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7 Attorneys for Plaintiff
 8 KRZYSZTOF GAGACKI

9 **UNITED STATES DISTRICT COURT**
 10 **CENTRAL DISTRICT OF CALIFORNIA**

11
 12 Krzysztof Gagacki, an Individual,

13 Plaintiff,

14 v.

15 Edmond Truong, an Individual, and
 16 DOES 1 through 20, inclusive,

17 Defendants.

Case No. 2:23-cv-2876

COMPLAINT FOR:

- 18 (1) **BREACH OF CONTRACT;**
- 19 (2) **BREACH OF FIDUCIARY DUTY;**
- 20 (3) **CONVERSION;**
- 21 (4) **INTENTIONAL INTERFERENCE WITH ECONOMIC ADVANTAGE;**
- 22 (5) **DEFAMATION;**
- 23 (6) **COMMON LAW TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION;**
- 24 (7) **DECLARATORY RELIEF; and**
- 25 (8) **UNFAIR COMPETITION (BUS. & PROF. CODE § 17200)**

DEMAND FOR JURY TRIAL

1 Plaintiff Krzysztof Gagacki (“Plaintiff” or “Mr. Gagacki”), by and through his
2 attorneys, makes and files this Complaint against Defendant Edmond Truong
3 (“Defendant”). In support of his Complaint, Mr. Gagacki alleges as follows:

4 **NATURE OF THE CASE**

5 1. Defendant has gone rogue. On or about October 27, 2022, Defendant
6 stole approximately \$2,000,000 USD in cryptocurrency from a joint digital wallet
7 belonging to the parties and used to operate their joint venture in the Rebase app
8 (<https://rebase.gg/>). The joint funds were maintained in a joint digital wallet that was
9 accessible by both Mr. Gagacki and Defendant, to be used to conduct business
10 operations and to which Mr. Gagacki is entitled to at least half. Defendant stole the
11 cryptocurrency with full knowledge of his contract with Mr. Gagacki, a contract
12 Defendant has affirmatively acknowledged but continues to breach.

13 2. Worse yet, Defendant purportedly has ousted Mr. Gagacki from their
14 joint venture and is now holding himself out to third parties as the sole owner and
15 decisionmaker for the Rebase app. For context, the Rebase app is currently valued at
16 a minimum of \$150,000,000 based on the last round of investment it received in April
17 2022. The Rebase app has had three separate investment rounds with its total capital
18 raise reaching in excess of \$10,000,000 from some of the most recognized crypto-
19 native venture capital firms, including, *inter alia*, Animoca Capital, Anti Fund
20 Investment Fund, LLC, DeFiance Capital, Genblock Capital, Spartan Business &
21 Technology Services, Inc., Shima Capital, and Three Arrows Capital. Mr. Gagacki
22 has invested considerable time, money, and “sweat equity” towards building the
23 Rebase app and securing the investments that have raised its profile and value.

24 3. Defendant has also made misleading and defamatory statements to Mr.
25 Gagacki’s business contacts and Rebase app investors, which have had disastrous
26 effects on Mr. Gagacki’s reputation. Defendant’s rampage continues as he has also
27 intentionally interfered with prospective deals that Mr. Gagacki was actively
28 negotiating and stopped them dead in their tracks. Meanwhile, Defendant has

1 highjacked the Rebase app brand and business and is making operations decisions,
2 which he has no authority to make on his own and is further misappropriating joint
3 funds. Defendant has also commandeered relevant social media accounts that make
4 use of and infringe on Mr. Gagacki's trademark rights.

5 4. Most recently, Mr. Gagacki has discovered that Defendant is in
6 discussions with Arbitrum, one of the most popular blockchain networks with over
7 \$16,365,720,791 USD in fully diluted market capitalization, to issue the Rebase
8 app's upcoming token on its native network. This announcement demonstrates the
9 urgent and serious nature of this case. If a Rebase app token is listed on any major
10 cryptocurrency exchange, the market value of the tokens, which will be minted on
11 the Arbitrum network and offered to the public, could reach many times over the
12 Rebase app's last round valuation of \$150,000,000. Defendant's purported ouster of
13 Mr. Gagacki is depriving him of the significant value of his share of the profits to be
14 derived from the Rebase app.

15 5. Mr. Gagacki has made numerous attempts to rein in Defendant to avoid
16 escalating their dispute, but to no avail. Mr. Gagacki brings this action to stop
17 Defendant from causing him further losses and damage.

18 PARTIES

19 6. Plaintiff Krzysztof Gagacki is an individual and a citizen of the country
20 of Poland.

21 7. On information and belief, Defendant Edmond Truong is an individual
22 and a citizen of the State of California.

23 8. Plaintiff is presently unaware of the true names and capacities of the
24 Defendants sued herein as Does 1 through 20, inclusive, and therefore sues such
25 defendants by their fictitious names. Plaintiff will seek leave to amend this Complaint
26 to allege the true names and capacities of such defendants when they are ascertained.
27 On information and belief, Plaintiff alleges that each of the fictitiously named
28 defendants is responsible in some manner for the injuries suffered by Plaintiff.

1 9. On information and belief, Plaintiff alleges that, at all times mentioned
 2 herein, Defendant, and each of the Doe Defendants was acting as an employee, agent,
 3 principal, officer, partner, joint venturer, director, alter ego, or other representative
 4 of one or more of the remaining defendants and, in committing the acts and/or
 5 omissions alleged herein, was acting within the scope and course of such
 6 employment, agency, partnership, joint venture, alter ego, or other relationship, and
 7 with the knowledge and consent of the remaining defendants.

8 **JURISDICTION AND VENUE**

9 10. This Court has subject-matter jurisdiction over this action pursuant to
 10 28 U.S.C. § 1332(a) because there is complete diversity of citizenship between the
 11 parties and the amount in controversy exceeds the statutory threshold, exclusive of
 12 interest and costs.

13 11. This Court has general and specific personal jurisdiction over Defendant
 14 because, on information and belief, he is a citizen of the State of California. The
 15 misconduct as alleged in this Complaint constitutes significant contacts with the State
 16 of California consistent with the principles of due process. On information and belief,
 17 Defendant's actions have allowed him to direct the goods and services towards
 18 thousands of California residents. Defendant has derived substantial revenue from
 19 such activity in the State of California.

20 12. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b)(2)
 21 because the contract giving rise to the claims asserted herein was formed and
 22 negotiated in the State of California, and a substantial part of the events and
 23 misconduct alleged occurred in the State of California.

24 **FACTUAL BACKGROUND**

25 **A. The Agreement is Formed**

26 13. Plaintiff Krzysztof Gagacki is an entrepreneur and business maven with
 27 extensive expertise in the cryptocurrency and NFT space. Mr. Gagacki has spent the
 28 past several years building and selling successful companies. Indeed, Defendant has

1 praised Mr. Gagacki as a “a great marketer and also serial entrepreneur.”¹ Mr.
2 Gagacki has a particular interest in creating decentralized ecosystems for content
3 creators to own their data.

4 14. Rebase is an alternative reality (“AR”) adventure and Web3 lifestyle
5 application allowing users to explore, collect, and redeem exclusive digital rewards
6 in real life. As an example, the Rebase app geo-mints and releases NFTs that users
7 within the Rebase app community search for and collect all over the world. The
8 Rebase app currently boasts over 5,000 downloads from the Apple App Store and
9 Google Play Store. The Rebase app community consists of about 2,500 active users.

10 15. On or about October 29, 2021, Mr. Gagacki and Defendant entered into
11 an agreement, orally and in writing, to start a joint venture centered around building
12 and releasing the Rebase app. It was understood by Mr. Gagacki and Defendants that
13 the Rebase app would, in part, promote, create, mint, and sell NFTs in various
14 locations throughout the world. It was also agreed by Mr. Gagacki and Defendant
15 that they would jointly reap all the monetary benefits from the Rebase app, including
16 from the minting and sale of NFTs.

17 16. Over the course of several conversations (orally and in writing), based
18 on their relevant expertise, Mr. Gagacki and Defendant further agreed that Mr.
19 Gagacki would control day-to-day operations of the Rebase app business while
20 Defendant would take charge of the marketing and fundraising aspects. It was at all
21 times understood and agreed that the parties would be 50/50 partners in the joint
22 venture (the “Agreement”), meaning that they would jointly share in the profits,
23 losses, and right to control the venture.

24 17. The joint venture began in earnest and significant capital – totaling in
25 several millions of dollars – was raised.

26 18. During this time, independent contractors were engaged and began to
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28 ¹ See <https://medium.com/mexcglobal/ama-session-with-edmond-truong-from-formation-fi-form-d52fb0ae6ba9>

1 actively work on bring the Rebase app to life.

2 **B. The Cy-B3lla Project**

3 19. Upon entering into the Agreement, Mr. Gagacki and Defendant further
4 agreed to work together to create and monetize NFTs using Bella Hadid’s name,
5 image, and likeness in a project known as “Cy-B3lla” to be minted and sold through
6 the Rebase app (the “Cy-B3lla Project”). Mr. Gagacki had the relevant contacts in
7 the industry to make such a project work – and did in fact made it work. The Cy-
8 B3lla Project was highly anticipated and generated significant buzz in the NFT
9 space.²

10 20. Although Mr. Gagacki and Defendant agreed to be 50/50 partners in the
11 joint venture, Mr. Gagacki would own and still owns the relevant intellectual property
12 related to Rebase and the Cy-B3lla Project.

13 21. On or around March 9, 2022, Mr. Gagacki’s company, IOVO AG,
14 entered into a NFT Collaboration Agreement with Bella Hadid. Mr. Gagacki
15 personally owns all applicable trademarks, including in the U.S. and Europe, for the
16 REB4S3 and Cy-B3lla marks.

17 22. To date, approximately \$1.5 million was paid to Bella Hadid for her
18 collaboration in the Cy-B3lla Project and an additional \$1.5 million was paid to
19 various third parties and vendors who worked around the clock to create the NFTs as
20 well as the relevant promotional materials. Social media accounts were also created
21 to increase online engagement and to keep the Rebase app community and
22 prospective purchasers apprised regarding upcoming NFT drops.

23 23. While the initial Cy-B3lla project was in progress, Mr. Gagacki also
24 began to actively negotiate a new agreement with Bella Hadid to continue and expand
25 the Cy-B3lla Project to include further collaborations for additional NFTs that would
26 feature designs from renowned fashion brands, such as Coperni, Louis Vuitton,
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28 ² See, e.g., <https://hypebeast.com/2022/5/bella-hadid-first-nft-collection-cy-b3lla>; see also <https://www.teenvogue.com/story/bella-hadid-cy-b3lla-nft-collection>

1 Vivienne Westwood, and others.

2 **C. Defendant Breaches the Agreement**

3 **1. Defendant Steals Rebase App Joint Funds**

4 24. Despite the Agreement, on or around October 27, 2022, Defendant
5 unilaterally and inexplicably transferred Rebase app funds totaling approximately
6 \$2,000,000 USD worth of cryptocurrency from a joint digital wallet to a new digital
7 wallet without notice to or authorization from Mr. Gagacki. Defendant appears to be
8 the only person with access to the new digital wallet with Rebase app funds and has
9 been misappropriating those funds from the time he transferred them to the present.

10 25. Since October 2022, Defendant has refused multiple demands from Mr.
11 Gagacki to provide him with access to the new digital wallet. Defendant's refusal to
12 allow Mr. Gagacki access to the new digital wallet has hindered Mr. Gagacki's ability
13 to continue Rebase app operations.

14 26. Further, Mr. Gagacki has discovered that Defendant has failed to pay
15 several third parties and vendors that were contracted to work on the Rebase app and
16 the Cy-B3lla project. As a result, Mr. Gagacki has on numerous occasions paid these
17 third parties and vendors out of his own pocket to avoid complete derailment of his
18 business operations, which approximates to tens of thousands of dollars. To date, Mr.
19 Gagacki has received several demands for payment of invoices that Defendant was
20 supposed to pay out of the Rebase app joint funds but never did.

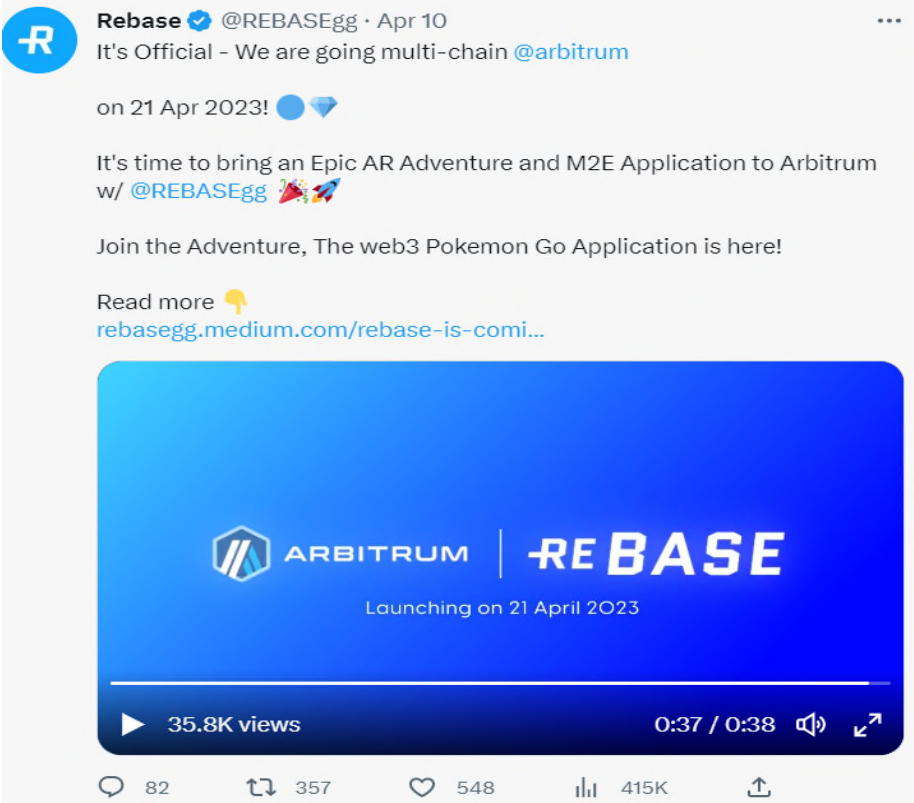
21 **2. Defendant is Impeding Mr. Gagacki's Rights in the Joint**
22 **Venture**

23 27. Defendant has also purported to have ousted Mr. Gagacki from the
24 Rebase app joint venture. The Rebase app is currently valued at a minimum of
25 \$150,000,000 based on the last round of investment it received in April 2022. The
26 Rebase app has had three separate investment rounds with its total capital raise
27 reaching in excess of \$10,000,000 from some of the most recognized crypto-native
28 venture capital firms, many of which Mr. Gagacki was able to secure.

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28. On or around April 10, 2023, Mr. Gagacki discovered that Defendant was engaged in negotiation and has neared a deal with Arbitrum to issue Rebase’s upcoming token on its native network.



1 29. On information and belief, if the Rebase Token is listed on any major
2 crypto exchange, the market value of the tokens, which will be minted on the
3 Arbitrum network and offered to the public, could reach many times over the last
4 round valuation of \$150,000,000 (the “Arbitrum Deal”). This increase in value of the
5 Rebase app and any associated profits derived from Arbitrum Deal are subject to the
6 Agreement between Mr. Gagacki and Defendant, which entitles Mr. Gagacki to at
7 least half.

8 **3. Defendant’s Defamatory Statements**

9 30. Adding insult to injury, Defendant also contacted Bella Hadid’s agent
10 and misrepresented that things had gotten “a bit out of hand” at Rebase and that Mr.
11 Gagacki was no longer “employed” by Rebase. Mr. Gagacki also discovered that
12 Defendant misled several Rebase app investors to believe that he – as opposed to Mr.
13 Gagacki – was the founder and owner of Rebase. (collectively, the “Defamatory
14 Statements”).

15 31. The Defamatory Statements are serious misrepresentations that have
16 already resulted had disastrous effects on Mr. Gagacki’s reputation. First, the
17 Defamatory Statements have caused Bella Hadid refuse further involvement in the
18 Cy-B3lla Project. Indeed, after Defendant made the Defamatory Statements, Bella
19 Hadid’s agent expressly halted ongoing negotiations for future projects with Bella
20 Hadid and opportunities to enter into new agreements with companies, such as Louis
21 Vuitton, Vivienne Westwood, and others are no longer obtainable. Mr. Gagacki has
22 attempted to revive the negotiations with Bella Hadid’s representation but has been
23 unable to do so as a result of the Defamatory Statements. Defendant’s Defamatory
24 Statements have also negatively affected Mr. Gagacki’s relationships with investors
25 who were unaware of his involvement and joint ownership in the Rebase app joint
26 venture. For example, investors have refused to communicate with Mr. Gagacki
27 because they currently do not acknowledge Mr. Gagacki’s ownership rights in the
28 Rebase app, citing Defendant’s Defamatory Statements as reason for their mistaken

1 belief.

2 32. The Defamatory Statements have significantly harmed Mr. Gagacki's
3 reputation and has already resulted in loss of significant business opportunities.

4 **4. Defendant Engages in Trademark Infringement**

5 33. Defendant has also commandeered the @REBASEgg and @cybellaxyz
6 Twitter accounts. Specifically, Defendant has changed the password for these
7 accounts and is actively denying Mr. Gagacki access.

8 34. Troublingly, Defendant continues to use Mr. Gagacki's trademarks on
9 the Twitter accounts in open defiance of Mr. Gagacki's trademark rights.

10 35. Defendant's ongoing usage of the Rebase and Cy-B3lla marks during
11 this time without Mr. Gagacki's authorization is misleading and confusing users on
12 Twitter. Defendant's conduct irreparably damaged the prospects of a new Cy-B3lla
13 Project for which Rebase had already invested millions of dollars. Mr. Gagacki has
14 made multiple requests to Defendant to restore his access to the joint digital wallet
15 and the Twitter accounts to no avail.

16 36. Defendant's refusal to grant Mr. Gagacki this access is further impeding
17 him from moving forward with Rebase app operations.

18 37. Mr. Gagacki is being severely damaged by Defendant's misconduct
19 both reputationally and monetarily.

20 **FIRST CAUSE OF ACTION**

21 **(Breach of Contract)**

22 **(Against Defendant Edmond Truong)**

23 38. Mr. Gagacki repeats, reiterates, and realleges each and every allegation
24 set forth in all paragraphs with the same force and effect as if fully set forth herein.

25 39. In or around October 29, 2021, Mr. Gagacki and Defendant entered into
26 the Agreement. It was at all times understood and accepted that Mr. Gagacki would
27 control day-to-day operations of the Rebase app business while Defendant would
28 take charge of the marketing and fundraising aspects of the business. It was at all

1 times understood and agreed that the parties would be 50/50 partners in the joint
2 venture, meaning that they would jointly share in the profits, losses, and right to
3 control the venture. The parties conducted their business as 50/50 partners in the
4 venture. Defendant has acknowledged the existence of the Agreement in writing.

5 40. Upon entering into the Agreement, the parties further agreed to both
6 work on the Cy-B311a Project which required them to promote, create, mint and sell
7 the Cy-B311a NFTs and split the profits evenly in accordance with the Agreement.

8 41. Mr. Gagacki substantially performed all of his duties pursuant to the
9 Agreement by investing considerable time, money, and “sweat equity” towards
10 building the Rebase app, the Cy-B311a Project, and securing the investments that have
11 raised the apps profile and value.

12 42. In or around October 27, 2022, Defendant materially breached the
13 Agreement by unilaterally transferring Rebase app funds totaling approximately
14 \$2,000,000 USD in cryptocurrency from a joint digital wallet to a new digital wallet
15 without notice to or authorization from Mr. Gagacki. Defendant also materially
16 breached the Agreement by purportedly ousting Mr. Gagacki from Rebase app
17 operations and negotiating and entering into the Arbitrum Deal. Defendant is actively
18 depriving Mr. Gagacki of all profits derived from the Rebase app, including the
19 Arbitrum Deal. Defendant has further materially breached the Agreement by making
20 the Defamatory Statements to Bella Hadid’s agent and to Rebase investors.
21 Defendant also materially breached the Agreement by failing to pay third parties and
22 vendors contracted to work for the Rebase app and the Cy-B311a Project, which
23 forced Mr. Gagacki to pay these third parties and vendors out of his own money to
24 avoid complete derailment of his business operations. Defendant further breached the
25 Agreement by commandeering the @REBASEgg and @cybellaxyz Twitter accounts
26 and infringing Mr. Gagacki’s common law trademark rights.

27 43. Defendant’s material breaches have greatly damaged Mr. Gagacki.

28 44. As a direct and proximate result of the foregoing material breaches, Mr.

1 Gagacki has suffered damages in an amount to be determined at trial, but not less
2 than \$77,000,000 USD, which reflects the amount Defendant misappropriated from
3 the joint digital wallet, the value of the Rebase app, the value and any profits derived
4 from the Arbitrum Deal, plus accrued interest, costs, and attorneys' fees to the extent
5 permitted by contract or by law.

6 **SECOND CAUSE OF ACTION**

7 **(Breach of Fiduciary Duty)**

8 **(Against Defendant Edmond Truong)**

9 45. Mr. Gagacki repeats, reiterates, and realleges each and every allegation
10 set forth in all paragraphs with the same force and effect as if fully set forth herein.

11 46. Mr. Gagacki and Defendant entered into the Agreement to engage in the
12 Rebase app joint venture to create and build NFTs through the Rebase app. Mr.
13 Gagacki and Defendant also agreed to develop and release the Cy-B311a Project
14 through the Rebase app and similarly share in all the profits derived in accordance
15 with the Agreement. Through the Agreement Mr. Gagacki and Defendant agreed that
16 each had a joint interest in a common business, and an understanding that they would
17 share profits, losses, as well as the right to joint control.

18 47. As such, Mr. Gagacki and Defendant each owed a fiduciary duty to one
19 another to act with the utmost good faith in the best interest of the Rebase app joint
20 venture.

21 48. Defendant's duty of loyalty to Mr. Gagacki prohibits him from acting
22 adversely to Mr. Gagacki's interests in the Rebase app joint venture in accordance
23 with the Agreement.

24 49. Defendant knowingly acted against Mr. Gagacki's interests, and in
25 Defendant's own self-interest, and breached his fiduciary duty to Mr. Gagacki by:

- 26 (a) transferring approximately \$2,000,000 USD of Rebase app funds
27 to a separate digital wallet that Defendant continues to refuse to
28 provide Mr. Gagacki access to;

- 1 (b) purportedly ousting Mr. Gagacki from Rebase app operations and
- 2 negotiating and entering into the Arbitrum Deal. Defendant is
- 3 actively depriving Mr. Gagacki of all profits derived from the
- 4 Rebase app, including the Arbitrum Deal;
- 5 (c) making the Defamatory Statements to Bella Hadid’s agent, to
- 6 Rebase investors, and other third parties;
- 7 (d) failing to pay third parties and vendors contracted to work for the
- 8 Rebase app and the Cy-B3lla Project, which forced Mr. Gagacki
- 9 to pay these third parties and vendors out of his own money to
- 10 avoid complete derailment of his business operations; and
- 11 (e) commandeering the @REBASEgg and @cybellaxyz Twitter
- 12 accounts and infringing Mr. Gagacki’s common law trademark
- 13 rights.

14 50. Defendant’s foregoing misconduct was a substantial factor in causing

15 Mr. Gagacki harm because otherwise Mr. Gagacki.

16 51. Mr. Gagacki has suffered damages as result of Defendant’s breach of

17 fiduciary duty in an amount to be determined at trial, but not less than \$77,000,000

18 USD, plus pre-judgement interest.

19 52. Defendant’s conduct was malicious, oppressive and/or fraudulent as

20 defined by California Civil Code section 3294, which warrants the imposition of

21 punitive damages against Defendants in addition to the foregoing.

22 **THIRD CAUSE OF ACTION**

23 **(Conversion)**

24 **(Against All Defendants)**

25 53. Mr. Gagacki repeats, reiterates, and realleges each and every allegation

26 set forth in all paragraphs with the same force and effect as if fully set forth herein.

27 54. In accordance with the Agreement, Mr. Gagacki is entitled to access all

28 Rebase app funds as well as a share of all profits and losses of the Rebase app joint

1 venture.

2 55. Defendants have substantially interfered with Mr. Gagacki's property
3 by intentionally taking possession of approximately \$2,000,000 USD worth of
4 cryptocurrency, which are Rebase app funds. Defendants did so by transferring the
5 funds from a joint wallet into a new digital wallet and denying Mr. Gagacki access.
6 Defendants have also negotiated and are entering into the Arbitrum Deal, which will
7 increase the Rebase app's value many times over the Rebase app's last round
8 valuation of \$150,000,000. Defendants' knowledge of their unlawful acts is
9 evidenced by, at least, WhatsApp messages between Mr. Gagacki and Defendant
10 Edmond Truong where he admits to this misconduct.

11 56. Mr. Gagacki did not consent to Defendants' transfer of the funds to a
12 new digital wallet and is currently unable to access the funds. Mr. Gagacki was also
13 entitled to be apprised regarding any new negotiations and deals, such as the
14 Arbitrum Deal. Mr. Gagacki is entitled to a share of the profits, losses, and the right
15 to control the Rebase app joint venture. Mr. Gagacki is entitled to any value and
16 profits derived from the Arbitrum Deal.

17 57. Defendants' conduct was a substantial factor in causing Mr. Gagacki's
18 harm.

19 58. Mr. Gagacki has suffered damages as result of Defendants' conversion
20 in an amount to be determined at trial, but not less than \$77,000,000 USD, plus pre-
21 judgement interest.

22 59. Defendants' conduct was malicious, oppressive and/or fraudulent as
23 defined by California Civil Code section 3294, which warrants the imposition of
24 punitive damages against Defendants in addition to the foregoing.

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FOURTH CAUSE OF ACTION

(Intentional Interference with Economic Advantage)

(Against All Defendants)

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4 60. Mr. Gagacki repeats, reiterates, and realleges each and every allegation
5 set forth in all paragraphs with the same force and effect as if fully set forth herein.

6 61. Mr. Gagacki and Bella Hadid were in an economic relationship that
7 would have resulted in an economic benefit to Mr. Gagacki and the Rebase app joint
8 venture had Defendants not interfered. Mr. Gagacki was also in an economic
9 relationship with renowned fashion brands, such as Coperni, Louis Vuitton, Vivienne
10 Westwood, and others that also would have resulted in an economic benefit to Mr.
11 Gagacki and the Rebase app joint venture had Defendants not interfered.

12 62. Defendants knew about these relationships and the potential for
13 pecuniary benefits to both Mr. Gagacki and the Rebase app joint venture.

14 63. Defendants engaged in conduct that interfered with these economic
15 relationships by contacting Bella Hadid’s agent and intentionally misrepresenting
16 that things at Rebase were getting “a bit out of hand” and that Mr. Gagacki was no
17 longer “employed” by Rebase. Defendants’ misrepresentations also disrupted
18 ongoing negotiations with Bella Hadid, Coperni, Louis Vuitton, and Vivienne
19 Westwood, which are no longer viable partnership opportunities.

20 64. By engaging in this misconduct, Defendants intended to disrupt the
21 relationships and/or knew that disruption of the relationships was certain or
22 substantially certain to occur.

23 65. The economic relationships were disrupted by Defendants’ acts because
24 it destroyed negotiations for new collaboration agreements. Additionally, such acts
25 caused Bella Hadid’s agent to request that Mr. Gagacki not contact any other third
26 parties concerning a collaboration with Bella Hadid.

27 66. Mr. Gagacki has been harmed by Defendants’ misconduct and
28 misrepresentations.

1 67. Defendant's misconduct was a substantial factor in causing Mr.
2 Gagacki's harm since Defendants made the misrepresentations, which resulted in the
3 prospective deals with Bella Hadid and Coperni, Louis Vuitton, Vivienne Westwood,
4 and others to no longer be viable opportunities.

5 68. Mr. Gagacki has suffered damages as result of Defendant's intentional
6 interference with an economic advantage in an amount to be determined at trial, plus
7 pre-judgement interest.

8 69. On information and belief, Defendants' interference was intentional and
9 done with malice, oppression, and/or fraud, entitling Mr. Gagacki to exemplary and
10 punitive damages.

11 70. Defendants' conduct was malicious, oppressive and/or fraudulent as
12 defined by California Civil Code section 3294, which warrants the imposition of
13 punitive damages against Defendants in addition to the foregoing.

14 **FIFTH CAUSE OF ACTION**

15 **(Defamation)**

16 **(Against All Defendants)**

17 71. Mr. Gagacki repeats, reiterates, and realleges each and every allegation
18 set forth in all paragraphs with the same force and effect as if fully set forth herein.

19 72. The Defamatory Statements were false statements. Defendants
20 intentionally defamed Mr. Gagacki by misrepresenting to Bella Hadid's agent that
21 things were getting "a bit out of hand" at Rebase and that Mr. Gagacki was no longer
22 "employed" by Rebase. Defendants also misled Rebase investors to believe that he –
23 as opposed to Mr. Gagacki – was the founder and owner of Rebase.

24 73. The Defamatory Statements were not privileged and have a natural
25 tendency to injure or cause special damages.

26 74. Bella Hadid's agent and the Rebase app investors reasonably understood
27 that the Defamatory Statements were about Mr. Gagacki because Defendants clearly
28 included Mr. Gagacki's name.

1 75. The Defamatory Statements are defamatory per se in that they falsely
2 impugn dishonesty or questionably professional conduct on Mr. Gagacki, which has
3 resulted in the loss of the Cy-B3lla project opportunities and have caused Rebase app
4 investors to refuse to engage with Mr. Gagacki citing Defendants' Defamatory
5 Statements as the reason for their mistaken belief that Mr. Gagacki is not a joint
6 owner of the Rebase app.

7 76. The Defamatory Statements have caused Bella Hadid halt ongoing
8 negotiations for future Cy-B3lla Projects and prevented future opportunities to enter
9 into agreements with companies, such as Coperni, Louis Vuitton, Vivienne
10 Westwood, and others from coming to fruition. The Defamatory Statements have
11 also created issues with some Rebase investors who are confused regarding the
12 ownership of Rebase app and are losing confidence in their investments. Some
13 investors are refusing to conduct business with Mr. Gagacki as a result of the
14 Defamatory Statements.

15 77. On information and belief, Defendants acted with actual malice in that
16 they knew or had reason to know that the Defamatory Statements were false or they
17 recklessly disregarded the truth or falsity of the Defamatory Statements.

18 78. On information and belief, Defendants acted with actual malice and the
19 specific intent to injure, cause harm, and damage to Mr. Gagacki's reputation without
20 any reasonable basis for believing that the Defamatory Statements were true.

21 79. As a result of the Defamatory Statements, Mr. Gagacki has suffered
22 injury, harm, and damage to his business, business reputation, and his personal
23 reputation, in an amount to be proven at trial.

24 80. On information and belief, in making the Defamatory Statements,
25 Defendants acted with malice, oppression, and/or fraud, entitling Mr. Gagacki to
26 exemplary and punitive damages.

27 81. The Defamatory Statements have caused harm to Mr. Gagacki's
28 business and personal reputation in an amount to be determined at trial.

1 Defendant's continued use of the trademarks.

2 90. Defendants' conduct was malicious, oppressive and/or fraudulent as
3 defined by California Civil Code section 3294, which warrants the imposition of
4 punitive damages against Defendants in addition to the foregoing.

5 **SEVENTH CAUSE OF ACTION**

6 **(Declaratory Relief)**

7 **(Against Defendant Edmond Truong)**

8 91. Mr. Gagacki repeats, reiterates, and realleges each and every allegation
9 set forth in all paragraphs with the same force and effect as if fully set forth herein.

10 92. An actual controversy has arisen and now exists among Mr. Gagacki
11 and Defendants in that Mr. Gagacki contends, and Defendants deny, that:

12 (a) That the Agreement is a valid and enforceable contract;

13 (b) That Mr. Gagacki is a joint owner of the Rebase app and is
14 entitled to share in all of the profits, losses, and right to control
15 the joint venture; and

16 (c) That Defendant breached the Agreement as described in this
17 Complaint.

18 93. Mr. Gagacki seeks a judicial determination and declaration from this
19 Court that:

20 (a) That the Agreement is a valid and enforceable contract;

21 (b) That Mr. Gagacki is a joint owner of the Rebase app and is
22 entitled to share in all of the profits, losses, and right to control
23 the joint venture; and

24 (c) That Defendant breached the Agreement as described in this
25 Complaint.

26 94. A judicial determination is necessary and appropriate at this time so that
27 Mr. Gagacki may ascertain its rights with respect to performance under the
28 Agreement.

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EIGHTH CAUSE OF ACTION

**(Violation of California’s Unfair Competition Law (“UCL”), Cal. Bus. & Prof. Code §17200, *et seq.*)
(Against All Defendants)**

95. Mr. Gagacki repeats, reiterates, and realleges each and every allegation set forth in all paragraphs with the same force and effect as if fully set forth herein.

96. The UCL defines unfair business competition to include any unlawful, unfair or fraudulent act or practice, as well as any unfair, deceptive, untrue or misleading advertising. Cal. Bus. Prof. Code § 17200.

97. Defendants’ conduct is unlawful and unfair because it allows Defendants to benefit unjustly to Mr. Gagacki’s detriment. Defendants have stolen approximately \$2,000,000 USD of Rebase app funds and transferred it to a private digital wallet and are denying Mr. Gagacki access thereto. In so doing, Defendant converted the \$2,000,000 USD. Defendants have also purportedly ousted Mr. Gagacki from the Rebase app joint venture and have proceeded to negotiate the Arbitrum Deal, which will significantly increase the Rebase app value. Mr. Gagacki is entitled to share in the profits, losses, and right to control the Rebase app. Defendants have also made the Defamatory Statements about Mr. Gagacki that have resulted in harm to Rebase app’s business as well as Mr. Gagacki’s personal and business reputation. Furthermore, Defendants has engaged in common law trademark infringement by continuing to use Mr. Gagacki’s trademarks on the Twitter accounts they hijacked.

98. As a direct, proximate, and foreseeable result of Defendants’ wrongful conduct, Defendants have derived and received, and will continue to derive and receive, gains, profits, and advantages from their unfair competition in an amount to be proven at trial.

99. By reason of Defendants’ wrongful acts as alleged in this Complaint, Mr. Gagacki has suffered and will suffer monetary damages.

1 100. Mr. Gagacki, and the public at large, have been, and continue to be,
2 irreparably damaged by Defendants’ willful violation of California State law and
3 common law, and Mr. Gagacki has no adequate remedy at law because damage to its
4 goodwill and reputation are continuing and difficult to ascertain. Unless enjoined,
5 Defendants’ unlawful and unfair conduct will continue, further injuring Mr. Gagacki
6 and confusing the public.

7 **PRAYER FOR RELIEF**

8 **WHEREFORE**, Plaintiff Krzysztof Gagacki prays for the following relief:

9 1. A judgement in favor of Mr. Gagacki and against Defendants on all
10 causes of action;

11 2. A preliminary and permanent injunction to enjoin Defendants from
12 continuing to infringe on Mr. Gagacki’s common law trademark rights;

13 3. A judgment awarding compensatory damages according to proof;

14 4. A judgment awarding Mr. Gagacki appropriate equitable relief,
15 including without limitation restitution and disgorgement, and/or the imposition of a
16 constructive trust over all amounts by which Defendants have been unjustly enriched;

17 5. An award of exemplary and punitive damages against Defendants owing
18 to the egregious nature of the misconduct described above, in an amount sufficient to
19 punish Defendants and deter future misconduct;

20 6. An award of attorneys’ fees, costs of suit, and interest as allowed by
21 law; and

22 7. Any such other and further relief as the Court may deem just and proper.

23 Dated: April 17, 2023

ARENTFOX SCHIFF LLP

24
25 By: 
26 Allan E. Anderson
27 Oscar A. Figueroa
28 Brittany Trinidad

Attorneys for Plaintiff
Krzysztof Gagacki


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DEMAND FOR JURY TRIAL

Pursuant to Federal Rule of Civil Procedure 38(b), Mr. Gagacki demands a trial by jury on all issues in its Complaint so triable.

Dated: April 17, 2023

ARENTFOX SCHIFF LLP

By: 

Allan E. Anderson
Oscar A. Figueroa
Brittany Trinidad

Attorneys for Plaintiff
Krzysztof Gagacki