack by BuiltWith

Active Technology

Atonomi is actively using 10 technologies for its website. These include Viewport Meta, IPhone / Mobile Compatible, and Google Analytics.

UNLOCK WEBSITE TECHNOLOGIES DATA >

Web Traffic by SimilarWeb	~
Traffic	
Atonomi is ranked 3,164,803 among websites globally based on its 7,910 monthly web visitors.	
UNLOCK MORE WEBSITE TRAFFIC DATA >	

 Interest Signals by Bombora

 Interest Signals by Bombora

 Atonomi employees are showing high interest in Getty Images, Work–Life Balance, and Google+.

 UNLOCK MORE INTEREST SIGNALS >

Competitors & Revenue by Owler
Atonomi has \$1.5M in estimated revenue annually. Atonomi competes with CyberSponse, Swimlane, and Uplevel Security.

UNLOCK MORE COMPETITORS & REVENUE DATA >

Past Team								\sim
Number of Past Team N	Vembe	ers						2
Atonomi has 2 past team me	embers	including Founder and CEO Vaughan	Emery.					
Person Name	~	Title At Company	\checkmark	Start Date	\checkmark	1 <u>=</u>	End Date	~
Vaughan Emery		Founder and CEO			Jan 2017			Nov 2018
David Fragale		Co-Founder, Chief Product Officer			Oct 2017			Oct 2018

Events

 \sim

3

 $\overline{\checkmark}$

 \checkmark

Number of Events

https://www.crunchbase.com/organization/atonomi

Case 2:19-cv-00615 Document 1/10m##ee/10#/25/19 Page 22 of 66 Atonomi has participated in 3 events. Recently, they attended Consensus Singapore 2018 on Sep 19, 2018. **Consensus Singapore 2018** Sponsor Sep 19, 2018 **Distributed 2018** Sponsor Jul 19, 2018 LendIt Fintech USA 2018 Sponsor Apr 9, 2018 \sim **Recent News & Activity** Mar 2, 2018 Atonomi raised an undisclosed amount / Series Unknown from Kosmos Capital Twitter \sim Atonomi @atonomi The CENTRI Technology and Atonomi leadership team attended Mobile World Congress 2019 last week in Barcelona, hosting several successful meetings and even sponsoring a key industry leader VIP event. Mar 7, 2019 Atonomi @atonomi PRESS RELEASE ANNOUNCEMENT: CENTRI Technology and Digital Edge Form Joint Venture for Development and Launch of Blockchain-Based IoT Security Solutionatonomi.io/news/centri-te... CENTRI Technology and Digital Edge Form Joint Venture for Development and ... CENTRI Technology and its subsidiary Atonomi, now a fully unified company with a single mission, today announced with Digital Edge atonomi.io Feb 20, 2019 Atonomi Retweeted

> Vaughan Emery @vaughanemery

> > As the founder of @atonomi, I am watching and will re-join the discussion when needed, this is one of those times. I got an update from the company yesterday. They are working hard and focused on customer wins. They are committed and NOT distracted by comments from the uninformed

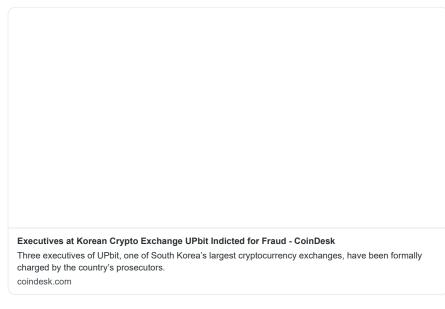
> > > Feb 16, 2019

Case 2:19-cv-00615 Document 社址如冊 #eet 地 # 25/19 Page 23 of 66



Holy f'ing hell... \$226 BILLION in fake volume

"executives are alleged to have made fraudulent transactions... using a fake corporate account to make bogus orders worth 254 trillion won (or \$226.2 billion) to inflate trading volume figures" coindesk.com/executives-at-...

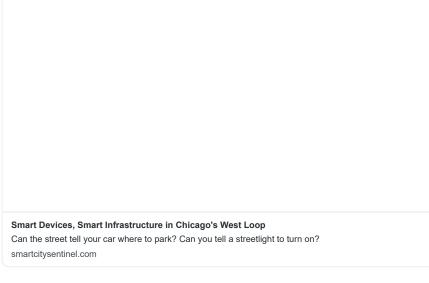


Dec 21, 2018



Atonomi @atonomi

Atonomi is thrilled to be working with the City of Chicago on the Chicago West Loop Pilot! Read more about it here: ow.ly/gqfe30n3iyZ #cybersecurity #datasecurity #blockchain #IoT #smartcities @IoTEvolution



Dec 20, 2018

ATONOMI ON TWITTER >

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crunchbase CENTRI

Overview	[
Total Funding Amount	\$12.8N
CB Rank (Company)	16,039
CENTRI CENTRI CENTRI provides advanced security for the internet of things	S.
Seattle, Washington, United States	
ategories <mark>yber Security, Internet of Things</mark>	
leadquarters Regions reater Seattle Area, West Coast, Western US	
ounded Date 010	
ounders <mark>uis Paris, Vaughan Emery</mark>	
perating Status ctive	
ast Funding Type <mark>enture - Series Unknown</mark>	
lumber of Employees 1-50	
egal Name ENTRI Technology, Inc.	
PO Status Private	
Company Type For Profit	
Vebsite vww.centritechnology.com ⊠	
acebook 'iew on Facebook 🖾	
inkedIn <mark>iew on LinkedIn</mark> ⊠	
witter iew on Twitter ⊠	
ontact Email fo@centritechnology.com	
hone Number 206)395-2793	
ENTRI provides a complete, advanced security solution for the Internet of Things. Our flexible, software- evelopers to quickly get to market with purpose-built IoT security to protect their data from chip-to-Cloud	only platform enables thing makers and

6/2019 Case 2:19-cv-00615 De and delivers device integrity with modern, Read More	ocument ያ ^E ኒፕጽፑዥ ውው፡ዕቋ ፉ	25/19 Page 27 of	66	
	ß			
Funding Rounds	UNLOCK CHARTS			
Number of Funding Rounds				4
Total Funding Amount			\$12.8N	N
CENTRI has raised a total of \$12.8M in funding over 4 round round.	ds. Their latest funding was raised o	n Aug 29, 2014 from a Ventu	ire - Series Unknown	
Which funding types raised the most money?			pro Show	<i>ı</i>
How much funding has this organization raised over	time?		Pro Show	/
↓ → Announced Date · Transaction Name ·	Number of Investors	Money Raised 🗸	Lead Investors	~
Aug 29, 2014 Venture Round - CENTRI	1	\$6.3M	-	
Nov 28, 2012 Series B - CENTRI	1	\$4.5M	Matthew Pritzker Company	
Oct 18, 2011 Series A - CENTRI	1	\$1.7M	Alliance of Angels	
May 27, 2010 Venture Round - CENTRI	-	\$325.4K	_	
Investors				~
Number of Lead Investors			:	2

Number of Investors

CENTRI is funded by 3 investors. LaunchCapital and Matthew Pritzker Company are the most recent investors.

3

Case 2:19-cv-00615 Document **PENTRHifee 10 4**/25/19 Page 28 of 66

Which investors participated	d in the most f	unding rounds?				pro St	how
Investor Name	~	Lead Investor	~	Funding Round	~	Partners	~
LaunchCapital	_			Venture Round - CENTRI		_	
Matthew Pritzker Company	Ye	S		Series B - CENTRI		_	
Alliance of Angels	Ye	S		Series A - CENTRI		_	

Hub Name	~	Number of Organizations	
Private West Coast Companies (Top 10K)			9,
Angel Group Funded Companies			7,
Micro VC Funded Companies (Top 10K)			9,
Washington Companies			6,
United States Internet of Things Companies			2,
Seattle Companies			3,
United States Cyber Security Companies			1,
Private Greater Seattle Area Companies			5,
Private United States Companies (Top 10K)			9,
Western US Cyber Security Companies			

VIEW ALL >

Company Tech Stack by Siftery	~
Active Products	

CENTRI uses 23 technology products and services including Google Analytics, WordPress, and Vimeo.

UNLOCK MORE TECHNOLOGIES DATA >

Website Tech Stack by BuiltWith	~
Active Technology	
CENTRI is actively using 11 technologies for its website. These include SPF, Apache, and Microsoft Exchange Online.	

UNLOCK WEBSITE TECHNOLOGIES DATA >

Web Traffic by SimilarWeb	~
Traffic	
CENTRI is ranked 17,231,149 among websites globally based on its 381 monthly web visitors.	

UNLOCK MORE WEBSITE TRAFFIC DATA >

Interest Signals by Bombora Image: CENTRI employees are showing high interest in Conflict Management, Cultural Adaptation, and Adult Learning. UNLOCK MORE INTEREST SIGNALS >

Competitors & Revenue by Owler

CENTRI has \$2M in estimated revenue annually. CENTRI competes with DataLocker, Inxee Systems Private Limited, and Exosite.

UNLOCK MORE COMPETITORS & REVENUE DATA >

IT Spend by Aberdeen

This year, CENTRI is projected to spend \$73.1K on IT.

UNLOCK MORE IT SPEND & BUDGET DATA >

Current Team

Number of Current Team Members

CENTRI has 7 current team members, including CTO & Vice President of Engineering Mike Mackey.

Mike Mackey CTO & Vice President of Engineering

Grant Asplund Vice President of Sales & Business Development

Luis Paris Chief Scientist

James Stennent Director of Product Development

James Salter Director of Marketing

Annette Sweet Director of Delivery Services

Hadiya Masieh Director $\overline{}$

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7

Board Members and Advis	ors					\checkmark
Number of Board Members / A	dvisors					4
CENTRI has 4 board members and ad	lvisors, including Rob Strickland.					
Rob Strickland Board Member						
Merrill Dean Board Member						
Wayne Wisehart Board Member						
Elon Boms Board Member						
Past Team						~
Number of Past Team Member	S					2
CENTRI has 2 past team members, in	cluding Founder & CEO Vaughan En	nery.				
Person Name	Title At Company	✓	Start Date	∑ t≞	End Date	\checkmark
Vaughan Emery	Founder & CEO		May	2010		Nov 2018
Joe Ferry	VP Global Sales			2013		2015
Events						\sim

Number of Events 5 CENTRI has participated in 5 events. Recently, they attended Arm TechCon 2018 on Oct 16, 2018.

Arm TechCon 2018 Exhibitor Oct 16, 2018 Internet of Things Developers Conference 2018 Sponsor Jun 5, 2018

ARM TechCon Exhibitor

Oct 24, 2017

2019	Case 2:19-cv-00615 Document £ENTR开存在中的4/25/19 Page 31 of 66
	Exhibitor Oct 3, 2017
	IBM InterConnect 2016
	Exhibitor Feb 21, 2016
Re	ecent News & Activity
Numbe	er of Articles
May 17, 2 CENTRI: F	2018 PRNewswire — Atonomi Launches Identity Registry Network Beta to Enable Secure Interoperability for the Internet of Things
Feb 26, 20 CENTRI : F	018 PRNewswire — CENTRI to Demonstrate Complete Chip to Cloud Data Security Following Platform Security Architecture (PSA) Principles
Dec 5, 20 CENTRI: I	17 PRNewswire — CENTRI Technology Launches Atonomi Network to Bring Security and Trust to Internet of Things
Sep 28, 2 CENTRI: (017 CENTRI Aims to Eliminate IoT Security Risk for Companies at the IoT Solutions World Congress
Sep 21, 2 CENTRI:	017 James Salter – CENTRI Solves Security Challenges for Device Makers
Sep 5, 20 CENTRI: (17 CENTRI IoTAS Delivers Chip to Cloud IoT Security with STMicroelectronics
Jul 13, 20 CENTRI: .	017 James Salter – CENTRI Leads IoT Security Discussions at IoT Evolution Expo West 2017
Jul 7, 201 CENTRI: (7 CENTRI Technology: Securing the Present and Future of IoT
Jul 6, 201 CENTRI: N	7 Winners of the 2017 IoT Security Excellence Award Announced
Jun 29, 20 CENTRI: E	017 Breakout Vendors: Internet Of Things (IoT) Security
	VIEW ALL >
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CENTRI Technology @centritech

The CENTRI Technology and Atonomi leadership team attended Mobile World Congress 2019 last week in Barcelona, hosting several successful meetings and even sponsoring a key industry leader VIP event.

Mar 7, 2019



CENTRI Technology @centritech

PRESS RELEASE ANNOUNCEMENT: CENTRI Technology and Digital Edge Form Joint Venture for Development and Launch of Blockchain-Based IoT Security Solution

Case 2:19-cv-00615 Document LENTRE Red 04/25/19 Page 32 of 66

visit:centritechnology.com/2019/02/20/pr-...

CENTRI Technology and Digital Edge Form Joint Venture for Development and ... Joint Venture will Leverage Atonomi ATMI Platform; Full Line-Up of Meetings Set for Mobile World Congress with Prospective Enterprise Customers Throughout Americas and EuropeSEATTLE and MEXICO CITY,... centritechnology.com

Feb 20, 2019



CENTRI Technology @centritech

Great news from our subsidiary @atonomi - Atonomi is thrilled to be working with the City of Chicago on the Chicago West Loop Pilot! Read more about it here: ow.ly/gqfe30n3iyZ #cybersecurity #datasecurity #blockchain #loT #smartcities @IoTEvolution

Smart Devices, Smart Infrastructure in Chicago's West Loop Can the street tell your car where to park? Can you tell a streetlight to turn on? thesmartcityevent.com

Dec 20, 2018



CENTRI Technology @centritech

The CENTRI and Atonomi teams joined the discussion at this year's ITA IoT Summit on moving from pilots to production: ow.ly/qHND30mNac6 @ITAbuzz @atonomi #IoTSummitChi #IoT #IoTsecurity #datasecurity #cybersecurity

The IoT industry has always been a challenging one to understand and forecast, but a growing community

4/16/2019

Case 2:19-cv-00615 Document £EXTRF #ee 104/25/19 Page 33 of 66

of connected technology companies, from start-ups to large global enterprises, continue to... smartcitysentinel.com

Nov 29, 2018

CENTRI Technology @centritech

The FDA just released new guidelines for securing medical devices - here's what CENTRI President & COO @deloach7kw thinks this means for IoT data security in the healthcare market: ow.ly/bzLz30mGMcx #IoT #cybersecurity #datasecurity #FDA #healthcare

Signs of Security Progress

November 20, 2018 | Don DeLoachResponding to the FDA's guidelines on cyber security measures for medical devices of a group of people sitting in a bar in Dallas speak about the Super Bowl outlook... centritechnology.com

Nov 20, 2018

CENTRI ON TWITTER >

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PRESS RELEASE

CENTRI Technology Inc. Appoints Technology and Innovation Leader Robert Strickland as CEO of CENTRI and Atonomi

August 8, 2018

Vaughan Emery, Founder of both **CENTRI** and Atonomi, will focus on strategic initiatives to help build Atonomi into a global leader in device identity and trust

Seattle, Washington – August 8, 2018 –

Atonomi, the blockchain-based arm of leading IoT security provider CENTRI Technology, has announced the appointment of seasoned technology and business leader Robert "Rob" Strickland to the role of CEO for both companies. Strickland brings more than 30 years of experience in driving innovation and growth of top companies, including serving as Chief Technical Officer of Cricket Wireless (Leap) when it was purchased by AT&T in March 2014 and serving as Chief Information Officer of T-Mobile USA. Strickland has also served as the longest member of the Atonomi and CENTRI Board of Directors.

CENTRI Founder and Atonomi Co-founder Vaughan Emery will move into the role of Founder & Evangelist of Atonomi. He will focus on building global partnerships and user communities to drive the vision of Atonomi as the leading provider of device identity and trust.

CEO Robert Strickland said: "It's with great pride that I accept the lead role at **CENTRI** and Atonomi; the latter becoming internationally recognized as a pioneer in the blockchain and IoT space. Under the direction of Vaughan Emery, Atonomi has made tremendous strides toward achieving its mission to reimagine the future of identity and trust for the IoT. I am confident that my decades of experience leading top brands have well equipped me to propel Atonomi to the next level of success and I look forward to driving our product delivery, partnerships, and customer adoption of the Atonomi Network."

Vaughan Emery said: "Now is the right time to ask long-time colleague and the longest-serving member of our Board of Directors to join the executive team and help build the company into a global leader in cybersecurity technologies focused on the IoT. Rob's collective experience makes him the best possible choice to ensure that we remain on this trajectory. It's wonderful for the company that I will now be able to focus my time evagelizing the vision of Atonomi around the world as we become the core infrastructure for the IoT."

Robert Strickland has held a number of high-profile C-level roles in leading technology companies. He recently led technology strategy for numerous companies as CTO, including Neustar and Grupo Televisa (Mexico City). He provides executive leadership as President/COO to Text+, an emerging communications company in the MVNO market. Strickland also advises several other blockchain companies, including Tesspay.io and KeyDok. Strickland previously served as Senior Vice President and CIO at T-Mobile USA from 2006-2010, as well as CIO for Echostar/Dish Network, Senior Vice President and CIO of Continental Cablevision, and CTO for Landmark Communications (former owner

4/19/2019

CENER Toch Oct In CORRECT CONTRACTOR File CROAT 25/4101 a CEOCO STRATE Atonomi | Atonomi

of the Weather Channel). He has also held a number of business positions at Apple, Harvard Business School, Stratus Computers, Honeywell International, and several venture capital-backed startups across the United States.

Strickland's most recent startup M37 Ventures, Inc. is a coalition of executive leaders, industry experts, and entrepreneurs who help global organizations understand and harness the power of technology to propel their businesses and brands today and into the future. Under his leadership, Strickland and several expert consultants serviced top industry brands Hortonworks, SAP, Neustar, Sumo Logic, CR-X (Australia), CallGate (S. Korea), WeDo Technologies (Portugal), Tata Consultancy Services, Clickfox, Razorsight, Xavient, Convene, and Lightspeed, among others.

Strickland is a Board Director at Rady Children's Hospital Board of Trustees IT Task Force, **CENTRI** Technology, Text+, and Ocearch. In addition, he serves on several customer advisory boards including Afiniti, Neustar, SAP - Independent Executive Advisory Board, WeFi, and Clickfox.

For more information, visit atonomi.io and centritechnology.com.

###

CEO Robert Strickland is available to interview

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Building Upon a Strong Foundation

Mar 15, 2018 Vaughan Emery

Sir Isaac Newton, the British genius who first proposed the laws of motion in the 1687 release of his threevolume work Principia...

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PRESS RELEASE

CENTRI Technology Inc. Appoints Technology and Innovation Leader Robert Strickland as CEO of **CENTRI** and Atonomi

Aug 8, 2018

Vaughan Emery, Founder of both CENTRI and Atonomi, will focus on strategic initiatives to help build Atonomi into a global leader...

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NEWS COVERAGE

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Article: What Will 2018 Bring To the IoT?

Jan 10, 2018 Jeff Dorsch

Original article appears here: http://semiengineering.com/what-will-2018-bring-to-the-iot/...

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FAQS

Atonomi Tokens Update

Jul 12, 2018 The Atonomi Team

The Atonomi tokens (ATMI) from the public sale have all been unlocked and released to cleared buyers. Hello Atonomi Universe, The ATMI...

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FAQS

-

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FAQs on Atonomi Whitelist Process

May 8, 2018 The Atonomi Team

The Atonomi whitelist is now closed. We are now processing the applications in the order received and working to clear as many people...

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BLOG

The Atonomi whitelist sign-up process is now re-opened

May 3, 2018 Vaughan Emery

The high demand at the time the whitelist sign-up was initially opened caused the systems to become overloaded. Not all requests...

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PRESS RELEASE

Assess-IoT and CENTRI Technology Announce Partnership for Creating and Delivering Secure and Trusted Capabilities for IoT

November 1, 2018 The Atonomi Team

Assess-IoT introduces new CENTRI practice to help businesses design and implement layered security capabilities reaching the most vulnerable aspects of IoT

Seattle, Washington and Houston, Texas – November 1, 2018 –

CFNTRI Technology, and its subsidiary Atonomi, announced today a partnership with Assess-IoT io deliver a combination or consulting services designed for digital transformation using IoT solutions architected to meet the requirements of the future of IoT. The partnership involves Assess-IoT's consulting service for strategic analysis and business model innovation based on their comprehensive understanding of IoT ecosystems, and the layered security solutions from CENTRI technology designed for network and protocol agnostic security down to the lowest form factor and battery powered devices used for IoT solutions. Such devices are increasingly becoming mainstream elements for companies embracing digital transformation, yet issues around data and communications security, privacy, and governance remain central to enabling systems that can truly be trusted as they become foundational elements of companies' delivery capabilities.

"Assess-IoT is proud to have selected CENTRI as a prime partner to help develop comprehensive IoT security solutions," said Peter Hunt, CEO of Assess-IoT. "We take a 'business first' approach which demands end-to-end alignment, leading system architectures and best-in-class technology implementations using our carefully selected business partnerships."

Assess-IoT and CENTRI Technology are expecting to engage in multiple markets, especially those markets where the IoT landscape includes a wide array of distributed devices. "We have seen the world evolve from products that exist as IoT silos, where the IoT enabled device simply provides a stream of data back to the device manufacturer, to broader scale enterprise architectures where the IoT architecture contemplates thousands of IoT devices contextualizing and leveraging IoT data, enterprise data, and external data to create powerful digital signatures beyond what was possible just a few years ago," said Don DeLoach, President and COO of CENTRI Technology. "Assess-IoT not only has the ability help enterprises effectively leverage IoT on a broader, more powerful basis, but they can deliver the key foundational elements as a part of that architecture, starting with the very security model and services needed to ensure the critical trust required for any enterprise".

About Assess-IoT

Assess-IoT is a consultancy company specializing in helping companies improve their business by developing and deploying IoT based solutions. Our team is built from highly experienced business and technology leaders. For more information visit www.Assess-IoT.com or contact us at 832.945.9286.

About CENTRI Techrology and Atonomi

menu

CENTRI provides advanced data security for the Internet of Things. Our flexible, software-only products provide IoT professionals, developers and device makers with the means to quickly get to market with purpose-built IoT security, protecting data from creation to consumption. CENTRI enables you to mitigate today's data communication risks in a standards-based network infrastructure with heavyweight industry-standard encryption and compression, packed into a lightweight small footprint ideal for low-power IoT endpoint devices.

Atonomi, the blockchain-based product business unit of CENTRI, is the creator of the universal trust environment for IoT. Atonomi security software validates immutable device identity as well as enables device interoperability and reputation for a connected world. Through the application of blockchain technology, Atonomi aims to empower developers to build IoT solutions on its platform which will enable secure IoT transactions.

For more information, visit centritechnology.com and atonomi.io.

For media inquiries contact: David Schull or Travis Kruse Russo Partners 858-717-2310 212-845-4272 david.schull@russopartnersllc.com travis.kruse@russopartnersllc.com

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PRESS RELEASE

Atonomi Launches Identity Registry Network Beta to Enable Secure Interoperability for the Internet of Things

May 17, 2018

Atonomi Network now available for developers to bring trust and identity to the IoT Seattle, Washington – May 17, 2018 – Atonomi... Read More

BLOG

About that Toaster with the Gambling Problem

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Jan 12, 2018 Vaughan Emery

Miller, Assistant Professor...

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Assess-IoT and CENTRI Technology Announce Partnership for Creating and Delivering Secure and Trusted Capabilities for IoT

Nov 1, 2018 The Atonomi Team

Assess-IoT introduces new CENTRI practice to help businesses design and implement layered security capabilities reaching the most...

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NEWS COVERAGE

5 Questions on Blockchain with Vaughan Emery of Atonomi

Apr 2, 2018 — Fier, Canner

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By Ben Canner We've written before about blockchain, the new darling of the cybersecurity world. For the uninitiated, decentralized...

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FAQS

AMA Community FAQs August 14 2018

Aug 14, 2018 The Atonomi Team

Tell me a little bit more about Robert Strickland and why the change for a new CEO now? Rob is the CEO of both CENTRI and Atonomi...

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PRESS RELEASE

CENTRI Technology Inc. Appoints Technology and Innovation Leader Robert Strickland as CEO of CENTRI and Atonomi

Aug 8, 2018

Vaughan Emery, Founder of both CENTRI and Atonomi, will focus on strategic initiatives to help build Atonomi into a global leader...

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News

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Product (https://www.centritechnology.com/product-iot-data-security/)

Resources (https://www.centritechnology.com/resources-why-iot-security/)

Company (https://www.centritechnology.com/company-about-centri/)

CENTRI: Leadership Team

Meet the CENTRI Management Team



ROBERT STRICKLAND

CEO

Technology and innovation leader with more than 30 years of experience in driving growth of top companies.

Driver of CENTRI's vision, strategic direction, planning, and execution. Building the company into a global leader in cybersecurity technologies focused on the Internet of Things.



DON DELOACH

Advisor to the Board of Directors

IoT thought leader, author, and software executive with a proven track record of success managing high growth B2B technology companies. Strong business strategist with extensive experience in global marketplaces and a dedication to serving customers. Passionate about the Internet of Things.



МІКЕ МАСКЕҮ **сто**

Dynamic technology and software engineering leader with a track record of building marketleading security products. Issued



JAMES STENNETT VP of Engineering

Innovative and enthusiastic product development leader with decades of experience driving product vision, strategy,

Case 2:19-cv-00615 Doeument-121Sec Filed E04825/11900gPage 54 of 66

10 patents on CENTRI's platform to date. Noted speaker at IoT industry events.

governance and execution. Turns strong technology into commercially viable solutions.



WILLIAM ADAMS Senior Director of Products and Customer Advocacy

Experienced software executive with a lifelong love of programming and physics, brings forward-thinking vision to CENTRI's dynamic product team. Specializing in artificial intelligence and cybersecurity.

PRODUCT	RESOURCES	COMPANY	CONTACT US
 Protected Sessions (https://www.centrite iot-data-security/) 	 > Blog (https://www.centrite echnologyicem/product- security/blog/) 	 > About CENTRI echn@hotgpsc/@ww/wescembetsec about-centri/) - > Leadership 	PMB 395 Seattle WA 98133 Phone: +1
> Atonomi (https://www.atonor	 > Press Releases ni.io/(https://www.centrite why-iot- security/press- releases/) 	(https://www.centritec echn alogyt eom/resources- centri/leadership/) > Careers	206.395.2793 hnology.com/company- GET SOCIAL
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> Events (https://www.facebook. (https://www.centritechnology.com/companyabout- (https://www.youtube.c centri/events/)

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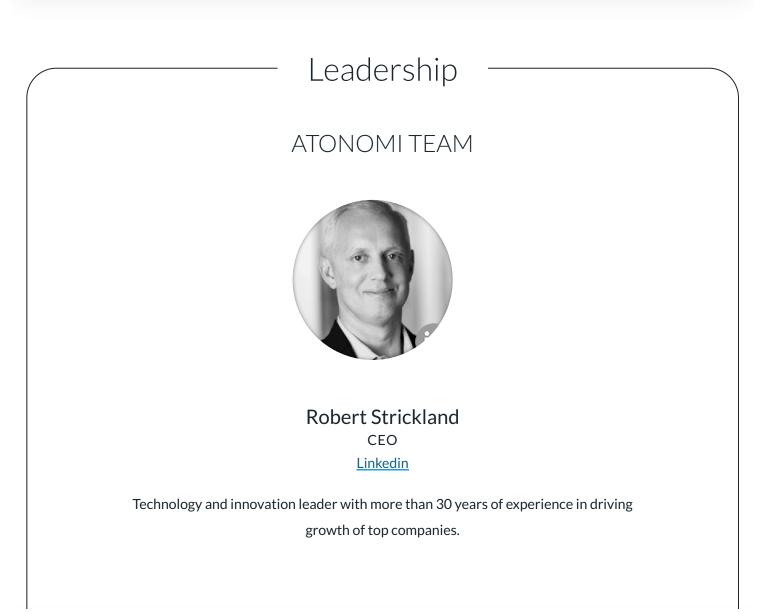
About the company

Atonomi is the creator of the universal trust environment for IoT. Atonomi is designed to validate immutable device identity, as well as enable device interoperability and reputation for a connected world. Through the application of blockchain technology, Atonomi aims to make it possible for IoT solutions to build upon it to enable secure IoT transactions. Atonomi's parent company, CENTRI Technology, is a leading provider of IoT data security for resource-constrained devices.

Atonomi

Atonomi accomplishes all of this with precision coding that keeps its embedded SDK footprint to a mere 50 Kb for most devices. Because we know that before you can secure IoT devices, you must provide a solution that can *fit onto*—and operate within the severe resource constraints of—IoT devices.

By securing device identity to the blockchain, Atonomi gives developers, manufacturers, and other stakeholders in the vast world of IoT the ability to create a trusted environment in which device identity can be validated, and device operational reputation can be tracked to help protect against compromised devices.





menu



Mike Mackey CTO Linkedin

Builds market-leading security platforms and leads 15-person engineering team at CENTRI.

ADVISORS



Dr. John Clippinger MIT Media Lab Linkedin

Researcher at MIT; cofounder Token Commons; advisor to Bancor Foundation, Cashaa, and more.



Atonomi 🖽

menu

Dr. Ulf Lindqvist Senior Technical Director at SRI International Linkedin

Lead at SRI International on cyber security, infrastructure systems, and intrusion

detection.



Dr. David Kravitz Vice President, Crypto Systems Research at DarkMatter Linkedin

Leading expert on cryptography, Blockchain-based identity, and information security.



David Jevans CEO, CipherTrace

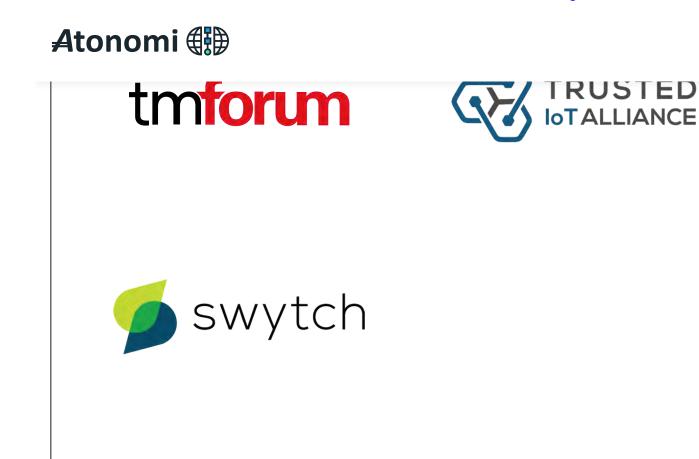
Atonomi 🖽



Rob May Co-Founder & CEO, Talla <u>Linkedin</u>

Leader in Machine Intelligence, Cloud and Brain-Machine interfaces; founder of Talla and BotChain.

Partnerships



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Phone: 206.858.8702

Email: info@atonomi.io

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Media

Company Overview of Marchex, Inc.

Snapshot

People

Overview Board Members Committees

Executive Profile

M. Wayne Wisehart

Director, Marchex, Inc.

Age 72	Total Calculated Compensation \$132,161	This person is connected to 2 Board Members in 2 organization across 5 different industries.
	As of Fiscal Year 2017	See Board Relationships

Background

Mr. M. Wayne Wisehart has been an Independent Director of Marchex, Inc. since November 17, 2008. He served as Consulting Chief Financial Officer of All Star Directories, Inc., from February 2010 to November 2010. Mr. Wisehart has more than 30 years of experience in all aspects of financial management, having worked in senior financial positions for a number of private and publicly held high-growth companies, with an attractive mix of industry experience in the Internet ...

Read Full Background

Corporate Headquarters

520 Pike Street Seattle, Washington 98101

United States

Phone: 206-331-3300 Fax: 206-331-3695

Board Members Memberships

Director CENTRI Technology Inc.

2008-Present Director

Marchex, Inc.

Education BS University of Missouri-Columbia

Other Affiliations

aQuantive, Inc. EarthLink Holdings Corp. ITC DeltaCom, Inc. Western Wireless Corporation Palmer Wireless, Inc. University of Missouri-Columbia All Star Directories, Inc. CENTRI Technology Inc.

Annual Compensation

There is no Annual Compensation data available.

Stocks Options

There is no Stock Options data available.

Total Compensation

Total Annual Cash Compensation	\$32,500
Total Calculated Compensation	\$132,161

Request Profile Update

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