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9 Attorneys for Plaintiff **Founder Starcoin, Inc.**

10 **UNITED STATES DISTRICT COURT**
11 **SOUTHERN DISTRICT OF CALIFORNIA**

12
13 **Founder Starcoin, Inc.**, a California
14 corporation,
15
16 Plaintiff,
17
18 vs.
19 **Launch Labs, Inc. d/b/a AXIOM**
20 **ZEN**, a Canada corporation,
21 Defendant.

Case No. '18CV0972 W MDD

**COMPLAINT FOR BREACH OF
CONTRACT, TRADE SECRET
MISAPPROPRIATION,
INTENTIONAL INTERFERENCE
WITH PROSPECTIVE ECONOMIC
ADVANTAGE, AND UNFAIR
COMPETITION**

DEMAND FOR JURY TRIAL

22 Plaintiff Founder Starcoin, Inc. ("STARCOIN") alleges as follows:

23 The Parties

- 24 1. Plaintiff STARCOIN is a California corporation having its principal
25 place of business in San Diego, California.
26 2. Defendant Launch Labs, Inc. d/b/a Axiom Zen ("AXIOM") is a
27 Canada corporation having a principal place of business at 550 15th Street, San
28 Francisco, California 94103, and an Internet home page at <axiomzen.co>.

1 9. Effective January 14, 2018, STARCOIN and AXIOM signed and
2 entered into the “Mutual Nondisclosure Agreement” attached hereto as Exhibit A
3 (“MNDA”). By the terms of the MNDA, AXIOM agreed (among other terms) to
4 neither use nor disclose any of the confidential information provided to them by
5 STARCOIN.

6 10. Pursuant to the MNDA, in January 2018, STARCOIN and AXIOM
7 engaged in serious and substantive communications and sharing of STARCOIN’s
8 proprietary information in particular, including wherein STARCOIN disclosed to
9 AXIOM certain confidential business and marketing plans, potential clients and
10 client information, pricing information, and regulatory guidelines which AXIOM
11 was interested in acquiring (“Confidential Information”).

12 11. The Confidential Information included, in particular, business and
13 marketing strategies, potential customers and potential customer leads, market
14 analysis, product strength and weaknesses, product features, product positioning
15 for target markets, and regulatory strategies.

16 12. The participants in the email communications included Jevon
17 Feinblatt, CEO of STARCOIN, and Jody Rebak, Chief of Staff of AXIOM.

18 13. At no time before, during or after any of these and communications
19 did AXIOM state or even indicate that it had been or was then doing any
20 development work concerning the Confidential Information and concepts
21 STARCOIN was disclosing and sharing with them.

22 14. AXIOM explained, instead, that supposedly they were too busy to
23 discuss the underlying concept with STARCOIN and would have to wait until
24 close to June to discuss collaborating with STARCOIN.

25 15. AXIOM never stated or otherwise disclosed that they were already
26 working on anything like what STARCOIN had or what STARCOIN showed
27 them.

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1 appropriate jurisdiction in the event of the breach or threatened breach of the terms
2 of the agreement.”

3 22. In material breach of the MNDA, AXIOM has used the confidential
4 business and marketing plans, potential clients and client information, which is
5 beyond what the MNDA allowed AXIOM to use.

6 23. The breaches of the MNDA by AXIOM have caused STARCOIN to
7 suffer actual damages including lost profits, in an amount to be determined at trial,
8 plus consequential damages including attorney fees and expenses, and also have
9 resulted and continue to result in unjust enrichment to AXIOM.

10 24. STARCOIN also has suffered and continues to suffer irreparable
11 injury and such irreparable injury cannot be remedied adequately unless each
12 AXIOM is enjoined immediately from further breaches.

13 SECOND CAUSE OF ACTION

14 Trade Secret Misappropriation—18 U.S.C. § 1836(c) et seq.

15 25. STARCOIN hereby incorporates by reference the allegations of
16 Paragraphs 1-24 above, as though fully set forth herein.

17 26. STARCOIN shared with AXIOM certain valuable information,
18 including the STARCOIN’s confidential, proprietary trade secrets.

19 27. STARCOIN shared its trade secrets with AXIOM under
20 circumstances giving rise to a duty to maintain their secrecy and limit their use,
21 and AXIOM derived the STARCOIN’s trade secrets through persons who owed a
22 duty to STARCOIN to maintain their secrecy and limit their use.

23 28. STARCOIN has undertaken and maintains efforts that are reasonable
24 under the circumstances to maintain secrecy and preserve the confidentiality of the
25 STARCOIN Confidential Information, including STARCOIN’s trade secrets.
26 STARCOIN’s reasonable efforts have included (a) insisting on measures to ensure
27 only restricted access to the STARCOIN Confidential Information, (b) physical
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1 and electronic security measures, and (c) oral and written confidentiality
2 agreements.

3 29. The STARCOIN trade secrets derive independent economic value
4 from not being generally known to, and not being reasonably ascertainable through
5 proper means by, customers, competitors and potential competitors of
6 STARCOIN, the public or other persons who could obtain economic value from its
7 disclosure or use.

8 30. Without the express or implied consent of STARCOIN, AXIOM used,
9 disclosed and/or otherwise misappropriated the trade secrets, despite having a duty
10 to maintain secrecy and limit use and disclosure.

11 31. As a result of the actions of AXIOM in misappropriating the trade
12 secrets, STARCOIN has suffered actual damages including lost profits, in an
13 amount to be determined at trial, plus consequential damages including attorney
14 fees and expenses. Such damages may include a reasonable royalty for the period
15 of time AXIOM unlawfully used the STARCOIN trade secrets.

16 32. AXIOM's misappropriation of the STARCOIN trade secrets also has
17 resulted in and continues to result in the unjust enrichment of AXIOM, including
18 but not limited to the tremendous cost savings to AXIOM because the use of the
19 STARCOIN trade secrets.

20 33. AXIOM committed its acts of misappropriation willfully and
21 maliciously to injure STARCOIN's business and improve its own, thereby entitling
22 STARCOIN to an award of exemplary damages and attorney fees.

23 34. STARCOIN also has suffered and continues to suffer irreparable
24 injury, including the potential evisceration of STARCOIN's trade secrets at issue
25 because of AXIOM's unauthorized and potentially non-confidential use, disclosure
26 and/or publication of the STARCOIN trade secrets. Such irreparable injury cannot
27 be remedied adequately unless AXIOM is enjoined immediately from further use,
28 disclosure and/or other misappropriation of the STARCOIN trade secrets.

1 savings to AXIOM because of the use of the STARCOIN Confidential
2 Information.

3 48. AXIOM committed their acts of unfair competition willfully and
4 maliciously to injure STARCOIN's business and improve its own, thereby entitling
5 STARCOIN to an award of exemplary damages and attorney fees.

6 49. STARCOIN also has suffered and continues to suffer irreparable
7 injury, including the potential evisceration of STARCOIN's trade secrets at issue
8 because of AXIOM's unfair competition and unauthorized and potentially non-
9 confidential use, disclosure and/or publication of the STARCOIN Confidential
10 Information. Such irreparable injury cannot be remedied adequately unless
11 AXIOM is enjoined immediately from further use, disclosure and/or other
12 misappropriation of the STARCOIN Confidential Information, including
13 STARCOIN's trade secrets.

14 50. STARCOIN has no adequate remedy at law for the injuries it has
15 suffered and continues to suffer, as it will be impossible for STARCOIN to
16 determine the precise amount of damage it will suffer if AXIOM's conduct is not
17 restrained.

18 PRAYER FOR RELIEF

19 WHEREFORE, Plaintiff STARCOIN prays for judgment and injunctive
20 relief against Defendant AXIOM as follows:

21 A. Ordering AXIOM to show cause why they should not be enjoined as
22 set forth in this Complaint, during the pendency of this action;

23 B. Temporarily restraining, and preliminarily and permanently enjoining
24 AXIOM from using, disclosing, or otherwise misappropriating the STARCOIN
25 Confidential Information, including but not limited to STARCOIN's trade secrets
26 embodied therein;

1 C. Awarding actual damages to STARCOIN in an amount to be
2 determined at trial, including amounts attributable to AXIOM's unjust enrichment
3 and a reasonable royalty, as well as consequential and exemplary damages;

4 D. Awarding STARCOIN its reasonable attorney fees, expenses and
5 costs incurred in this action; and

6 E. Awarding such other and further relief as the court may deem just and
7 proper.

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9 Dated: May 16, 2018

Respectfully submitted,
FOUNDATION LAW GROUP LLP

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11 By: /s/ Stephen M. Lobbin
Attorneys for Plaintiff

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CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Founder Starcoin, Inc.

(b) County of Residence of First Listed Plaintiff San Diego (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number) Stephen M. Lobbin, Foundation Law Group LLP 445 S. Figueroa St., Suite 3100, Los Angeles, CA 90071 Tel: 949.636.1391

DEFENDANTS

Launch Labs, Inc. d/b/a Axiom Zen

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

'18CV0972 W MDD

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship: Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Large table with categories: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District (specify), 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): Trade Secret Misappropriation under 18 U.S.C. 1836(c)

Brief description of cause:

Misappropriation of plaintiff's trade secrets, breach of contract, interference and unfair competition

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$

CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE

05/16/2018

SIGNATURE OF ATTORNEY OF RECORD

/s/ Stephen M. Lobbin

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

EXHIBIT A

MUTUAL NON-DISCLOSURE AGREEMENT

WHEREAS Launch Labs Inc., dba Axiom Zen (“Axiom Zen”) and (the “Other Party”) are currently engaged in discussions with respect to the following subject matter (the “Subject Matter”):

Axiom Zen

AND WHEREAS Axiom Zen and the Other Party expect that such discussions will involve the disclosure of confidential and proprietary information.

IN CONSIDERATION of the agreement by each of the parties to disclose Confidential Information to the other and the mutual covenants herein, the parties agree as follows:

1. Confidential Information Sam Gharegozlou

“Confidential Information” means any information, technical data, or know-how concerning either party, including, but not limited to, that which relates to research, products, services, customers, markets, business policies or practices, unreleased software, developments, inventions, processes, designs, drawings, engineering, marketing, business plans or finances, and the existence of on-going discussions between the parties.

Obligations of non-disclosure will not apply to Confidential Information which the receiving party can conclusively establish (i) was in the possession of the receiving party without an obligation of confidentiality at the time of disclosure; (ii) prior to or after the time of disclosure became part of the public domain without the act or omission of the receiving party to whom it was disclosed; (iii) was disclosed to the receiving party by a third party under no legal obligation to maintain the confidentiality of such information; or (iv) was independently developed by the receiving party without use or reliance upon the Confidential Information.

2. Restrictions

(a) Axiom Zen and the Other Party covenant to each other that they will not at any time, other than in accordance with the terms of this Agreement, disclose the Confidential Information of the other to any person or entity without the prior written approval of the disclosing party, or use any such Confidential Information for any purpose, other than for the specific purpose of the Subject Matter, unless specifically pre-approved in writing by the disclosing party. However, the receiving party may disclose Confidential Information in accordance with a judicial or other governmental order, provided that the receiving party uses all legitimate and legal means available to minimize the disclosure to third parties, the disclosure of the Confidential Information is restricted in the same manner as is the confidential information of the receiving party or other litigating parties; and the receiving party shall give the disclosing party reasonable notice prior to such disclosure and shall comply with any applicable protective order or equivalent.

(b) Each party shall maintain the confidential nature of the Confidential Information of the other in its possession by taking commercially reasonable steps to protect the information from unauthorized use, access and disclosure, which shall be no less than those efforts made by the receiving party to protect its own confidential information. The receiving party may disclose Confidential Information of the other only to its employees and consultants who have a ‘need-to-know’ for the purposes of the Subject Matter. Each party shall execute appropriate written agreements with employees and consultants sufficient to enable it to comply with all of the confidentiality provisions of this Agreement.

(c) Neither party shall record, make notes of, copy or reproduce the Confidential Information of the other by any means without the written permission of the disclosing party except as necessary to carry out the purpose of the Subject Matter. All copies, records, notes or reproductions, in whole or in part, shall contain notices identifying them as containing the Confidential Information of the disclosing party and shall be protected from unauthorized disclosure or access. Each party agrees to segregate all Confidential Information of the other from the confidential materials of others in order to prevent commingling.

(d) Neither party shall reverse engineer, decompile or disassemble any Confidential Information of the other party.

3. Rights and Remedies

(a) Each party acknowledges and agrees that all Confidential Information of the other party and all worldwide right, title, and interest whatsoever therein and thereto, both legal and equitable shall belong to and shall remain the sole and exclusive property of the disclosing party. Nothing contained in this Agreement shall be construed as granting or conferring any rights by license or otherwise,

including without limitation any trademark, patent, copyright or other intellectual or industrial property right or license.

(b) Each party agrees to return all originals, copies, reproductions and summaries of Confidential Information of the other at the disclosing party’s request or, at the disclosing party’s option, certify destruction of the same.

(c) The parties agree to notify the other immediately upon discovery of any unauthorized use or disclosure of Confidential Information of the other, or breach of this Agreement.

(d) The parties acknowledge that any breach of the terms and conditions of this Agreement by them would result in significant damage to the disclosing party, not completely compensable monetarily, and agree that the disclosing party shall be entitled to apply for injunctive relief in a court of appropriate jurisdiction in the event of the breach or threatened breach of any of the terms of this Agreement. The party in default hereunder shall not oppose any such application on the basis that damages would be a satisfactory or sufficient remedy.

4. Miscellaneous

(a) The parties agree that Confidential Information under this Agreement, is provided “AS IS” without warranty of any kind; may contain bugs, errors and other problems that could cause system failures; and that the use of such Confidential Information is entirely at the receiving party’s risk. Both parties acknowledge that neither the disclosing party nor its suppliers shall be liable for any damages whatsoever (including without limitation, direct, indirect, incidental, consequential, or punitive damages of any nature or kind including loss of profits, or losses of third parties of any nature or kind) relating to the receiving party’s use of or reliance upon the Confidential Information.

(b) If any term of this Agreement shall be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, such term shall be deemed severed from this Agreement and the remaining terms shall remain in full force and effect.

(c) This Agreement supersedes any and all prior arrangements, whether oral or written, express or implied, with respect to the Confidential Information.

(d) This Agreement is personal, indivisible, and non-transferable and may not be assigned or transferred in whole or in part by either party.

(e) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia. Each party hereby attorns to the jurisdiction of the courts of the Province of British Columbia and agrees not to oppose any action brought in British Columbia on the basis that the courts of British Columbia are not an appropriate or convenient forum for same.

(f) The confidentiality obligations in this Agreement shall remain in effect in perpetuity.

IN WITNESS WHEREOF each of the Other Party and Axiom Zen by its authorized signing authority has executed this Agreement as of the date first written above.

Other Party:

Name: Jevon feinblatt

Signature: 

Title: Founder Starcoin Inc

Date: 01/09/2018

Launch Labs Inc., dba Axiom Zen

Name: Sam Gharegozlou







Signature: 

Title: operations

Date: February 9th, 2018

TITLE	Mutual NDA- Jevon <> Axiom Zen
FILE NAME	Mutual NDA - Jevon Feinblatt.pdf
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 SIGNED	02/09/2018 10:22:16 UTC-8	Signed by Jevon Feinblatt (jevon2@me.com) IP: 68.168.119.227
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 SIGNED	02/09/2018 10:38:31 UTC-8	Signed by Axiom Zen Non-Disclosure Agreements (nda@axiomzen.co) IP: 208.98.206.170
 COMPLETED	02/09/2018 10:38:31 UTC-8	The document has been completed.