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Defendant Farjad Fani

7
8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**

10
11 j2 CLOUD SERVICES, INC., AND
12 ADVANCED MESSAGING
TECHNOLOGIES, INC.

13 Plaintiff,

14 v.

15 FAX87, FARJAD FANI, MATT
JOHNSON FINANCE, INC., ELNAZ
16 FANI, ONE VOIX, MIRALUNA
CABERTE YARDAN, STEVEN THONG
17 WAY SEN, ROBERT BEAULIEU,
CHARLES MONTGOMERY,
18 ONLINEFAXES, SOLIDFAX,
FAXVISION, EFAX4LESS,
19 MYPHONEFAX, RESELLFAX, AND
DOES 1-10,

20 Defendants.

21 FARJAD FANI,

22 Counter-Claimant,

23 v.

24 j2 CLOUD SERVICES, INC., AND
25 ADVANCED MESSAGING
TECHNOLOGIES, INC.

26 Counter-Defendants.
27
28

Case No.:13-cv-05353-DDP (AJW)

**ANSWER OF FARJAD FANI TO
J2 CLOUD SERVICES, INC.'S AND
ADVANCED MESSAGING
SERVICES, INC.'S FIRST
AMENDED AND SUPPLEMENTAL
COMPLAINT, AFFIRMATIVE
DEFENSES AND
COUNTERCLAIMS**

DEMAND FOR JURY TRIAL

1 COMES NOW Defendant Farjad Fani (“Fani”) and, for his answer to Plaintiffs
2 j2 Cloud Services, Inc.’s and Advanced Messaging Technologies, Inc.’s (collectively
3 “Plaintiffs”) First Amended and Supplemental Complaint (“Amended Complaint”),
4 and for no others, states as follows:

5 1. Paragraph 1 does not contain any allegations of fact and therefore Fani
6 makes no response thereto. Except as admitted herein, Fani denies each and every
7 other allegation of Paragraph 1.

8 2. Fani lacks knowledge or information sufficient to form a belief as to the
9 truth of the allegations of Paragraph 2 of the Amended Complaint, and therefore denies
10 the same.

11 3. Fani lacks knowledge or information sufficient to form a belief as to the
12 truth of the allegations of Paragraph 3 of the Amended Complaint, and therefore denies
13 the same.

14 4. Fani states that the allegations of Paragraph 4 are not directed to him and
15 therefore he makes no answer thereto. To the extent any answer is required, Fani
16 admits that Matt Johnson Finance, Inc. (“MJF”) was a corporation organized under the
17 laws of the State of Washington. Fani admits that MJF’s principal place of business
18 was 155 108th Avenue, NE, Suite 703, Bellevue, Washington 98004. Fani admits that
19 MJF did business through fax87.com. Fani admits that MJF was dissolved by the
20 Washington Secretary of State for failure to file an annual list of officers/license
21 renewal. Fani denies the remaining allegations of Paragraph 4.

22 5. Fani admits that he was the sole officer of Matt Johnson Finance, Inc.
23 (“MJF”). Fani admits that during the pendency of the action he reported that he had
24 left the United States. Fani denies that in late 2015 or early 2016 he returned
25 permanently to the United States. Fani admits that he currently resides in Washington
26 State, and has resided there at times before. Fani denies the remaining allegations of
27 Paragraph 5.

28 6. Fani states that the allegations of Paragraph 6 are not directed to him and

1 therefore he makes no answer thereto. To the extent any answer is required, Fani
2 denies that Defendant Fax87 is an alter ego or “alias” of Mr. Fani. Fani avers that
3 fax87.com is a website, which is owned by Defendant MyPhoneFax, LLC. Fani admits
4 that MyPhoneFax, LLC provides Internet facsimile messaging services, including to
5 California citizens, through various websites, including fax87.com and
6 enterprise.fax87.com, which do not infringe the patents at issue. Fani denies the
7 remaining allegations of Paragraph 6.

8 7. Fani states that the allegations of Paragraph 7 are not directed to him and
9 therefore he makes no answer thereto. To the extent any answer is required, Fani
10 denies that OnlineFaxes is an unincorporated business association, or an affiliate or
11 alter-ego of Defendant Fax87. Fani avers that OnlineFaxes.com is a website, which is
12 owned by Defendant MyPhoneFax, LLC. Fani admits that MyPhoneFax, LLC
13 provides Internet facsimile messaging services, including to California citizens, which
14 do not infringe the patents at issue, through various websites, including
15 OnlineFaxes.com. Fani denies the remaining allegations of Paragraph 7.

16 8. Fani states that the allegations of Paragraph 8 are not directed to him and
17 therefore he makes no answer thereto. To the extent any answer is required, Fani
18 denies that SolidFax is an unincorporated business association, or alter-ego of
19 Defendant Fax87 and OnlineFaxes. Fani avers that SolidFax.com is a website, which
20 is owned by Defendant MyPhoneFax, LLC. Fani admits that MyPhoneFax, LLC
21 provides Internet facsimile messaging services, including to California citizens, which
22 do not infringe the patents at issue, through various websites, including SolidFax.com.
23 Fani denies the remaining allegations of Paragraph 8.

24 9. Fani states that the allegations of Paragraph 9 are not directed to him and
25 therefore he makes no answer thereto. To the extent any answer is required, Fani
26 denies that FaxVision is an unincorporated business association, or an alter-ego of
27 Defendant Fax87, OnlineFaxes and/or SolidFax. Fani avers that FaxVision is a
28 website, which is owned by Defendant MyPhoneFax, LLC. Fani admits that

1 MyPhoneFax, LLC provides Internet facsimile messaging services, including to
2 California citizens, which do not infringe the patents at issue, through various
3 websites, including FaxVision. Fani denies the remaining allegations of Paragraph 9.

4 10. Fani states that the allegations of Paragraph 10 are not directed to him and
5 therefore he makes no answer thereto. To the extent any answer is required, Fani states
6 upon information and belief, that eFax4less.com is a website operated by Robert
7 Beaulieu. MyPhoneFax.Com LLC does not own, operate or otherwise endorse
8 eFax4less.com. Fani lacks information and belief sufficient for him to be able to admit
9 or deny the remaining allegations of Paragraph 10, and therefore denies them.

10 11. Fani states that the allegations of Paragraph 11 are not directed to him and
11 therefore he makes no answer thereto. To the extent any answer is required, Fani
12 denies that “MyPhoneFax” is an unincorporated business association or an alter-ego of
13 the listed websites. Fani avers that Defendant MyPhoneFax.com, LLC is a limited
14 liability company organized under the laws of the Cook Islands. Fani admits that
15 MyPhoneFax.com, LLC provides Internet facsimile messaging services, including to
16 California citizens, which do not infringe the patents at issue, through various
17 websites, including fax87.com, OnlineFaxes.com, SolidFax.com, and FaxVision.com.
18 Fani denies the remaining allegations of Paragraph 11.

19 12. Fani states that the allegations of Paragraph 12 are not directed to him and
20 therefore he makes no answer thereto. To the extent any answer is required, on
21 information and belief, Fani denies that ResellFax is an unincorporated business
22 association or an alter-ego of the listed websites. Fani avers that Defendant
23 MyPhoneFax, LLC is a limited liability company organized under the laws of the
24 Cook Islands. Fani admits that MyPhoneFax, LLC provides Internet facsimile
25 messaging services, including to California citizens, which do not infringe the patents
26 at issue, through various websites, including ResellFax.com. Fani denies the
27 allegations of Paragraph 12.

28 13. Fani admits that Elnaz Fani is his sister. Fani states that the allegations of

1 Paragraph 13 otherwise are not directed to him and therefore he makes no answer
2 thereto. To the extent any answer is required, Fani admits that Elnaz Fani is his sister
3 and that she resides in Redmond, WA. Fani denies that she is involved in any aspect
4 of any defendant's business.

5 14. Fani states that the allegations of Paragraph 14 are not directed to him and
6 therefore he makes no answer thereto. To the extent any answer is required, Fani
7 admits that OneVoix is a Philippines-based company, with an office in Ayala Alabang,
8 Muntinlupa, Metro Manila, Republic of Philippines, which provides customer support
9 to MyPhoneFax.com LLC. Fani denies the remaining allegations of Paragraph 14.

10 15. Fani admits that Miraluna Yordan is a friend of his and to his knowledge
11 resides in Santa Rosa, Laguna, in the Republic of the Philippines. Fani states that the
12 allegations of Paragraph 15 are otherwise not directed to him and therefore he makes
13 no answer thereto. To the extent any answer is required, on information and belief,
14 Fani denies the allegations of Paragraph 15.

15 16. Fani states that the allegations of Paragraph 16 are not directed to him and
16 therefore he makes no answer thereto. To the extent any answer is required, Fani
17 admits that Steven Thong resides in Colorado, but otherwise denies the allegations of
18 Paragraph 16.

19 17. Fani states that the allegations of Paragraph 17 are not directed to him and
20 therefore he makes no answer thereto. To the extent any answer is required, on
21 information and belief, Fani denies the allegations of Paragraph 17.

22 18. Fani states that the allegations of Paragraph 18 are not directed to him and
23 therefore he makes no answer thereto. To the extent any answer is required, on
24 information and belief, Fani denies the allegations of Paragraph 18.

25 19. Paragraph 19 does not contain any allegations of fact and therefore Fani
26 makes no answer thereto. To the extent any answer is required, on information and
27 belief, Fani denies the allegations of Paragraph 19.

28 20. Fani admits that this Court has subject matter jurisdiction pursuant to

1 28 U.S.C. §§ 1331, 1332 and 1338, 15 U.S.C. §§ 1114 and 1115. Fani admits that
2 Plaintiffs allege that the amount in controversy is over \$75,000. Fani admits that
3 Plaintiffs allege that the Court has supplemental jurisdiction over the state-law claim
4 under 28 U.S.C. § 1367. Fani denies that Plaintiffs have any claim under the foregoing
5 patent, trademark, or state laws. Fani denies the remaining allegations in Paragraph 20
6 of the Amended Complaint.

7 21. Fani admits that the Court has jurisdiction over him in relation to the 2012
8 Settlement Agreement. Fani denies that he negotiated or executed either the
9 Settlement Agreement or License Agreement in this District. Fani admits that the
10 Agreements are governed by California law and that they were intended to be
11 performed at least in part in California. The remaining allegations of Paragraph 21 are
12 legal conclusions that do not require a response. To the extent any answer is required,
13 Fani denies the allegations of Paragraph 21.

14 22. Fani states that the allegations of Paragraph 22 are not directed to him, or
15 are legal contentions that do not require a response, and therefore he makes no answer
16 thereto. To the extent any answer is required, Fani denies the allegations of
17 Paragraph 22.

18 23. Fani states that the allegations of Paragraph 23 are not directed to him, or
19 are legal contentions that do not require a response, and therefore he makes no answer
20 thereto. To the extent any answer is required, Fani denies the allegations of
21 Paragraph 23.

22 24. Fani admits that the 2012 Settlement Agreement provides for venue in
23 this District. Fani admits that as to MJF, the 2012 License Agreement provides for
24 venue in this District. Fani denies the remaining allegations of Paragraph 24 directed
25 to him.

26 25. Fani admits that the cover page of U.S. Patent No. 6,208,638 (“’638
27 patent”) states that its issuance date was March 27, 2001 and that its title is “METHOD
28 AND APPARATUS FOR TRANSMISSION AND RETRIEVAL OF FACSIMILE

1 AND AUDIO MESSAGES OVER CIRCUIT OR PACK SWITCHED NETWORK.”

2 Fani further admits that Jack Rieley and Jaye Muller are identified as inventors on the
3 cover page of the '638 patent. Fani lacks knowledge or information sufficient to form a
4 belief as to the truth of the remaining allegations of Paragraph 25 of the Amended
5 Complaint, and therefore denies the same.

6 26. Fani admits that Exhibit 2 appears to be a copy of Registration Certificate
7 for the '638 Patent related to the patentability of claims 1 and 13, as amended, and
8 claims 2-12 and 14-22 dependent on amended claims. Fani admits that the attached
9 Registration Certificate appears to include claims 23-40. Fani lacks knowledge or
10 information sufficient to form a belief as to the truth of the remaining allegations of
11 Paragraph 26 of the Amended Complaint, and therefore denies the same.

12 27. Fani lacks knowledge or information sufficient to form a belief as to the
13 truth of the allegations of Paragraph 27 of the Amended Complaint, and therefore
14 denies the same.

15 28. Fani lacks knowledge or information sufficient to form a belief as to the
16 truth of the allegations of Paragraph 28 of the Amended Complaint, and therefore
17 denies the same.

18 29. Fani admits that the cover page of U.S. Patent No. 6,350,066 (“’066
19 patent”) states that its issuance date was February 26, 2002 and that its title is
20 “SYSTEMS AND METHODS FOR STORING, DELIVERING AND MANAGING
21 MESSAGES.” Fani further admits that Charles R. Bobo, II, is identified as the
22 inventor on the cover page of the '066 patent. Fani lacks knowledge or information
23 sufficient to form a belief as to the truth of the remaining allegations of Paragraph 29
24 of the Amended Complaint, and therefore denies the same.

25 30. Fani admits that Exhibit 4 appears to be a copy of Registration Certificate
26 for the '066 patent related to the patentability of claims 1-35 and appearing to include
27 claims 36-57. Fani lacks knowledge or information sufficient to form a belief as to the
28 truth of the remaining allegations of Paragraph 30 of the Amended Complaint, and

1 therefore denies the same.

2 31. Fani admits that the cover page of U.S. Patent No. 8,310,699 (“’699
3 patent”) states that its issuance date was November 13, 2012 and that its title is
4 “SYSTEM AND METHOD FOR MEASURING A FAX CONVERTED INTO
5 ELECTRONIC FORMAT.” Fani further admits that Tom Mulligan and Nicola Fawle
6 are identified as the inventors on the cover page of the ’699 patent. Fani lacks
7 knowledge or information sufficient to form a belief as to the truth of the remaining
8 allegations of Paragraph 31 of the Amended Complaint, and therefore denies the same.

9 32. Fani lacks knowledge or information sufficient to form a belief as to the
10 truth of the allegations of Paragraph 32 of the Amended Complaint, and therefore
11 denies the same.

12 33. Fani admits that the cover page of U.S. Patent No. 8,675,220 (“’220
13 patent”) states that its issuance date was March 18, 2014 and that its title is
14 “INTERNET FAX MESSAGE SEARCHING AND FAX CONTENT DELIVERY
15 USING KEYWORD DETECTION.” Fani further admits that Mark Edward Meyers
16 and Matthew Curtis Mabry are identified as the inventors on the cover page of the ’220
17 patent. Fani lacks knowledge or information sufficient to form a belief as to the truth
18 of the remaining allegations of Paragraph 33 of the Amended Complaint, and therefore
19 denies the same.

20 34. Fani lacks knowledge or information sufficient to form a belief as to the
21 truth of the allegations of Paragraph 34 of the Amended Complaint, and therefore
22 denies the same.

23 35. Fani lacks knowledge or information sufficient to form a belief as to the
24 truth of the allegations of Paragraph 35 of the Amended Complaint, and therefore
25 denies the same.

26 36. Fani lacks knowledge or information sufficient to form a belief as to the
27 truth of the allegations of Paragraph 36 of the Amended Complaint, and therefore
28 denies the same.

1 37. Fani admits that Exhibit 7 appears to be a copy of registration for the
2 mark “EFAX” for the goods and services stated therein. Fani lacks knowledge or
3 information sufficient to form a belief as to the truth of the remaining allegations of
4 Paragraph 37 of the Amended Complaint, and therefore denies the same.

5 38. Fani admits that Exhibit 8 appears to be a copy of a registration for the
6 mark “E-FAX” for the goods and services stated therein. Fani lacks knowledge or
7 information sufficient to form a belief as to the truth of the remaining allegations of
8 Paragraph 38 of the Amended Complaint, and therefore denies the same.

9 39. Fani admits that Exhibit 9 appears to be a copy of a registration for the
10 mark “EFAX” for the goods and services stated therein. Fani lacks knowledge or
11 information sufficient to form a belief as to the truth of the remaining allegations of
12 Paragraph 39 of the Amended Complaint, and therefore denies the same.

13 40. Fani admits that Exhibit 10 appears to be a copy of a registration for the
14 mark “E-FAX” for the goods and services stated therein. Fani lacks knowledge or
15 information sufficient to form a belief as to the truth of the remaining allegations of
16 Paragraph 40 of the Amended Complaint, and therefore denies the same.

17 41. Fani admits that Exhibits 11-14 appear to be copy of registrations for the
18 marks “EFAX PLUS”, “EFAX CORPORATE”, “EFAX MESSENGER”, and “EFAX
19 FREE”, respectively. Fani lacks knowledge or information sufficient to form a belief
20 as to the truth of the remaining allegations of Paragraph 41 of the Amended Complaint,
21 and therefore denies the same.

22 42. Fani lacks knowledge or information sufficient to form a belief as to the
23 truth of the allegations of Paragraph 42 of the Amended Complaint, and therefore
24 denies the same.

25 43. Fani lacks knowledge or information sufficient to form a belief as to the
26 truth of the allegations of Paragraph 43 of the Amended Complaint, and therefore
27 denies the same.

28 44. Fani lacks knowledge or information sufficient to form a belief as to the

1 truth of the allegations of Paragraph 44 of the Amended Complaint, and therefore
2 denies the same.

3 45. Fani admits the allegations of Paragraph 45, except Fani denies that j2 and
4 AMT sued “Fax87”.

5 46. Fani admits that in April 2012, Fani and MJF entered into a Settlement
6 Agreement with Plaintiffs to resolve the litigation. Fani admits that MJF is identified
7 as “Matt Johnson Finance, Inc. d/b/a/ Fax87.com” in the Settlement Agreement. Fani
8 admits that he signed the Settlement Agreement in his individual capacity and as the
9 CEO of MJF. Fani admits that Exhibit 15 is a true and correct copy of the Settlement
10 Agreement. Fani denies the remaining allegations of Paragraph 46.

11 47. Fani admits that as part of the settlement, Plaintiffs entered into a patent
12 license agreement with MJF. Fani denies any of Plaintiffs’ characterizations of MJF’s
13 obligations that are inconsistent with language of the License Agreement, including
14 that Fani was personally obligated to perform under the License Agreement. Fani
15 avers that J2 and AMT attempted to negotiate a requirement that Fani execute the
16 License Agreement personally, but that the parties did not agree to any such
17 requirement. J2’s attempt to claim alter-ego here is an end run around the fact that J2
18 specifically gave up any right to have Fani personally obligated by the License
19 Agreement. Moreover, nothing in the License Agreement restrained Fani’s future
20 actions, including owning and/or operating any electronic fax business.

21 48. Fani admits that Paragraph 48 partially recites the language of Section 3.2
22 of the Settlement Agreement, and denies any of Plaintiffs’ characterizations of the
23 obligations of the parties that are inconsistent with language of the Settlement
24 Agreement.

25 49. Fani states that the allegations of Paragraph 49 are not directed to him and
26 therefore he makes no answer thereto. To the extent any answer is required, Fani
27 admits MJF received a license to Plaintiffs’ patents, including the ’638 patent and non-
28 asserted ’066 patent pursuant to the terms of the License Agreement, but denies any of

1 Plaintiffs' characterizations of MJF's obligations that are inconsistent with language of
2 the License Agreement.

3 50. Fani states that the allegations of Paragraph 50 are not directed to him and
4 therefore he makes no answer thereto. To the extent any answer is required, Fani
5 admits that Paragraph 50 partially recites the language of Section 3.1 of the License
6 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
7 inconsistent with language of the License Agreement.

8 51. Fani states that the allegations of Paragraph 51 are not directed to him and
9 therefore he makes no answer thereto. To the extent any answer is required, Fani
10 admits that Paragraph 51 recites the language of Section 1 of the License Agreement,
11 but denies any of Plaintiffs' characterizations of MJF's obligations that are inconsistent
12 with language of the License Agreement.

13 52. Fani states that the allegations of Paragraph 52 are not directed to him and
14 therefore he makes no answer thereto. To the extent any answer is required, Fani
15 admits that Paragraph 52 partially recites the language of Section 3.3 of the License
16 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
17 inconsistent with language of the License Agreement.

18 53. Fani states that the allegations of Paragraph 53 are not directed to him and
19 therefore he makes no answer thereto. To the extent any answer is required, Fani
20 admits that Paragraph 53 partially recites the language of Section 3.4 of the License
21 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
22 inconsistent with language of the License Agreement.

23 54. Fani states that the allegations of Paragraph 54 are not directed to him and
24 therefore he makes no answer thereto. To the extent any answer is required, Fani
25 admits that Paragraph 54 partially recites the language of Section 2 of the License
26 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
27 inconsistent with language of the License Agreement.

28 55. Fani states that the allegations of Paragraph 55 are not directed to him and

1 therefore he makes no answer thereto. To the extent any answer is required, Fani
2 admits that Paragraph 55 partially recites the language of Section 7.4 of the License
3 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
4 inconsistent with language of the License Agreement.

5 56. Fani states that the allegations of Paragraph 56 are not directed to him and
6 therefore he makes no answer thereto. To the extent any answer is required, Fani
7 admits that Paragraph 56 partially recites the language of Section 8.1 of the License
8 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
9 inconsistent with language of the License Agreement. Fani specifically denies that
10 there was a "change of control" which required notice, that MJF transferred or
11 assigned its rights in the License, or that the terms of the License continued to apply to
12 MyPhoneFax.com, LLC.

13 57. Fani states that the allegations of Paragraph 57 are not directed to him and
14 therefore he makes no answer thereto. To the extent any answer is required, Fani
15 admits that Paragraph 57 partially recites the language of Section 10.2 of the License
16 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
17 inconsistent with language of the License Agreement.

18 58. Fani states that the allegations of Paragraph 58 are not directed to him and
19 therefore he makes no answer thereto. To the extent any answer is required, Fani
20 admits that Paragraph 58 partially recites the language of Section 10.8 of the License
21 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
22 inconsistent with language of the License Agreement.

23 59. Fani states that the allegations of Paragraph 59 are not directed to him and
24 therefore he makes no answer thereto. To the extent any answer is required, Fani
25 admits that Paragraph 59 partially recites the language of Section 9 of the License
26 Agreement, but denies any of Plaintiffs' characterizations of MJF's obligations that are
27 inconsistent with language of the License Agreement.

28 60. Fani admits to the allegations of Paragraph 60.

1 61. Fani denies that on or about July 31, 2012, he sent a royalty report to
2 Plaintiffs on behalf of himself. Fani admits that on or about July 31, 2012, MJF sent a
3 royalty report to Plaintiffs. Fani admits that for May 2012, MJF reported 19,311 Fax
4 Customers and \$134,738.08 in Aggregate Revenues. Fani admits that MJF reported
5 royalties and payment of \$28,966.50 for 2012Q2. Fani denies the remaining
6 allegations of Paragraph 61.

7 62. Fani denies that on or about November 1, 2012, he sent a royalty report to
8 Plaintiffs on behalf of himself. Fani admits that on or about November 1, 2012, MJF
9 sent a royalty report to Plaintiffs. Fani admits that for July 2012, MJF reported 17,176
10 Fax Customers and \$103,074.09 in Aggregate Revenues. Fani admits that for August
11 2012, MJF reported 17,176 Fax Customers and \$90,597.09 in Aggregate Revenues.
12 Fani admits that for September 2012, MJF reported 17,176 Fax Customers and
13 \$92,017.23 in Aggregate Revenues. Fani admits that MJF reported royalties and
14 payment of \$38,646.50 for 2012Q3. Fani denies the remaining allegations of
15 Paragraph 62.

16 63. Fani denies that on or about January 29, 2013, he sent a royalty report to
17 Plaintiffs on behalf of himself. Fani admits that on or about January 29, 2013, MJF
18 sent a royalty report to Plaintiffs. Fani admits that for October 2012, MJF reported
19 17,998 Fax Customers and \$111,248.21 in Aggregate Revenues. Fani admits that for
20 November 2012, MJF reported 17,998 Fax Customers and \$141,988.89 in Aggregate
21 Revenues. Fani admits that for December 2012, MJF reported 17,998 Fax Customers
22 and \$138,851.12 in Aggregate Revenues. Fani admits that MJF reported royalties and
23 payment of \$40,495.50 for 2012Q4. Fani denies the remaining allegations of
24 Paragraph 63.

25 64. Fani states that the allegations of Paragraph 64 are not directed to him and
26 therefore he makes no answer thereto. To the extent any answer is required, Fani
27 admits that MyPhoneFax.com, LLC, a Cook Island limited liability company, offers
28 Internet fax services through fax87.com.

1 65. Fani denies that he had any obligation to make any royalty payments to
2 Plaintiffs. Fani states that the allegations of Paragraph 65 are otherwise not directed to
3 him and therefore he makes no answer thereto. To the extent any answer is required,
4 Fani denies that MJF had any obligation to make royalty payments to Plaintiffs for the
5 period following the sale of MJF's assets on December 31, 2012. Fani avers that MJF
6 did not undergo a "change of control" and did not transfer its rights in the License to
7 MyPhoneFax.com, LLC.

8 66. Fani admits the allegations of Paragraph 66.

9 67. Fani denies that any payment or reports were due to Plaintiffs from MJF
10 in April 2013, but admits that J2 took the position that payment was late.

11 68. Fani admits that MJF sent a letter to Plaintiffs on or about May 7, 2013,
12 but denies that MJF operated the fax87.com website at that time. The fax87.com
13 website was sold to MyPhoneFax.com, LLC on or about December 31, 2012 pursuant
14 to an Agreement of Purchase And Sale of Assets between MJF and
15 MyPhoneFax.com LLC.

16 69. Fani admits that j2 contacted him on or about May 21, 2013, but denies
17 that any royalty report or payment from MJF was due or overdue.

18 70. Fani admits that on or about May 21, 2013, MJF advised Plaintiffs that it
19 had sold its assets on December 31, 2012. Fani denies that MJF had any obligation to
20 disclose the identity of the buyer or provide any information or documentation
21 regarding the sale under the terms of the License Agreement.

22 71. Fani admits that he executed a declaration filed in December 2013, with
23 the quoted language which is true and accurate as MJF sold its assets on December 31,
24 2012, pursuant to an Agreement of Purchase And Sale of Assets between MJF and
25 MyPhoneFax.com LLC. Fani denies that he had any obligation to give notice of the
26 transaction, to disclose the identity of the buyer, or provide any information or
27 documentation regarding the date of the sale.

28 72. Fani denies that he has any obligation to make royalty payments to

1 Plaintiffs as suggested by Paragraph 72. Fani states that the allegations of Paragraph
2 72 are otherwise not directed to him and therefore he makes no answer thereto. To the
3 extent any answer is required, Fani denies that MJF had any obligation to make royalty
4 payments, submit royalty reports or pay late fees as suggested by Paragraph 72.

5 73. Fani denies the allegations of Paragraph 73 directed to him. Fani states
6 that the allegations of Paragraph 73 are otherwise not directed to him and therefore he
7 makes no answer thereto. To the extent any answer is required, Fani denies that the
8 License Agreement prohibited a sale of assets or required notification of a sale of
9 assets.

10 74. Fani states that the allegations of Paragraph 74 are not directed to him and
11 therefore he makes no answer thereto. To the extent any answer is required, Fani
12 denies that any royalty payments are owed as suggested by Paragraph 74 as there was
13 no transfer of the License Agreement to MyPhoneFax.com LLC.

14 75. Fani denies there is any obligation under the License Agreement to mark
15 the fax87.com website, user manuals and associated materials with j2's licensed patent
16 numbers, after MyPhoneFax.com LLC acquired the website, and denies any breach of
17 the License Agreement.

18 76. Fani admits the allegations of Paragraph 76, except that the audit
19 provision is at paragraph 3.4 not 10.6.

20 77. Fani denies that he had any obligation under the License Agreement to
21 respond to the request for audit sent on or about September 17, 2015. Fani states that
22 the allegations of Paragraph 77 are otherwise not directed to him and therefore he
23 makes no answer thereto. To the extent any answer is required, Fani denies that any
24 failure to respond by others constituted a breach of the License Agreement.

25 78. Paragraph 78 contains legal conclusions to which no response is required.
26 To the extent any response is required, Fani denies the allegations of Paragraph 78
27 directed to him.

28 79. Fani lacks information and belief concerning when Plaintiffs sent their

1 notice, but admits that his counsel received such a notice as alleged in Paragraph 79.

2 80. Paragraph 80 contains legal conclusions to which no response is required.
3 To the extent any response is required, Fani denies the allegations of Paragraph 80
4 directed to him, including that he breached the License Agreement or Settlement
5 Agreement.

6 81. Paragraph 81 contains legal conclusions to which no response is required.
7 To the extent any response is required, Fani denies the allegations of Paragraph 81
8 directed to him, including specifically that the listed websites are “alter-egos” of him
9 or MJF or Fax.87. The listed websites, except eFax4less.com, are owned and operated
10 by MyPhoneFax.com LLC, a Cook Island Company.

11 82. Paragraph 82 contains legal conclusions to which no response is required.
12 To the extent any response is required, Fani denies the allegations of Paragraph 82
13 directed to him.

14 83. Paragraph 83 contains legal conclusions to which no response is required.
15 To the extent any response is required, Fani avers that j2 and AMT understood and
16 acknowledged that MJF did business through fax87.com and accordingly the License
17 Agreement identifies “Matt Johnson Finance, Inc. d/b/a Fax87.com”. j2 now attempts
18 to recharacterize it as a defendant actor. Fani denies the remaining allegations of
19 Paragraph 83.

20 84. Paragraph 84 contains legal conclusions to which no response is required.
21 To the extent any response is required, Fani denies the allegations of Paragraph 84.

22 85. Fani admits that he uses the name “Matt Johnson.” Fani denies any
23 suggestion that his use of the name “Matt Johnson”, an Americanized name, is
24 wrongful or improper. Many immigrants adopt different names in order to fit more
25 easily into their new country’s culture.

26 86. Paragraph 86 contains legal conclusions to which no response is required.
27 To the extent any response is required, Fani avers that like j2 and AMT,
28 MyPhoneFax.com, LLC, a Cook Island limited liability company, uses various

1 websites to run its operations and denies any suggestion that to do so constitutes
2 improper “shuffling” of operations. Fani denies the remaining allegations of
3 Paragraph 86.

4 87. Fani admits that “Listing Moves” was a “doing business as” name for
5 Sevo. Fani admits that Sevo was incorporated as a Nevada corporation, and that Fani
6 was the President, Treasurer and Secretary of Sevo. Fani denies the remaining
7 allegations of Paragraph 87.

8 88. Fani denies the allegations of Paragraph 88. The domain fax87.com was
9 purchased by Matt Johnson Finance, Inc. on or about April 27, 2010 and was never
10 transferred to Fani.

11 89. Fani admits that the License Agreement and Settlement Agreement state
12 “Matt Johnson Finance, Inc. d/b/a ‘Fax87.com’”. Fani denies the remaining allegations
13 of Paragraph 89.

14 90. Paragraph 90 contains legal conclusions to which no response is required.
15 To the extent any response is required, Fani denies the allegations of Paragraph 90.

16 91. Fani states that the allegations of Paragraph 91 are not directed to him and
17 therefore he makes no answer thereto. To the extent any answer is required, Fani
18 denies the same.

19 92. Fani states that the allegations of Paragraph 92 are not directed to him and
20 therefore he makes no answer thereto. To the extent any answer is required, Fani
21 denies the same.

22 93. Fani states that the allegations of Paragraph 93 are not directed to him and
23 therefore he makes no answer thereto. To the extent any answer is required, Fani
24 denies the same.

25 94. Fani states that the allegations of Paragraph 94 are not directed to him and
26 therefore he makes no answer thereto. To the extent any answer is required, Fani
27 admits that MJF did not issue corporate stock.

28 95. Fani admits that he was the sole board member and director of MJF. Fani

1 states that the allegations of Paragraph 95 are otherwise not directed to him and
2 therefore he makes no answer thereto. To the extent any answer is required, Fani
3 admits that MJF had no employees, but denies MJF was required to have meetings of
4 shareholders, officers and/or directors.

5 96. Fani states that the allegations of Paragraph 96 are not directed to him and
6 therefore he makes no answer thereto. To the extent any answer is required, Fani
7 denies the same and denies that audited financial statements were required.

8 97. Fani avers that the use of the term “vice versa” renders this allegation
9 unintelligible. To the extent plaintiffs intend to allege that Fani did not use the MJF
10 office for business, Fani denies said allegations of Paragraph 97. Any use of the MJF
11 office for personal tasks was immaterial.

12 98. Fani denies the allegations of Paragraph 98; the financial records of MJF
13 show that financial segregation and categorization was handled with reasonable care.

14 99. Paragraph 99 contains legal conclusions to which no response is required.
15 To the extent a response is required, Fani denies the allegations of Paragraph 99.

16 100. Fani denies the allegations of Paragraph 100.

17 101. Fani admits that MJF is an inactive corporation and that it did not file an
18 annual list of officers/license renewal. Fani denies the remaining allegations of
19 Paragraph 101, including that he had any obligation to continue the operations of MJF.

20 102. Fani denies the allegations of Paragraph 102. Fani avers that the
21 fax87.com is owned and operated by MyPhoneFax.com LLC.

22 103. Fani admits he has dined with representatives of FaxCore, but denies that
23 Steven Thong is pictured in the attached photograph.

24 104. Fani denies the allegations of Paragraph 104.

25 105. Fani denies the allegations of Paragraph 105.

26 106. Fani admits that he purchased an automobile in Kirkland, Washington.
27 Fani denies the remaining allegations of Paragraph 106.

28 107. Paragraph 107 contains legal conclusions to which no response is

1 required. To the extent any response is required, Fani denies the allegations of
2 Paragraph 107.

3 108. Paragraph 108 contains legal conclusions to which no response is
4 required. To the extent any response is required, Fani denies the allegations of
5 Paragraph 108.

6 109. Fani states that the allegations of Paragraph 109 are not directed to him
7 and therefore he makes no answer thereto. Fani further lacks information and belief as
8 to what is meant by the term “principal” and on that basis, denies the allegation of
9 Paragraph 109.

10 110. Fani states that the allegations of Paragraph 110 are not directed to him
11 and therefore he makes no answer thereto. To the extent any answer is required, Fani
12 admits that One Voix provides customer service for MyPhoneFax.com LLC but denies
13 the remaining allegations in Paragraph 110.

14 111. Fani states that the allegations of Paragraph 111 are not directed to him
15 and therefore he makes no answer thereto. To the extent any answer is required, on
16 information and belief, Fani denies the allegations of Paragraph 111.

17 112. Fani states that the allegations of Paragraph 112 are not directed to him
18 and therefore he makes no answer thereto. To the extent any answer is required, on
19 information and belief, Fani denies the allegations of Paragraph 112.

20 113. Fani states that the allegations of Paragraph 113 are not directed to him
21 and therefore he makes no answer thereto. To the extent any answer is required, on
22 information and belief, Fani denies the allegations of Paragraph 113.

23 114. Fani states that the allegations of Paragraph 114 are not directed to him
24 and therefore he makes no answer thereto. To the extent any answer is required, on
25 information and belief, Fani denies the allegations of Paragraph 114.

26 115. Fani states that the allegations of Paragraph 115 are not directed to him
27 and therefore he makes no answer thereto. To the extent any answer is required, Fani
28 lacks knowledge or information sufficient to form a belief as to the truth of the

1 allegations of Paragraph 115 of the Amended Complaint, and therefore denies the
2 same.

3 116. Fani states that the allegations of Paragraph 116 are not directed to him
4 and therefore he makes no answer thereto. To the extent any answer is required, Fani
5 lacks knowledge or information sufficient to form a belief as to the truth of the
6 allegations of Paragraph 116 of the Amended Complaint, and therefore denies the
7 same.

8 117. Fani states that the allegations of Paragraph 117 are not directed to him
9 and therefore he makes no answer thereto. To the extent any answer is required, Fani
10 lacks knowledge or information sufficient to form a belief as to the truth of the
11 allegations of Paragraph 117 of the Amended Complaint, and therefore denies the
12 same.

13 118. Fani states that the allegations of Paragraph 118 are not directed to him
14 and therefore he makes no answer thereto. To the extent any answer is required, Fani
15 lacks knowledge or information sufficient to form a belief as to the truth of the
16 allegations of Paragraph 118 of the Amended Complaint, and therefore denies the
17 same.

18 119. Fani states that the allegations of Paragraph 119 are not directed to him
19 and therefore he makes no answer thereto. To the extent any answer is required, Fani
20 lacks knowledge or information sufficient to form a belief as to the truth of the
21 allegations of Paragraph 119 of the Amended Complaint, and therefore denies the
22 same.

23 120. Fani denies that he was located in the “Greater Seattle Area” at the outset
24 of this this litigation. Fani states that the allegations of Paragraph 120 are otherwise
25 not directed to him and therefore he makes no answer thereto. To the extent any
26 answer is required, Fani lacks knowledge or information sufficient to form a belief as
27 to the truth of the allegations of Paragraph 120 of the Amended Complaint, and
28 therefore denies the same.

1 121. Fani admits that he uses the name Matt Johnson. Fani admits that he was
2 previously the owner of Tekram Technology. Fani denies the remaining allegations of
3 Paragraph 121.

4 122. Fani denies that Teckram Technology is an alias for Sevo d/b/a Listing
5 Moves. Fani states that the allegations of Paragraph 122 are otherwise not directed to
6 him and therefore he makes no answer thereto. To the extent any answer is required,
7 Fani lacks knowledge or information sufficient to form a belief as to the truth of the
8 allegations of Paragraph 120 of the Amended Complaint, and therefore denies the
9 same.

10 123. Fani states that the allegations of Paragraph 123 are not directed to him
11 and therefore he makes no answer thereto. To the extent any answer is required, Fani
12 lacks knowledge or information sufficient to form a belief as to the truth of the
13 allegations of Paragraph 123 of the Amended Complaint, and therefore denies the
14 same.

15 124. Fani admits the allegations of Paragraph 124.

16 125. Fani states that the allegations of Paragraph 125 are not directed to him
17 and therefore he makes no answer thereto. To the extent any answer is required, Fani
18 admits that Thong provides third party services to MyPhoneFax.con LLC.

19 126. Fani states that the allegations of Paragraph 126 are not directed to him
20 and therefore he makes no answer thereto. To the extent any answer is required, Fani
21 lacks knowledge or information sufficient to form a belief as to the truth of the
22 allegations of Paragraph 126 of the Amended Complaint, and therefore denies the
23 same.

24 127. Fani states that the allegations of Paragraph 127 are not directed to him
25 and therefore he makes no answer thereto. To the extent any answer is required, Fani
26 lacks knowledge or information sufficient to form a belief as to the truth of the
27 allegations of Paragraph 127 of the Amended Complaint, and therefore denies the
28 same.

1 128. Fani states that the allegations of Paragraph 128 are not directed to him
2 and therefore he makes no answer thereto. To the extent any answer is required, Fani
3 lacks knowledge or information sufficient to form a belief as to the truth of the
4 allegations of Paragraph 128 of the Amended Complaint, and therefore denies the
5 same.

6 129. Fani states that the allegations of Paragraph 129 are not directed to him
7 and therefore he makes no answer thereto. To the extent any answer is required, Fani
8 lacks knowledge or information sufficient to form a belief as to the truth of the
9 allegations of Paragraph 129 of the Amended Complaint, and therefore denies the
10 same.

11 130. Fani states that the allegations of Paragraph 130 are not directed to him
12 and therefore he makes no answer thereto. To the extent any answer is required, Fani
13 denies the allegations of Paragraph 130.

14 131. Fani states that the allegations of Paragraph 131 are not directed to him
15 and therefore he makes no answer thereto. To the extent any answer is required, Fani
16 lacks knowledge or information sufficient to form a belief as to the truth of the
17 allegations of Paragraph 131 of the Amended Complaint, and therefore denies the
18 same.

19 132. Fani states that the allegations of Paragraph 132 are not directed to him
20 and therefore he makes no answer thereto. To the extent any answer is required, Fani
21 lacks knowledge or information sufficient to form a belief as to the truth of the
22 allegations of Paragraph 132 of the Amended Complaint, and therefore denies the
23 same.

24 133. Fani states that the allegations of Paragraph 133 are not directed to him
25 and therefore he makes no answer thereto. To the extent any answer is required, Fani
26 lacks knowledge or information sufficient to form a belief as to the truth of the
27 allegations of Paragraph 133 of the Amended Complaint, and therefore denies the
28 same.

1 134. Fani states that the allegations of Paragraph 134 are not directed to him
2 and therefore he makes no answer thereto. To the extent any answer is required, Fani
3 lacks knowledge or information sufficient to form a belief as to the truth of the
4 allegations of Paragraph 134 of the Amended Complaint, and therefore denies the
5 same.

6 135. Fani states that the allegations of Paragraph 135 are not directed to him
7 and therefore he makes no answer thereto. To the extent any answer is required, Fani
8 denies the allegations of paragraph 135.

9 136. Fani admits that Elnaz Fani is his sister. Fani states that the allegations of
10 Paragraph 136 are otherwise not directed to him and therefore he makes no answer
11 thereto. To the extent any answer is required, Fani denies the remaining allegations of
12 Paragraph 136.

13 137. Fani states that the allegations of Paragraph 137 are not directed to him
14 and therefore he makes no answer thereto. To the extent any answer is required, Fani
15 admits that MyPhone Fax.com LLC, a Cook Island limited liability company owns
16 various websites but denies that they are “alter-egos” of each other or of
17 MyPhoneFax.com LLC or Fani. Fani denies the remaining allegations of Paragraph
18 137.

19 138. Fani states that the allegations of Paragraph 138 are not directed to him
20 and therefore he makes no answer thereto. To the extent any answer is required, Fani
21 admits that MJF owned fax87.com and sold that website to MyPhoneFax.com, LLC, a
22 Cook Island limited liability company, in or around December 31, 2012, pursuant to an
23 Agreement of Purchase And Sale of Assets between MJF and MyPhoneFax.com, LLC.
24 Fani further admits, that like many businesses, MyPhoneFax.com, LLC does not make
25 its website registrations public. Fani admits the publicly-available registrant
26 information but otherwise denies the remaining allegations of Paragraph 138.

27 139. Fani states that the allegations of Paragraph 139 are not directed to him
28 and therefore he makes no answer thereto. To the extent any answer is required, Fani

1 admits that OnlineFaxes.com is owned and operated by MyPhoneFax.com LLC, a
2 Cook Island limited liability company. Fani admits the publicly-available registrant
3 information but denies the remaining allegations of paragraph 139.

4 140. Fani states that the allegations of Paragraph 140 are not directed to him
5 and therefore he makes no answer thereto. To the extent any answer is required, Fani
6 admits that solidfax.com is owned and operated by MyPhoneFax.com LLC, a Cook
7 Island limited liability company. MyPhoneFax.com LLC also owns and operates
8 fax87.com and OnlineFaxes.com. MyPhoneFax.com LLC admits that, like j2 and
9 AMT who have multiple websites, it uses some of the same resources to operate its
10 various websites. Fani admits the publicly-available registrant information but denies
11 the remaining allegations of Paragraph 140 of the Amended Complaint.

12 141. Fani states that the allegations of Paragraph 141 are not directed to him
13 and therefore he makes no answer thereto. To the extent any answer is required, Fani
14 admits that FaxVision.com is owned and operated by MyPhoneFax.com LLC, a Cook
15 Island limited liability company. MyPhoneFax.com LLC also owns and operates
16 fax87.com, OnlineFaxes.com and solidfax.com. MyPhoneFax.com LLC admits that,
17 like j2 and AMT who have multiple websites, it uses some of the same resources to
18 operate its various websites. Fani admits the publicly-available registrant information
19 but denies the remaining allegations of Paragraph 141 of the Amended Complaint.

20 142. Fani states that the allegations of Paragraph 142 are not directed to him
21 and therefore he makes no answer thereto. To the extent any answer is required, Fani
22 denies the allegations of Paragraph 142.

23 143. Fani states that the allegations of Paragraph 143 are not directed to him
24 and therefore he makes no answer thereto. To the extent any answer is required, Fani
25 admits that myphonefax.com is owned and operated by MyPhoneFax.com LLC, a
26 Cook Island limited liability company. MyPhoneFax.com LLC also owns and
27 operates fax87.com, Online Faxes.com, solidfax.com and faxvision.com.
28 MyPhoneFax.com LLC admits that, like j2 and AMT who have multiple websites, it

1 uses some of the same resources to operate its various websites. Fani admits the
2 publicly-available registrant information but denies the remaining allegations of
3 Paragraph 143.

4 144. Fani states that the allegations of Paragraph 144 are not directed to him
5 and therefore he makes no answer thereto. To the extent any answer is required, Fani
6 admits that resellfax.com is owned and operated by MyPhoneFax.com LLC, a Cook
7 Island limited liability company. MyPhoneFax.com LLC also owns and operates
8 fax87.com, OnlineFaxes.com, solidfax.com and faxvision.com. MyPhoneFax.com
9 LLC admits that, like j2 and AMT who have multiple websites, it uses some of the
10 same resources to operate its various websites, but denies that Resellfax was providing
11 the same services. Resellfax.com provided an onlinefaxes portal for resellers, which is
12 different than the services provided in other MyPhoneFax.com LLC's websites. Fani
13 further avers that resellfax.com never became popular and is largely in disuse. Fani
14 admits the publicly-available registrant information but denies the remaining
15 allegations of Paragraph 143

16 145. Fani states that the allegations of Paragraph 145 are not directed to him
17 and therefore he makes no answer thereto. To the extent any answer is required, Fani
18 admits that the wiredfax.com, faxeightyseven.com, fax87.net, enterprise.fax87.com
19 and phonefax.com websites all route a user directly to fax87.com.

20 146. Fani states that the allegations of Paragraph 146 are not directed to him
21 and therefore he makes no answer thereto. To the extent any answer is required, Fani
22 admits the allegations of Paragraph 146.

23 147. To the extent directed to him Fani, denies the allegations of Paragraph
24 147.

25 148. To the extent directed to him, Fani denies the allegations of Paragraph
26 148.

27 149. To the extent directed to him, Fani denies the allegations of Paragraph
28 149.

1 150. Fani states that the allegations of Paragraph 150 are not directed to him
2 and therefore he makes no answer thereto. To the extent any answer is required, Fani
3 denies the allegations of Paragraph 150.

4 151. To the extent directed to him, Fani denies the allegations of Paragraph
5 151 to the extent that they suggest that Defendants have an obligation to provide
6 royalty reports from MyPhoneFax.com, LLC's operations.

7 152. Paragraph 152 contains legal conclusions to which no response is
8 required. To the extent a response is required of Fani, he denies the allegations of
9 Paragraph 152.

10 153. Paragraph 153 contains legal conclusions to which no response is
11 required, or otherwise is not directed to Fani. To the extent a response is required of
12 Fani, he admits that, while at one time resellfax.com displayed the described-icon, it no
13 longer does and the website is basically dormant as it failed to gain any customer base.
14 Fani denies the remaining allegations of Paragraph 153.

15 154. Fani states that the allegations of Paragraph 154 are not directed to him
16 and therefore he makes no answer thereto. To the extent any answer is required, Fani
17 admits that resellfax.com described its services as outlined but avers that the website is
18 basically dormant as it failed to gain any customer base. Fani denies the remaining
19 allegations of Paragraph 154.

20 155. Fani states that the allegations of Paragraph 155 are not directed to him
21 and therefore he makes no answer thereto. To the extent any answer is required, Fani
22 admits that resellfax.com described its services as outlined but avers that the website is
23 basically dormant as it failed to gain any customer base. Fani denies the remaining
24 allegations of Paragraph 155.

25 156. Fani states that the allegations of Paragraph 156 are not directed to him
26 and therefore he makes no answer thereto. To the extent any answer is required, Fani
27 admits that solidfax.com had such a redirect but that the resell.com website is basically
28 dormant as it failed to gain any customer base. Fani denies the allegations of Paragraph

1 156.

2 157. Fani states that the allegations of Paragraph 157 are not directed to him
3 and therefore he makes no answer thereto. To the extent any answer is required, Fani
4 admits that onlinefaxes.com had such a redirect but that the resell.com website is
5 basically dormant as it failed to gain any customer base.

6 158. To the extent directed to him, Fani denies the allegations of
7 Paragraph 158.

8 159. Paragraph 159 contains legal conclusions to which no response is
9 required. To the extent directed to him, Fani denies the allegations of Paragraph 159.

10 160. Paragraph 160 contains legal conclusions to which no response is
11 required.

12 161. Paragraph 161 contains legal conclusions to which no response is
13 required. To the extent directed to him, Fani avers that any claims against MJF were
14 released by the Settlement Agreement and License Agreement with the payment of the
15 License Fee described in Section 3.1(i) and therefore any alleged infringement before
16 the Effective Date of the Settlement Agreement is irrelevant and inadmissible. Fani
17 denies the allegations of Paragraph 161, including specifically the allegation that
18 MyPhoneFax.com, LLC, a Cook Island limited liability company is infringing
19 Plaintiffs' patents.

20 162. Fani states that the allegations of Paragraph 162 are otherwise not directed
21 to him and therefore he makes no answer thereto. To the extent any answer is required,
22 Fani admits the allegations of Paragraph 162, but denies any infringement of Plaintiffs'
23 claimed patents.

24 163. Fani states that the allegations of Paragraph 162 are otherwise not directed
25 to him and therefore he makes no answer thereto. To the extent any answer is required,
26 Fani denies the allegations of Paragraph 163.

27 164. Fani states that the allegations of Paragraph 164 are otherwise not directed
28 to him and therefore he makes no answer thereto. To the extent any answer is required,

1 Fani admits that one of the features offered by MyPhoneFax.com LLC includes email
2 storage of faxes but denies the remaining allegations of Paragraph 164.

3 165. Paragraph 165 contains legal conclusions to which no response is
4 required. To the extent directed to him, Fani denies the allegations of Paragraph 165.

5 166. Paragraph 166 contains legal conclusions to which no response is
6 required.

7 167. Paragraph 167 contains legal conclusions to which no response is
8 required. To the extent a response is required, Fani avers that the '699 patent was not
9 granted until November 13, 2012. Moreover, any claims against MJF were released by
10 the Settlement Agreement and License Agreement with the payment of the License
11 Fee described in Section 3.1(i) and therefore any alleged infringement before the
12 Effective Date of the Settlement Agreement is irrelevant and inadmissible. Fani denies
13 the allegations of Paragraph 161, including the allegation that MyPhoneFax.com, LLC,
14 a Cook Island limited liability company is infringing Plaintiffs' patents.

15 168. To the extent directed to him, Fani denies the allegations of Paragraph
16 168. Fani states that the allegations of Paragraph 168 are otherwise not directed to him
17 and therefore he makes no answer thereto. To the extent any answer is required, Fani
18 admits MyPhoneFax.com, LLC provides a feature that determines page counts but
19 otherwise denies the remaining allegations of Paragraph 168.

20 169. To the extent directed to him, Fani denies the allegations of Paragraph
21 169. Fani states that the allegations of Paragraph 169 are otherwise not directed to him
22 and therefore he makes no answer thereto. To the extent any answer is required, Fani
23 denies the remaining allegations of Paragraph 169.

24 170. To the extent directed to him, Fani denies the allegations of Paragraph
25 170. Fani states that the allegations of Paragraph 170 are otherwise not directed to him
26 and therefore he makes no answer thereto. To the extent any answer is required, admits
27 that one of the features offered by MyPhoneFax.com LLC includes email storage of
28 faxes but denies the remaining allegations of Paragraph 170.

1 171. To the extent directed to him, Fani denies the allegations of Paragraph
2 171. Fani states that the allegations of Paragraph 171 are otherwise not directed to him
3 and therefore he makes no answer thereto. To the extent any answer is required, Fani
4 denies the remaining allegations of Paragraph 171.

5 172. Paragraph 172 contains legal conclusions to which no response is
6 required. To the extent directed to him, Fani denies the allegations of Paragraph 172.

7 173. Paragraph 173 contains legal conclusions to which no response is
8 required.

9 174. Paragraph 174 contains legal conclusions to which no response is
10 required. To the extent directed to him, Fani denies the allegations of Paragraph 174.

11 175. To the extent directed to him, Fani denies the allegations of
12 Paragraph 175. Fani states that the allegations of Paragraph 175 are otherwise not
13 directed to him and therefore he makes no answer thereto. To the extent any answer is
14 required, Fani admits that MyPhoneFax.com, LLC provides non-infringing Internet fax
15 services via computers, smartphones and other mobile devices.

16 176. To the extent directed to him, Fani denies the allegations of
17 Paragraph 176. Fani states that the allegations of Paragraph 176 are otherwise not
18 directed to him and therefore he makes no answer thereto. To the extent any answer is
19 required, Fani admits that MyPhoneFax.com, LLC provides non-infringing Internet fax
20 services via computers, smartphones and other mobile devices and that faxes are
21 received, identified, and stored, but there is no OCR processing done which would
22 provide the search keyword feature to the end user. Fani denies the remaining
23 allegations of Paragraph 176.

24 177. Paragraph 177 contains legal conclusions to which no response is
25 required. To the extent directed to him, Fani denies the allegations of Paragraph 177.
26 Fani states that the allegations of Paragraph 177 are otherwise not directed to him and
27 therefore he makes no answer thereto. To the extent any answer is required, Fani
28 denies the remaining allegations of Paragraph 177.

COUNT 1

178. Fani re-alleges and reincorporates his answers to Paragraphs 1-177 of the Amended Complaint as if fully set forth herein.

179. Fani states that the allegations of Paragraph 179 are not directed to him, and contains legal conclusions to which no response is required and therefore he makes no answer thereto. To the extent any answer is required, Fani admits that Plaintiffs and MJF were parties to the License Agreement.

180. Paragraph 180 contains legal conclusions to which no response is required. To the extent directed to him, Fani admits that he and Plaintiffs are party to the Settlement Agreement.

181. Fani denies the allegations of Paragraph 181.

182. Fani denies the allegations of Paragraph 182.

183. Paragraph 183 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 183.

184. Paragraph 184 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 184.

185. Paragraph 185 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 185.

186. Paragraph 186 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 186.

187. Paragraph 187 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 187.

188. Paragraph 188 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 188.

189. Paragraph 189 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 189.

190. Paragraph 190 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 190.

191. Paragraph 191 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 191.

192. Paragraph 192 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 192.

193. Paragraph 193 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 193.

194. Paragraph 194 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 194.

195. Paragraph 195 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 195.

196. Paragraph 196 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 196.

197. Paragraph 197 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 197.

198. Paragraph 198 contains legal conclusions to which no response is required. To the extent any response is required, Fani denies the allegations of Paragraph 198.

199. Paragraph 199 contains legal conclusions to which no response is required. Fani states that the allegations of Paragraph 199 are not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the allegations of Paragraph 199.

COUNT 2

200. Fani re-alleges and reincorporates his answers to Paragraphs 1-199 of the Amended Complaint as if fully set forth herein.

201. Fani states that the allegations of Paragraph 201 are not directed to him, and contains legal conclusions to which no response is required and therefore he makes no answer thereto. To the extent any answer is required, Fani admits that Plaintiffs and MJF were parties to the License Agreement, but denies

1 “Fax87” was a party. The License Agreement identifies “Matt Johnson Finance, Inc.
2 d/b/a Fax87.com”.

3 202. Paragraph 202 contains legal conclusions to which no response is
4 required. To the extent directed to him, Fani admits that he and Plaintiffs are party to
5 the Settlement Agreement, but denies the remaining allegations of Paragraph 202
6 directed to him. Fani states that the allegations of Paragraph 202 are not otherwise
7 directed to him and therefore he makes no answer thereto. To the extent any answer is
8 required, Fani admits that Plaintiffs and MJF were parties to the Settlement
9 Agreement.

10 203. Fani denies the allegations of Paragraph 203.

11 204. Fani denies the allegations of Paragraph 204.

12 205. Fani lacks knowledge or information sufficient to form a belief as to the
13 truth of the allegations of Paragraph 205 of the Amended Complaint, and therefore
14 denies the same.

15 206. Fani lacks knowledge or information sufficient to form a belief as to the
16 truth of the remaining allegations of Paragraph 206 of the Amended Complaint, and
17 therefore denies the same.

18 207. Fani lacks knowledge or information sufficient to form a belief as to the
19 truth of the remaining allegations of Paragraph 207 of the Amended Complaint, and
20 therefore denies the same.

21 208. Fani lacks knowledge or information sufficient to form a belief as to the
22 truth of the remaining allegations of Paragraph 208 of the Amended Complaint, and
23 therefore denies the same.

24 209. Paragraph 209 contains legal conclusions to which no response is
25 required. To the extent directed to him, Fani denies the allegations of Paragraph 209.

26 210. Paragraph 210 contains legal conclusions to which no response is
27 required. To the extent directed to him, Fani denies the allegations of Paragraph 210.

28 211. Fani denies the allegations of Paragraph 211.

212. To the extent directed to him, Fani denies the allegations of Paragraph 212.

213. Fani denies the allegations of Paragraph 213.

214. Fani denies the allegations of Paragraph 214.

215. Fani denies the allegations of Paragraph 215.

216. Paragraph 216 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 216.

217. Paragraph 217 contains legal conclusions to which no response is required. To the extent directed to him, Fani denies the allegations of Paragraph 217.

218. Paragraph 218 contains legal conclusions to which no response is required. Fani denies the allegations of Paragraph 218.

219. Paragraph 219 contains legal conclusions to which no response is required. Fani states that the allegations of Paragraph 219 are not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the allegations of Paragraph 219.

COUNT 3

220. Fani re-alleges and reincorporates his answers to Paragraphs 1-219 of the Amended Complaint as if fully set forth herein.

221. Fani admits that on or about April 10, 2012, he promised to perform his obligations and abide by the terms of the Settlement Agreement. Fani denies the remaining allegations of Paragraph 221 directed to him.

222. Fani denies the allegations of Paragraph 222 with respect to the alleged promises recited therein. Fani states that the allegations of Paragraph 222 are otherwise not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani admits that MJF's obligations under the License Agreement continued only for as long as it utilized the licensed patents, and denies the remaining allegations of Paragraph 222.

223. Fani lacks knowledge or information sufficient to form a belief as to the

1 truth of the allegations of Paragraph 223 of the Amended Complaint, and therefore
2 denies the same.

3 224. Fani denies the allegations of Paragraph 224. Fani states that the
4 allegations of Paragraph 224 are otherwise not directed to him and therefore he makes
5 no answer thereto. To the extent any answer is required, Fani denies the allegations of
6 Paragraph 224.

7 225. Fani denies the allegations of Paragraph 225. Fani states that the
8 allegations of Paragraph 225 are otherwise not directed to him and therefore he makes
9 no answer thereto. To the extent any answer is required, Fani denies the allegations of
10 Paragraph 225.

11 226. Fani denies the allegations of Paragraph 226. Fani states that the
12 allegations of Paragraph 226 are otherwise not directed to him and therefore he makes
13 no answer thereto. To the extent any answer is required, Fani denies the allegations of
14 Paragraph 226.

15 227. Fani denies the allegations of Paragraph 227.

16 228. Paragraph 228 contains legal conclusions to which no response is
17 required. Fani lacks knowledge or information sufficient to form a belief as to the
18 truth of the allegations of Paragraph 228 of the Amended Complaint, and therefore
19 denies the same. Fani states that the allegations of Paragraph 228 are otherwise not
20 directed to him and therefore he makes no answer thereto. To the extent any answer is
21 required, Fani denies the allegations of Paragraph 228.

22 229. Paragraph 229 contains legal conclusions to which no response is
23 required. Fani admits that the Settlement Agreement granted certain releases to Fani
24 and MJF. Fani lacks knowledge or information sufficient to form a belief as to the
25 truth of the remaining allegations of Paragraph 229 of the Amended Complaint, and
26 therefore denies the same.

27 230. Paragraph 230 contains legal conclusions to which no response is
28 required. Fani admits that the earlier litigation was dismissed. Fani lacks knowledge

1 or information sufficient to form a belief as to the truth of the remaining allegations of
2 Paragraph 230 of the Amended Complaint, and therefore denies the same.

3 231. Fani states that the allegations of Paragraph 231 are not directed to him
4 and therefore he makes no answer thereto. To the extent any answer is required, Fani
5 admits that MJF was granted a License and released from any alleged prior
6 infringement. Fani lacks knowledge or information sufficient to form a belief as to the
7 truth of the remaining allegations of Paragraph 231 of the Amended Complaint, and
8 therefore denies the same.

9 232. Fani denies the allegations of Paragraph 232 directed to him.

10 233. Paragraph 233 contains legal conclusions to which no response is
11 required. Fani denies the allegations of Paragraph 233 directed to him.

12 234. Paragraph 234 contains legal conclusions to which no response is
13 required. Fani denies the allegations of Paragraph 234 directed to him.

14 235. Paragraph 235 contains legal conclusions to which no response is
15 required. Fani denies that he made any false promises or that any alleged promise was
16 substantial factor in causing harm.

17 236. Paragraph 236 contains legal conclusions to which no response is
18 required. Fani denies the allegations of Paragraph 236.

19 237. Paragraph 237 contains legal conclusions to which no response is
20 required. Fani states that the allegations of Paragraph 237 are otherwise not directed to
21 him and therefore he makes no answer thereto. To the extent any answer is required,
22 Fani denies the same.

23 238. Paragraph 238 contains legal conclusions to which no response is
24 required. Fani denies the allegations of Paragraph 238 directed to him. Fani states that
25 the allegations of Paragraph 238 are otherwise not directed to him and therefore he
26 makes no answer thereto. To the extent any answer is required, Fani denies the same.

27 239. Paragraph 239 contains legal conclusions to which no response is
28 required. Fani denies the allegations of Paragraph 239 directed to him. Fani states that

1 the allegations of Paragraph 239 are otherwise not directed to him and therefore he
2 makes no answer thereto. To the extent any answer is required, Fani denies the same.

3 240. Fani denies the allegations of Paragraph 240 directed to him. Fani states
4 that the allegations of Paragraph 240 are otherwise not directed to him and therefore he
5 makes no answer thereto. To the extent any answer is required, Fani denies the same.

6 241. Paragraph 241 contains legal conclusions to which no response is
7 required. Fani denies the allegations of Paragraph 241 directed to him. Fani states that
8 the allegations of Paragraph 241 are otherwise not directed to him and therefore he
9 makes no answer thereto. To the extent any answer is required, Fani avers that nothing
10 in the Settlement Agreement or License Agreement prohibited Fani or any affiliated
11 person or entity from operating competing businesses that do not violate plaintiffs'
12 claimed patents or implicate the license agreement. Fani denies the remaining
13 allegations of paragraph 241.

14 242. Paragraph 242 contains legal conclusions to which no response is
15 required. Fani denies the allegations of Paragraph 242 directed to him. Fani states that
16 the allegations of Paragraph 242 are otherwise not directed to him and therefore he
17 makes no answer thereto. To the extent any answer is required, Fani avers that nothing
18 in the Settlement Agreement or License Agreement prohibited Fani or any affiliated
19 person or entity from operating competing businesses that do not violate plaintiffs'
20 claimed patents or implicate the license agreement. Fani denies the remaining
21 allegations of paragraph 242.

22 243. Paragraph 243 contains legal conclusions to which no response is
23 required. To the extent an answer is required, Fani denies the allegations of Paragraph
24 243.

25 244. Paragraph 244 contains legal conclusions to which no response is
26 required. Fani denies the allegations of Paragraph 244 directed to him. Fani states that
27 the allegations of Paragraph 244 are otherwise not directed to him and therefore he
28 makes no answer thereto. To the extent any answer is required, Fani denies the same.

COUNT 4

245. Fani re-alleges and reincorporates his answers to Paragraphs 1-244 of the Amended Complaint as if fully set forth herein.

246. Fani lacks knowledge or information sufficient to form a belief as to the truth of the allegations of Paragraph 246 of the Amended Complaint, and therefore denies the same. Fani further avers, as set forth herein, Plaintiffs' claimed patent ownership is being contested.

247. Paragraph 247 contains legal conclusions to which no response is required. Fani states that the allegations of Paragraph 247 are otherwise not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the same.

248. Paragraph 248 contains legal conclusions to which no response is required. Fani denies the allegations of Paragraph 248 directed to him. Fani states that the allegations of Paragraph 248 are otherwise not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the same.

249. Fani denies the allegations of Paragraph 249 directed to him. Fani states that the allegations of Paragraph 249 are otherwise not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the same.

250. Fani denies the allegations of Paragraph 250. Fani states that the allegations of Paragraph 250 are otherwise not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the same.

251. Fani states that the allegations of Paragraph 251 are not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the same.

252. Fani states that the allegations of Paragraph 252 are not directed to him and therefore he makes no answer thereto. To the extent any answer is required, Fani denies the same.

253. Fani states that the allegations of Paragraph 253 are not directed to him

1 and therefore he makes no answer thereto. To the extent any answer is required, Fani
2 admits that the fax87. com lists the number (866) 698-4068 for sales and support; that
3 the onlinefaxes.com website lists the number (888) 201-4170 as the number for sales
4 and support; denies that the solidfax.com website provides a number for sales and
5 support; admits that the fax87.com and onlinefaxes.com numbers direct callers to the
6 One Voix call center; and denies the remaining allegations of Paragraph 253.

7 254. Fani states that the allegations of Paragraph 254 are not directed to him
8 and therefore he makes no answer thereto. To the extent any answer is required, Fani
9 admits that the fax87. com and onlinefaxes.com websites have links for “Live Chat”;
10 denies that the solidfax.com website has a link for “Live Chat”; admits that One Voix
11 provides live chat services; and denies the remaining allegations of Paragraph 254.

12 255. Fani denies the allegations of Paragraph 255 directed to him. Fani states
13 that the allegations of Paragraph 255 are otherwise not directed to him and therefore he
14 makes no answer thereto. To the extent any answer is required, Fani admits there is a
15 re-direct to the fax87.com website but denies the remaining allegations of Paragraph
16 255.

17 256. Fani states that the allegations of Paragraph 256 are not directed to him
18 and therefore he makes no answer thereto. To the extent any answer is required, upon
19 information and belief, Fani denies the allegations of Paragraph 256.

20 257. Fani states that the allegations of Paragraph 257 are not directed to him
21 and therefore he makes no answer thereto. To the extent any answer is required, Fani
22 denies the allegations of Paragraph 257.

23 258. Fani states that the allegations of Paragraph 258 are not directed to him
24 and therefore he makes no answer thereto. To the extent any answer is required, Fani
25 denies the allegations of Paragraph 258.

26 259. Paragraph 259 contains legal conclusions to which no response is
27 required, or are otherwise not directed to Fani and therefore he makes no answer
28 thereto. To the extent any answer is required, Fani denies the allegations of

1 Paragraph 259.

2 260. Fani admits that he had knowledge of the '638 Patent prior to this lawsuit.
3 Fani denies that he has acted intentionally or recklessly, or that he has infringed any
4 claim of the '638 Patent. Fani states that the allegations of Paragraph 260 are
5 otherwise not directed to him and therefore he makes no answer thereto. To the extent
6 any answer is required, Fani denies the remaining allegations of Paragraph 260.

7 261. Fani admits that he had knowledge of the '638 Patent prior to this lawsuit.
8 Fani states that the allegations of Paragraph 261 are otherwise not directed to him and
9 therefore he makes no answer thereto. To the extent any answer is required, Fani
10 denies the remaining allegations of Paragraph 261.

11 262. Fani states that the allegations of Paragraph 262 are not directed to him
12 and therefore he makes no answer thereto. To the extent any answer is required, Fani
13 admits that Elnaz Fani is his sister but denies the remaining allegations of Paragraph
14 262.

15 263. Fani states that the allegations of Paragraph 263 are not directed to him
16 and therefore he makes no answer thereto. To the extent any answer is required, Fani
17 denies the allegations of Paragraph 263.

18 264. Fani denies the allegations of Paragraph 264 directed to him. Fani states
19 that the allegations of Paragraph 264 are otherwise not directed to him and therefore he
20 makes no answer thereto. To the extent any answer is required, Fani admits that Ms.
21 Yordan and Mr. Thong provide support to MyPhoneFax.com, LLC, a Cook Island
22 limited liability company and that he knows them through this association, but denies
23 the remaining allegations of Paragraph 264.

24 265. Fani denies the allegations of Paragraph 265 directed to him. Fani states
25 that the allegations of Paragraph 265 are otherwise not directed to him and therefore he
26 makes no answer thereto. To the extent any answer is required, Fani denies the
27 remaining allegations of Paragraph 265.

28 266. Fani denies the allegations of Paragraph 266 directed to him. Fani states

1 that the allegations of Paragraph 266 are otherwise not directed to him and therefore he
2 makes no answer thereto. To the extent any answer is required, Fani denies the
3 remaining allegations of Paragraph 266.

4 267. Paragraph 267 contains legal conclusions to which no response is
5 required. Fani denies the allegations of Paragraph 267.

6 268. Paragraph 267 contains legal conclusions to which no response is
7 required. Fani denies the allegations of Paragraph 268.

8 269. Paragraph 267 contains legal conclusions to which no response is
9 required. Fani denies the allegations of Paragraph 269.

10 **COUNT 5**

11 270. Fani re-alleges and reincorporates his answers to Paragraphs 1-269 of the
12 Amended Complaint as if fully set forth herein.

13 271. Fani lacks knowledge or information sufficient to form a belief as to the
14 truth of the allegations of Paragraph 271 of the Amended Complaint, and therefore
15 denies the same.

16 272. Paragraph 272 contains legal conclusions to which no response is
17 required. Fani states that the allegations of Paragraph 272 are not directed to him and
18 therefore he makes no answer thereto. To the extent any answer is required, Fani
19 denies the same.

20 273. Paragraph 273 contains legal conclusions to which no response is
21 required. Fani denies the allegations of Paragraph 273 directed to him. Fani states that
22 the allegations of Paragraph 273 are otherwise not directed to him and therefore he
23 makes no answer thereto. To the extent any answer is required, Fani admits that
24 MyPhoneFax.Com, LLC provides Internet fax products but denies they infringe any of
25 Plaintiffs' asserted patents.

26 274. Fani denies the allegations of Paragraph 274 directed to him. Fani states
27 that the allegations of Paragraph 274 are otherwise not directed to him and therefore he
28 makes no answer thereto. To the extent any answer is required, Fani denies the same.

1 275. Fani denies the allegations of Paragraph 275. Fani states that the
2 allegations of Paragraph 275 are otherwise not directed to him and therefore he makes
3 no answer thereto. To the extent any answer is required, Fani denies the same.

4 276. Fani states that the allegations of Paragraph 276 are not directed to him
5 and therefore he makes no answer thereto. To the extent any answer is required, Fani
6 denies the same.

7 277. Fani states that the allegations of Paragraph 277 are not directed to him
8 and therefore he makes no answer thereto. To the extent any answer is required, Fani
9 denies the same.

10 278. Fani states that the allegations of Paragraph 278 are not directed to him
11 and therefore he makes no answer thereto. To the extent any answer is required, Fani
12 admits that the fax87.com lists the number (866) 698-4068 for sales and support; that
13 the onlinefaxes.com website lists the number (888) 201-4170 as the number for sales
14 and support; denies that the solidfax.com website provides a number for sales and
15 support; admits that the fax87.com and onlinefaxes.com numbers direct callers to the
16 One Voix call center; and denies the remaining allegations of Paragraph 278.

17 279. Fani states that the allegations of Paragraph 279 are not directed to him
18 and therefore he makes no answer thereto. To the extent any answer is required, Fani
19 admits that the fax87.com and onlinefaxes.com websites have links for “Live Chat”;
20 denies that the solidfax.com website has a link for “Live Chat”; admits that One Voix
21 provides live chat services; and denies the remaining allegations of Paragraph 279.

22 280. Fani states that the allegations of Paragraph 280 are otherwise not directed
23 to him and therefore he makes no answer thereto. To the extent any answer is
24 required, Fani admits the re-direct to the fax87.com website but denies the remaining
25 allegations of Paragraph 280.

26 281. Fani states that the allegations of Paragraph 281 are not directed to him
27 and therefore he makes no answer thereto. To the extent any answer is required, Fani
28 denies the allegations of Paragraph 281.

1 282. Fani states that the allegations of Paragraph 282 are not directed to him
2 and therefore he makes no answer thereto. To the extent any answer is required, Fani
3 denies the allegations of Paragraph 282.

4 283. Fani states that the allegations of Paragraph 283 are not directed to him
5 and therefore he makes no answer thereto. To the extent any answer is required, Fani
6 denies the allegations of Paragraph 283.

7 284. Fani denies the allegations of Paragraph 284 as directed to him. Fani
8 states that the allegations of Paragraph 284 are otherwise not directed to him and
9 therefore he makes no answer thereto. To the extent any answer is required, Fani
10 denies the allegations of Paragraph 284.

11 285. Fani denies the allegations of Paragraph 285 directed to him. Fani states
12 that the allegations of Paragraph 285 are otherwise not directed to him and therefore he
13 makes no answer thereto. To the extent any answer is required, Fani denies the
14 remaining allegations of Paragraph 285.

15 286. Paragraph 286 contains legal conclusions to which no response is
16 required. Fani denies the allegations of Paragraph 286 directed to him. Fani states
17 that the allegations of Paragraph 286 are otherwise not directed to him and therefore he
18 makes no answer thereto. To the extent any answer is required, Fani denies the
19 remaining allegations of Paragraph 286.

20 287. Fani denies the allegations of Paragraph 287 directed to him. Fani states
21 that the allegations of Paragraph 287 are otherwise not directed to him and therefore he
22 makes no answer thereto. To the extent any answer is required, Fani denies the
23 remaining allegations of Paragraph 287.

24 288. Fani denies the allegations of Paragraph 288 directed to him. Fani states
25 that the allegations of Paragraph 288 are otherwise not directed to him and therefore he
26 makes no answer thereto. To the extent any answer is required, Fani denies the
27 remaining allegations of Paragraph 288.

28 289. Paragraph 289 contains legal conclusions to which no response is

1 required. Fani denies the allegations of Paragraph 289.

2 290. Paragraph 290 contains legal conclusions to which no response is
3 required. Fani denies the allegations of Paragraph 290.

4 291. Paragraph 291 contains legal conclusions to which no response is
5 required. Fani denies the allegations of Paragraph 291.

6 **COUNT 6**

7 292. Fani re-alleges and reincorporates his answers to Paragraphs 1-291 of the
8 Amended Complaint as if fully set forth herein.

9 293. Fani lacks knowledge or information sufficient to form a belief as to the
10 truth of the allegations of Paragraph 293 of the Amended Complaint, and therefore
11 denies the same.

12 294. Paragraph 294 contains legal conclusions to which no response is
13 required. Fani states that the allegations of Paragraph 294 are not directed to him and
14 therefore he makes no answer thereto. To the extent any answer is required, Fani
15 denies the same.

16 295. Paragraph 295 contains legal conclusions to which no response is
17 required. Fani denies the allegations of Paragraph 295 directed to him. Fani states that
18 the allegations of Paragraph 295 are otherwise not directed to him and therefore he
19 makes no answer thereto. To the extent any answer is required, Fani denies the same.

20 296. Fani denies the allegations of Paragraph 296 directed to him. Fani states
21 that the allegations of Paragraph 296 are otherwise not directed to him and therefore he
22 makes no answer thereto. To the extent any answer is required, Fani denies the same.

23 297. Fani denies the allegations of Paragraph 297. Fani states that the
24 allegations of Paragraph 297 are otherwise not directed to him and therefore he makes
25 no answer thereto. To the extent any answer is required, Fani denies the same.

26 298. Fani states that the allegations of Paragraph 298 are not directed to him
27 and therefore he makes no answer thereto. To the extent any answer is required, Fani
28 denies the same.

1 299. Fani states that the allegations of Paragraph 299 are not directed to him
2 and therefore he makes no answer thereto. To the extent any answer is required, Fani
3 denies the same.

4 300. Fani states that the allegations of Paragraph 300 are not directed to him
5 and therefore he makes no answer thereto. To the extent any answer is required, Fani
6 admits that the fax87.com lists the number (866) 698-4068 for sales and support; that
7 the onlinefaxes.com website lists the number (888) 201-4170 as the number for sales
8 and support; denies that the solidfax.com website provides a number for sales and
9 support; admits that the fax87.com and onlinefaxes.com numbers direct callers to the
10 One Voix call center; and denies the remaining allegations of Paragraph 300.

11 301. Fani states that the allegations of Paragraph 301 are not directed to him
12 and therefore he makes no answer thereto. To the extent any answer is required, Fani
13 admits that the fax87.com and onlinefaxes.com websites have links for “Live Chat”;
14 denies that the solidfax.com website has a link for “Live Chat”; admits that One Voix
15 provides live chat services; and denies the remaining allegations of Paragraph 301.

16 302. Fani denies the allegations of Paragraph 302 directed to him. Fani states
17 that the allegations of Paragraph 302 are otherwise not directed to him and therefore he
18 makes no answer thereto. To the extent any answer is required, Fani admits the re-
19 direct to fax87.com but denies the remaining allegations of Paragraph 302.

20 303. Fani states that the allegations of Paragraph 303 are not directed to him
21 and therefore he makes no answer thereto. To the extent any answer is required, Fani
22 denies the allegations of Paragraph 303.

23 304. Fani states that the allegations of Paragraph 304 are not directed to him
24 and therefore he makes no answer thereto. To the extent any answer is required, Fani
25 denies the allegations of Paragraph 304.

26 305. Fani states that the allegations of Paragraph 305 are not directed to him
27 and therefore he makes no answer thereto. To the extent any answer is required, Fani
28 denies the allegations of Paragraph 305.

1 306. Fani denies the allegations of Paragraph 306 as directed to him. Fani
2 states that the allegations of Paragraph 306 are otherwise not directed to him and
3 therefore he makes no answer thereto. To the extent any answer is required, Fani
4 denies the allegations of Paragraph 306.

5 307. Fani denies the allegations of Paragraph 307 directed to him. Fani states
6 that the allegations of Paragraph 307 are otherwise not directed to him and therefore he
7 makes no answer thereto. To the extent any answer is required, Fani denies the
8 remaining allegations of Paragraph 307.

9 308. Paragraph 308 contains legal conclusions to which no response is
10 required. Fani denies the allegations of Paragraph 308 directed to him. Fani states
11 that the allegations of Paragraph 308 are otherwise not directed to him and therefore he
12 makes no answer thereto. To the extent any answer is required, Fani denies the
13 remaining allegations of Paragraph 308.

14 309. Paragraph 309 contains legal conclusions to which no response is
15 required. Fani denies the allegations of Paragraph 309 directed to him. Fani states that
16 the allegations of Paragraph 309 are otherwise not directed to him and therefore he
17 makes no answer thereto. To the extent any answer is required, Fani denies the
18 remaining allegations of Paragraph 309.

19 310. Paragraph 310 contains legal conclusions to which no response is
20 required. Fani denies the allegations of Paragraph 310 directed to him. Fani states that
21 the allegations of Paragraph 310 are otherwise not directed to him and therefore he
22 makes no answer thereto. To the extent any answer is required, Fani denies the
23 remaining allegations of Paragraph 310.

24 311. Paragraph 311 contains legal conclusions to which no response is
25 required. Fani denies the allegations of Paragraph 311.

26 312. Paragraph 312 contains legal conclusions to which no response is
27 required. Fani denies the allegations of Paragraph 312.

28 313. Paragraph 313 contains legal conclusions to which no response is

1 required. Fani denies the allegations of Paragraph 313.

2 **COUNT 7**

3 314. Fani re-alleges and reincorporates his answers to Paragraphs 1-313 of the
4 Amended Complaint as if fully set forth herein.

5 315. Paragraph 315 contains legal conclusions to which no response is
6 required. Fani lacks knowledge or information sufficient to form a belief as to the
7 truth of the allegations of Paragraph 315 of the Amended Complaint, and therefore
8 denies the same.

9 316. Paragraph 316 contains legal conclusions to which no response is
10 required. Fani lacks knowledge or information sufficient to form a belief as to the
11 truth of the allegations of Paragraph 316 of the Amended Complaint, and therefore
12 denies the same.

13 317. Fani lacks knowledge or information sufficient to form a belief as to the
14 truth of the allegations of Paragraph 317 of the Amended Complaint, and therefore
15 denies the same.

16 318. Paragraph 318 contains legal conclusions to which no response is
17 required. Fani denies the allegations of Paragraph 318 directed to him. Fani states that
18 the allegations of Paragraph 318 are otherwise not directed to him and therefore he
19 makes no answer thereto. To the extent any answer is required, Fani denies the
20 allegations of Paragraph 318.

21 319. Paragraph 319 contains legal conclusions to which no response is
22 required. Fani denies the allegations of Paragraph 319 directed to him. Fani states that
23 the allegations of Paragraph 319 are otherwise not directed to him and therefore he
24 makes no answer thereto. To the extent any answer is required, Fani denies the
25 allegations of Paragraph 319.

26 320. Paragraph 320 contains legal conclusions to which no response is
27 required. Fani denies the allegations of Paragraph 320 directed to him. Fani states that
28 the allegations of Paragraph 320 are otherwise not directed to him and therefore he

1 makes no answer thereto. To the extent any answer is required, Fani denies the
2 allegations of Paragraph 320.

3 321. Paragraph 321 contains legal conclusions to which no response is
4 required. Fani denies the allegations of Paragraph 321 directed to him. Fani states that
5 the allegations of Paragraph 321 are otherwise not directed to him and therefore he
6 makes no answer thereto. To the extent any answer is required, Fani denies the
7 allegations of Paragraph 321.

8 322. Paragraph 322 contains legal conclusions to which no response is
9 required. Fani denies the allegations of Paragraph 322 directed to him. Fani states that
10 the allegations of Paragraph 322 are otherwise not directed to him and therefore he
11 makes no answer thereto. To the extent any answer is required, Fani denies the
12 allegations of Paragraph 322.

13 **COUNT 8**

14 323. Fani re-alleges and reincorporates his answers to Paragraphs 1-322 of the
15 Amended Complaint as if fully set forth herein.

16 324. Paragraph 324 contains legal conclusions to which no response is
17 required. Fani denies the allegations of Paragraph 324 directed to him. Fani states that
18 the allegations of Paragraph 324 are otherwise not directed to him and therefore he
19 makes no answer thereto. To the extent any answer is required, Fani denies the
20 allegations of Paragraph 324.

21 325. Fani denies the allegations of Paragraph 325 directed to him, including
22 that he has made any unauthorized or infringing use of the “efax” mark. Fani states
23 that the allegations of Paragraph 325 are otherwise not directed to him and therefore he
24 makes no answer thereto. To the extent any answer is required, Fani denies the
25 allegations of Paragraph 325.

26 326. Fani denies the allegations of Paragraph 326 directed to him, including
27 that he has made any unauthorized or infringing use of the “efax” mark. Fani states
28 that the allegations of Paragraph 326 are otherwise not directed to him and therefore he

1 makes no answer thereto. To the extent any answer is required, Fani denies the
2 allegations of Paragraph 326.

3 327. Fani denies the allegations of Paragraph 327 directed to him, including
4 that he has made any unauthorized or infringing use of the “efax” mark. Fani states
5 that the allegations of Paragraph 327 are otherwise not directed to him and therefore he
6 makes no answer thereto. To the extent any answer is required, Fani denies the
7 allegations of Paragraph 327.

8 328. Paragraph 328 contains legal conclusions to which no response is
9 required. Fani denies the allegations of Paragraph 328 directed to him. Fani states that
10 the allegations of Paragraph 328 are otherwise not directed to him and therefore he
11 makes no answer thereto. To the extent any answer is required, Fani denies the
12 allegations of Paragraph 328.

13 329. Paragraph 329 contains legal conclusions to which no response is
14 required. Fani denies the allegations of Paragraph 329 directed to him. Fani states that
15 the allegations of Paragraph 329 are otherwise not directed to him and therefore he
16 makes no answer thereto. To the extent any answer is required, Fani denies the
17 allegations of Paragraph 329.

18 **COUNT 9**

19 330. Fani re-alleges and reincorporates his answers to Paragraphs 1-329 of the
20 Amended Complaint as if fully set forth herein.

21 331. Fani denies the allegations of Paragraph 331 directed to him. Fani states
22 that the allegations of Paragraph 331 are otherwise not directed to him and therefore he
23 makes no answer thereto. To the extent any answer is required, Fani denies the
24 allegations of Paragraph 331.

25 332. Paragraph 332 contains legal conclusions to which no response is
26 required. Fani denies the allegations of Paragraph 332 directed to him. Fani states that
27 the allegations of Paragraph 332 are otherwise not directed to him and therefore he
28 makes no answer thereto. To the extent any answer is required, Fani denies the

1 allegations of Paragraph 332.

2 333. Fani denies the allegations of Paragraph 333 directed to him. Fani states
3 that the allegations of Paragraph 333 are otherwise not directed to him and therefore he
4 makes no answer thereto. To the extent any answer is required, Fani denies the
5 allegations of Paragraph 333.

6 334. Fani denies the allegations of Paragraph 334.

7 335. Paragraph 335 contains legal conclusions to which no response is
8 required. Fani denies the allegations of Paragraph 335 directed to him. Fani states that
9 the allegations of Paragraph 335 are otherwise not directed to him and therefore he
10 makes no answer thereto. To the extent any answer is required, Fani denies the
11 allegations of Paragraph 335.

12 336. Paragraph 336 contains legal conclusions to which no response is
13 required. Fani denies the allegations of Paragraph 336 directed to him. Fani states that
14 the allegations of Paragraph 336 are otherwise not directed to him and therefore he
15 makes no answer thereto. To the extent any answer is required, Fani denies the
16 allegations of Paragraph 336.

17 337. Paragraph 337 contains legal conclusions to which no response is
18 required. Fani denies the allegations of Paragraph 337 directed to him. Fani states that
19 the allegations of Paragraph 337 are otherwise not directed to him and therefore he
20 makes no answer thereto. To the extent any answer is required, Fani denies the
21 allegations of Paragraph 337.

22 338. Paragraph 338 contains legal conclusions to which no response is
23 required. Fani denies the allegations of Paragraph 338 directed to him. Fani states that
24 the allegations of Paragraph 338 are otherwise not directed to him and therefore he
25 makes no answer thereto. To the extent any answer is required, Fani denies the
26 allegations of Paragraph 338.

27 339. Paragraph 339 contains legal conclusions to which no response is
28 required. Fani denies the allegations of Paragraph 339 directed to him. Fani states that

1 the allegations of Paragraph 339 are otherwise not directed to him and therefore he
2 makes no answer thereto. To the extent any answer is required, Fani denies the
3 allegations of Paragraph 339.

4 340. Paragraph 340 contains legal conclusions to which no response is
5 required. Fani denies the allegations of Paragraph 340 directed to him. Fani states that
6 the allegations of Paragraph 340 are otherwise not directed to him and therefore he
7 makes no answer thereto. To the extent any answer is required, Fani denies the
8 allegations of Paragraph 340.

9 341. Paragraph 341 contains legal conclusions to which no response is
10 required. Fani denies the allegations of Paragraph 341 directed to him. Fani states that
11 the allegations of Paragraph 341 are otherwise not directed to him and therefore he
12 makes no answer thereto. To the extent any answer is required, Fani denies the
13 allegations of Paragraph 341.

14 **COUNT 10**

15 342. Fani re-alleges and reincorporates his answers to Paragraphs 1-341 of the
16 Amended Complaint as if fully set forth herein.

17 343. Fani states that Count 10 of the Amended Complaint is not directed to
18 him, and Paragraph 343 is not directed to him and therefore he makes no answer
19 thereto. To the extent any answer is required, Fani admits that MJF is an inactive
20 corporation.

21 344. Fani states that Count 10 of the Amended Complaint is not directed to
22 him, and Paragraph 344 is not directed to him and therefore he makes no answer
23 thereto. To the extent any answer is required, Fani admits that the name fax87.com
24 was a “doing business as” name for MJF.

25 345. Fani states that Count 10 of the Amended Complaint is not directed to
26 him, and Paragraph 345 is not directed to him and therefore he makes no answer
27 thereto. To the extent any answer is required, Fani lacks knowledge or information
28 sufficient to form a belief as to the truth of the allegations of Paragraph 345 of the

1 Amended Complaint, and therefore denies the same.

2 346. Paragraph 346 contains legal conclusions to which no response is
3 required. Fani states that Count 10 of the Amended Complaint is not directed to him,
4 and Paragraph 346 is not directed to him and therefore he makes no answer thereto.
5 To the extent a response is required, Fani lacks knowledge or information sufficient to
6 form a belief as to the truth of the allegations of Paragraph 346 of the Amended
7 Complaint, and therefore denies the same.

8 **Demand for Jury Trial**

9 347. Fani states that Paragraph 347 contains only a jury demand to which no
10 response is required.

11 **Relief Requested**

12 As to the allegations in the Relief Requested section of the Amended Complaint,
13 Fani denies that Plaintiffs are entitled to any of the requested relief including any
14 monetary damages, punitive damages, accounting of profits or injunctive relief, and
15 denies any and all allegations set forth in Paragraphs A through P of the Prayer for
16 Relief. Fani specifically denies any breach of contract, breach of the covenant of good
17 faith and fair dealing, promissory fraud, infringement of the '638 patent, the '699
18 patent, and/or the '220 patent, trademark infringement, unfair competition under
19 federal, state, and/or common law, including any allegations that his actions constitute
20 willful infringement of the '638 patent, '699 patent, '220 patent, or the "efax" mark.

21 **AFFIRMATIVE DEFENSES TO ALL COUNTS**

22 Fani asserts the following affirmative and other defenses, without assuming the
23 burden of proof when such burden would otherwise be on Plaintiffs. Fani reserves the
24 right to modify and/or expand these defenses and to take further positions and raise
25 additional defenses as discovery proceeds in this case.

26 **FIRST AFFIRMATIVE DEFENSE**

27 Upon information and belief, the claims Plaintiffs assert against Fani are barred
28 by the principles and doctrines of estoppel, and/or unclean hands. On information and

1 belief, Gregory C. James is the sole inventor of the inventions disclosed in the '638
2 Patent. On information and belief, James worked with Plaintiffs in connection with
3 creating the inventions disclosed in the '638 Patent. On information and belief, after
4 James created the inventions disclosed in the '638 Patent, Plaintiffs' principals at the
5 time, Jack Rieley and Jaye Muller, sought patent protection for those inventions, and
6 claimed, falsely, that they had invented the inventions disclosed in the '638 Patent. In
7 obtaining the patent, Rieley and Muller executed oaths pursuant to 35 U.S.C § 115
8 attesting that they believed themselves to be the original and first inventors of the
9 inventions disclosed in the '638 Patent. On information belief, when Rieley and
10 Muller executed those oaths, they knew their declarations to be false because, having
11 worked with James, they knew he had solely invented the inventions disclosed in the
12 '638 Patent. The claim of inventorship is material to patentability by virtue of it being
13 a prerequisite to obtaining patent protection for an invention.

14 On information and belief, Rieley, Muller and Plaintiffs (and/or their
15 predecessors in interest) intentionally obtained patent protection without James'
16 knowledge and omitted him as an inventor. On information and belief, James never
17 assigned his inventorship and ownership rights in the inventions disclosed in the '638
18 Patent to Plaintiffs (and/or their predecessors in interest). In a written agreement with
19 Plaintiffs (and/or predecessors in interest), James assigned certain intellectual property
20 rights to Plaintiffs (and/or their predecessors in interest), but not his inventorship rights
21 in the inventions disclosed in the '638 patent.

22 When Plaintiffs sued Fani for infringement of the '638 Patent in 2011 they
23 represented that they had the sole ownership interest in the patent when, in fact, they
24 knew that they did not. Plaintiffs concealed the true facts regarding the inventorship
25 and ownership of the '638 Patent throughout the litigation. In entering the 2012
26 Settlement Agreement with Fani and MJF, Plaintiffs again represented they had the
27 sole ownership of the '638 Patent, when in fact, they knew they did not. When
28 Plaintiffs entered the 2012 License Agreement with MJF, they again represented that

1 they had the sole ownership interest in the '638 Patent when they knew they did not.
2 Plaintiffs concealed the true facts in order to persuade Fani to abandon his rights to
3 challenge the validity of the '638 Patent upon settlement, and to obtain royalty
4 payments from MJF by way of the 2012 License Agreement to which they are not
5 entitled.

6 **SECOND AFFIRMATIVE DEFENSE**

7 By reason of the proceedings in the United States Patent and Trademark Office
8 during the prosecution of the applications that matured into the '638 patent, '699
9 patent and the '220 patent and, in particular, the applicant's and/or his
10 representative(s)' and/or agents' remarks, representations, concessions, amendments,
11 and/or admissions during those proceedings, Plaintiffs are precluded and estopped
12 from asserting that Fani has infringed upon any claim of the '638 patent, '699 patent or
13 the '220 patent.

14 **THIRD AFFIRMATIVE DEFENSE**

15 Upon information and belief, Plaintiffs are wholly or partially barred from the
16 relief that it seeks because the asserted claims of the '699 patent and the '220 patent
17 are invalid for failure to comply with one or more of the conditions and requirements
18 of patentability as set forth in the Patent Laws of the United States, 35 U.S.C. § 100 *et*
19 *seq.*, including but not limited to, those set forth in 35 U.S.C. §§ 101, 102, 103, 112,
20 and/or 132, and the rules, regulations, and law pertaining thereto.

21 **FOURTH AFFIRMATIVE DEFENSE**

22 Plaintiffs have expressly, impliedly, or equitably released Fani with regard to the
23 matters about which they complain in the causes of action asserted against Fani.
24 Pursuant to the Settlement Agreement and Mutual Release dated April 2012, j2 and
25 AMT forever released any claims (known and unknown) against Fani, including as an
26 alleged alter-ego of MJF, for violation of any patent (or other claim) as of the Effective
27 Date.
28

FIFTH AFFIRMATIVE DEFENSE

Plaintiffs did not reasonably rely on any of the alleged acts, omissions or representations of Fani. Plaintiffs attempted to negotiate a provision which would require Fani's signature on the License, but that term was rejected as part of the settlement. Thus, at all times, Plaintiffs knew, and accepted that Fani was not a signatory to the License and had no personal obligations thereunder. Nothing in the Settlement Agreement (or License) restricts Fani's future business endeavors, forbids him from establishing an Internet fax business, or prohibited the sale of MJF's assets to MyPhoneFax.Com, LLC, a Cook Island limited liability company.

SIXTH AFFIRMATIVE DEFENSE

On information and belief, Plaintiffs committed material breach of contract, precluding them, in whole or in part, from recovering from Fani with regard to the causes of action asserted against Fani. Upon information and belief, the claims Plaintiffs assert against Fani are barred by the principles and doctrines of estoppel, and/or unclean hands. On information and belief, Gregory C. James is the sole inventor of the inventions disclosed in the '638 Patent. On information and belief, James worked with Plaintiffs in connection with creating the inventions disclosed in the '638 Patent. On information and belief, after James created the inventions disclosed in the '638 Patent, Plaintiffs' principals at the time, Jack Rieley and Jaye Muller, sought patent protection for those inventions, and claimed, falsely, that they had invented the inventions disclosed in the '638 Patent. In obtaining the patent, Rieley and Muller executed oaths pursuant to 35 U.S.C § 115 attesting that they believed themselves to be the original and first inventors of the inventions disclosed in the '638 Patent. On information belief, when Rieley and Muller executed those oaths, they knew their declarations to be false because, having worked with James, they knew he had solely invented the inventions disclosed in the '638 Patent. The claim of inventorship is material to patentability by virtue of it being a prerequisite to obtaining patent protection for an invention.

1 On information and belief, Rieley, Muller and Plaintiffs (and/or their
2 predecessors in interest) intentionally obtained patent protection without James'
3 knowledge and omitted him as an inventor. On information and belief, James never
4 assigned his inventorship and ownership rights in the inventions disclosed in the '638
5 Patent to Plaintiffs (and/or their predecessors in interest). In a written agreement with
6 Plaintiffs (and/or predecessors in interest), James assigned certain intellectual property
7 rights to Plaintiffs (and/or their predecessors in interest), but not his inventorship rights
8 in the inventions disclosed in the '638 patent.

9 When Plaintiffs sued Fani for infringement of the '638 Patent in 2011 they
10 represented that they had the sole ownership interest in the patent when, in fact, they
11 knew that they did not. Plaintiffs concealed the true facts regarding the inventorship
12 and ownership of the '638 Patent throughout the litigation. In entering the 2012
13 Settlement Agreement with Fani and MJF, Plaintiffs again represented they had the
14 sole ownership of the '638 Patent, when in fact, they knew they did not. When
15 Plaintiffs entered the 2012 License Agreement with MJF, they again represented that
16 they had the sole ownership interest in the '638 Patent when they knew they did not.
17 Plaintiffs concealed the true facts in order to persuade Fani to abandon his rights to
18 challenge the validity of the '638 Patent upon settlement, and to obtain royalty
19 payments from MJF by way of the 2012 License Agreement to which they are not
20 entitled. Plaintiffs false representations of sole ownership of the '638 Patent constitute
21 material breaches of the Settlement Agreement and License Agreement precluding
22 their enforcement against Fani under any theory.

23 **SEVENTH AFFIRMATIVE DEFENSE**

24 Each purported cause of action against Fani is barred on account of mistake,
25 fraud, or fraud in the inducement.

26 Upon information and belief, the claims Plaintiffs assert against Fani are barred
27 by the principles and doctrines of estoppel, and/or unclean hands. On information and
28 belief, Gregory C. James is the sole inventor of the inventions disclosed in the '638

1 Patent. On information and belief, James worked with Plaintiffs in connection with
2 creating the inventions disclosed in the '638 Patent. On information and belief, after
3 James created the inventions disclosed in the '638 Patent, Plaintiffs' principals at the
4 time, Jack Rieley and Jaye Muller, sought patent protection for those inventions, and
5 claimed, falsely, that they had invented the inventions disclosed in the '638 Patent. In
6 obtaining the patent, Rieley and Muller executed oaths pursuant to 35 U.S.C § 115
7 attesting that they believed themselves to be the original and first inventors of the
8 inventions disclosed in the '638 Patent. On information belief, when Rieley and
9 Muller executed those oaths, they knew their declarations to be false because, having
10 worked with James, they knew he had solely invented the inventions disclosed in the
11 '638 Patent. The claim of inventorship is material to patentability by virtue of it being
12 a prerequisite to obtaining patent protection for an invention.

13 On information and belief, Rieley, Muller and Plaintiffs (and/or their
14 predecessors in interest) intentionally obtained patent protection without James'
15 knowledge and omitted him as an inventor. On information and belief, James never
16 assigned his inventorship and ownership rights in the inventions disclosed in the '638
17 Patent to Plaintiffs (and/or their predecessors in interest). In a written agreement with
18 Plaintiffs (and/or predecessors in interest), James assigned certain intellectual property
19 rights to Plaintiffs (and/or their predecessors in interest), but not his inventorship rights
20 in the inventions disclosed in the '638 patent.

21 When Plaintiffs sued Fani for infringement of the '638 Patent in 2011 they
22 represented that they had the sole ownership interest in the patent when, in fact, they
23 knew that they did not. Plaintiffs concealed the true facts regarding the inventorship
24 and ownership of the '638 Patent throughout the litigation. In entering the 2012
25 Settlement Agreement with Fani and MJF, Plaintiffs again represented they had the
26 sole ownership of the '638 Patent, when in fact, they knew they did not. When
27 Plaintiffs entered the 2012 License Agreement with MJF, they again represented that
28 they had the sole ownership interest in the '638 Patent when they knew they did not.

1 Plaintiffs concealed the true facts in order to persuade Fani to abandon his rights to
2 challenge the validity of the '638 Patent upon settlement, and to obtain royalty
3 payments from MJF by way of the 2012 License Agreement to which they are not
4 entitled.

5 WHEREFORE, Fani denies that Plaintiffs are entitled to any relief as prayed for
6 in the Amended Complaint or otherwise and, accordingly, respectfully prays for entry
7 of judgment dismissing Plaintiffs' Amended Complaint, with prejudice, and for such
8 other and further relief as is just and proper under the circumstances including, but not
9 limited to:

10 A. Dismissing any and all counts of the Amended Complaint asserted against
11 Fani, with prejudice;

12 B. Declaring and entering judgment that Plaintiffs are not entitled to any
13 relief from Fani sought by the Amended Complaint and that Fani is not a party to the
14 License Agreement and has no obligations thereunder;

15 C. Declaring and entering judgment that Fani has not infringed any of the
16 asserted claims of the '638 patent, '699 patent and '220 patent;

17 D. Declaring and entering judgment that Fani has not infringed any
18 trademarks rights Plaintiffs may have in the term "efax";

19 E. Declaring and entering judgment that all asserted claims of the '699
20 patent and the '220 patent are invalid;

21 F. Declaring this case exceptional pursuant to 35 U.S.C. § 285 in favor of
22 Fani;

23 G. Declaring this case exceptional pursuant to 15 U.S.C. § 1117 in favor of
24 Fani;

25 H. Permanently enjoining Plaintiffs and their agents, servants, employees and
26 attorneys, and any and all person in active concert or participation with any of them
27 from asserting, stating, implying, or suggesting that Fani infringe any of the claims of
28 the '638 patent, '699 patent or the '220 patent or that he infringes any trademark rights

1 Plaintiffs have in the term “efax”;

2 I. Awarding Fani his costs and reasonable attorneys’ fees incurred in
3 connection with this action.

4 **COUNTERCLAIM**

5 COMES NOW Defendant-Counterclaimant Farjad Fani, (“Fani”) and, for his
6 Counterclaims against Plaintiffs j2 Cloud Services, LLP and Advanced Messaging
7 Technologies, Inc. (“Counter-Defendants”), states as follows:

8 **NATURE OF ACTION**

9 1. This Counterclaim seeks, *inter alia*, a judgment declaring that all asserted
10 claims of U.S. Patent No. 8,310,699 (“the ’699 patent”) and 8,675,220 (“the ’220
11 patent”) are invalid and/or not infringed by Fani.

12 **THE PARTIES**

13 2. Fani is an individual who currently resides in the State of Washington.

14 3. Upon information and belief, Counter-Defendant j2 Cloud Services, LLP
15 is a limited liability company organized under the laws of the State of California, with
16 its principal place of business in Los Angeles, California. On information and belief,
17 Counter-Defendant j2 Cloud Services, LLP’s predecessor in interest was j2 Cloud
18 Services, Inc. an original Plaintiff in this action.

19 4. Upon information and belief, Counter-Defendant Advanced Messaging
20 Technologies, Inc. is a Delaware corporation with its principal place of business in Los
21 Angeles, California.

22 **JURISDICTION AND VENUE**

23 5. This Court has subject matter jurisdiction over this Counterclaim pursuant
24 to the Declaratory Judgment Act, 28 U.S.C. §§ 2201, *et seq.*, under 28 U.S.C. §
25 1338(a), and under the patent laws of the United States, 35 U.S.C. §§ 1, *et seq.* Venue
26 lies in this District under 28 U.S.C. §§ 1400(b) and 1391.

27 6. On July 24, 2013, Counter-Defendants commenced a civil lawsuit against
28 Fani, alleging that Fani is infringing at least claim of the ’699 patent and at least claim

1 of the '220 patent. Counter-Defendants have submitted to the personal jurisdiction of this Court by bringing the present action.

7. By their actions, Counter-Defendants have created an actual and justiciable case and controversy between themselves and Fani concerning whether the asserted claims of the '699 patent and the '220 patent are valid; whether the '699 patent and the '220 patent are enforceable; and whether Fani has infringed any valid and/or enforceable claim of the '699 patent and the '220 patent.

COUNTERCLAIM

COUNT I

(Declaratory Judgment of Non-Infringement of U.S. Patent No. 8,310,699)

8. Fani incorporates by reference each and every allegation set forth in paragraphs 1 through 7 of this Counterclaim as if fully set forth and restated herein.

9. An actual case or controversy exists between Fani and Counter-Defendants as to whether the '699 patent is not infringed by Fani.

10. Fani does not infringe the '699 patent because Fani does not practice, nor have the means to practice each element of any valid and enforceable claims of the '699 patent.

11. Fani therefore seeks a judicial declaration finding that Fani has not infringed and does not infringe any valid and enforceable claim of the '699 patent.

COUNT II

(Declaratory Judgment of Invalidity of U.S. Patent No. 8,310,699)

12. Fani incorporates by reference each and every allegation set forth in paragraphs 1 through 11 of this Counterclaim as if fully set forth and restated herein.

13. An actual case or controversy exists between Fani and Counter-Defendants as to whether the '699 patent is invalid for failure to comply with the requirements for patentability set forth in 35 U.S.C. §§ 101 *et seq.*

14. The asserted claims of the '699 patent are invalid and void for failure to comply with the requirements of the patent laws of the United States, 35 U.S.C. § 100

1 *et seq.*, including, but not limited to, those set forth in 35 U.S.C. §§ 101, 102, 103, 112,
2 and/or 132.

3 15. Fani therefore seeks a judicial declaration finding that the asserted claims
4 of the '699 patent are invalid.

5 **COUNT III**

6 **(Declaratory Judgment of Non-Infringement of U.S. Patent No. 8,675,220)**

7 16. Fani incorporates by reference each and every allegation set forth in
8 paragraphs 1 through 15 of this Counterclaim as if fully set forth and restated herein.

9 17. An actual case or controversy exists between Fani and Counter-
10 Defendants Plaintiffs as to whether the '220 patent is not infringed by Fani.

11 18. Fani does not infringe the '220 patent or contribute to or induce the
12 infringement by others because Fani does not practice, nor does he have the means to
13 practice, each element of any valid and enforceable claims of the '220 patent.

14 19. Fani therefore seeks a judicial declaration finding that Fani has not
15 infringed and does not infringe any valid and enforceable claim of the '220 patent.

16 **COUNT IV**

17 **(Declaratory Judgment of Invalidity of U.S. Patent No. 8,675,220)**

18 20. Fani incorporates by reference each and every allegation set forth in
19 paragraphs 1 through 19 of this Counterclaim as if fully set forth and restated herein.

20 21. An actual case or controversy exists between Fani and Counter-
21 Defendants Plaintiffs as to whether the '220 patent is invalid for failure to comply with
22 the requirements for patentability set forth in 35 U.S.C. §§ 101 *et seq.*

23 22. The asserted claims of the '220 patent are invalid and void for failure to
24 comply with the requirements of the patent laws of the United States, 35 U.S.C. § 100
25 *et seq.*, including, but not limited to, those set forth in 35 U.S.C. §§ 101, 102, 103, 112,
26 and/or 132.

27 23. Fani therefore seeks a judicial declaration finding that the asserted claims
28 of the '220 patent are invalid.

PRAYER FOR RELIEF

WHEREFORE, Fani respectfully prays that the Court enter judgment in its favor and award the following relief against Counter-Defendants:

A. Declare that Fani has not infringed any claim of the '699 patent or the '220 patent;

B. Declare that each asserted claim of the '699 patent and the '220 patent is invalid and of no force or effect;

C. Declare this case exceptional under 35 U.S.C. § 285 in favor of Fani;

D. Permanently enjoin Counter-Defendants and their agents, servants, employees and attorneys, and any and all persons in active concert or participation with any of them from asserting, stating, implying, or suggesting that Fani infringes upon any claims of the '699 patent and the '220 patent;

E. Award Fani his costs and reasonable attorneys' fees incurred in connection with this action; and

F. Award and grant Fani such other and further relief as the Court deems just and proper under the circumstances.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Fani demands a trial by jury of all issues so triable.

DATED: December 13, 2016

PUTTERMAN LANDRY + YU LLP

By: /s/ Michelle Landry

MICHELLE L. LANDRY

Attorneys for Defendant
FARJAD FANI

CERTIFICATE OF SERVICE

I hereby certify that on December 13, 2016, I authorized the electronic filing of the foregoing ANSWER OF FARJAD FANI TO J2 CLOUD SERVICES, INC.'S AND ADVANCED MESSAGING SERVICES, INC.'S FIRST AMENDED AND SUPPLEMENTAL COMPLAINT, AFFIRMATIVE DEFENSES AND COUNTERCLAIMS with the Clerk of the Court using the CM/ECF system.

Executed on December 13, 2016.

/s/ Michelle L. Landry

MICHELLE L. LANDRY