SUMMONS (CITACION JUDICIAL)

NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

Neutron Holdings, Inc., David Richter, and Brad Bao

YOU ARE BEING SUED BY PLAINTIFF: (LO ESTÁ DEMANDANDO EL DEMANDANTE):

Khosla Ventures IV, L.P. and Khosla Ventures IV (CF), L.P.

FOR COURT USE ONLY (SOLO PARA USO DE LA CORTE)

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. ¡AVISO! Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. AVISO: Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:

(El nombre y dirección de la corte es):

San Francisco Superior Court 400 McAllister St.

San Francisco, CA, 94102

CASE NUMBER: (Número del Caso) 8 4 1 8 8

ANGELICA SUNGA

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is: (El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado les):

Nicholas G. Purcell, WILMER CUTLER PICKERNG HALE AND DORR LLP, 350 S. Grand Ave., Suite 2100, Los Angeles, CA 90071

DATE: (Fecha) PR 20 2020

Clerk of the Court

Clerk, by (Secretario)

`, Deputy (Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citatión use el formulario Proof of Service of Summons, (POS-010).

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NOTICE TO THE PERSON SERVED: You are served				
1.	x as an individual defendant.			
2.	as the person sued under the fictitious name of (specify):			

3. x on behalf of (specify): Neutron Holdings, Inc.

under: X CCP 416.10 (corporation)

CCP 416.20 (defunct corporation)

CCP 416.40 (association or partnership)

CCP 416.40 (association or partnership) other (specify):

	CCP 416.70 (conservatee)
) [CCP 416.90 (authorized person)

CCP 416.60 (minor)

x by personal delivery on (date)

Page 1 of 1

Code of Civil Procedure §§ 412.20, 465 www.courts.ca.gov



1 2 3 4 5 6 7 8	WILMER CUTLER PICKERING HALE AND DORR LLP Nicholas G. Purcell (SBN: 313632) nick.purcell@wilmerhale.com 350 South Grand Avenue, Suite 2100 Los Angeles, CA 90071 Telephone: +1 213 443 5300 Facsimile: +1 213 443 5400 Attorneys for Plaintiffs KHOSLA VENTURES IV, L.P. KHOSLA VENTURES IV (CF), L.P.	SUPERIOR COURT COUNTY OF SAN FRANCISCO APR 2 0 2020 CLERK OF THE COURT HACK ANGELICA SUNGA				
9	SUPERIOR COURT OF	THE STATE OF CALIFORNIA				
10	IN THE COUNT	IN THE COUNTY OF SAN FRANCISCO				
11	`	CASE NO C G C - 20 - 58418				
12	KHOSLA VENTURES IV, L.P., a Delaware limited partnership, KHOSLA) CASE NO				
13	VENTURES IV (CF), L.P., a Delaware limited partnership,) COMPLAINT FOR DAMAGES FOR:				
14	Plaintiffs,) (1) INTENTIONAL INTERFERENCE				
15	v.	WITH PROSPECTIVE ECONOMICADVANTAGE;				
16) (2) INTENTIONAL INTERFERENCE				
17) WITH CONTRACTUAL RELATIONS;				
18	NEUTRON HOLDINGS, INC., a) (3) INTENTIONAL MICHEREGENETATION AND EDAUD.				
19	Delaware corporation, DAVID	MISREPRESENTATION AND FRAUD;AND				
20	RICHTER, an individual, and BRAD BAO, an individual.) (4) UNFAIR BUSINESS				
21	*) PRACTICES				
22	Defendants.) [DEMAND FOR JURY TRIAL]				
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NATURE OF THE ACTION

- 1. This is an action for intentional interference with prospective economic advantage and contractual relations, intentional misrepresentation and fraud, and unfair business practices against Defendant Neutron Holdings, Inc. ("Lime"), Defendant David Richter, and Defendant Brad Bao (collectively, "Defendants"). Plaintiffs Khosla Ventures IV, L.P. and Khosla Ventures IV (CF), L.P. (collectively, "Plaintiffs") bring certain of these tort claims on behalf of non-party Boosted, Inc. ("Boosted") as the purchaser and assignee of any and all commercial tort claims held by Boosted against Lime. Plaintiffs also assert intentional interference with prospective economic advantage, intentional misrepresentation and fraud, and unfair business practices claims against Defendants on their own behalf.
- 2. Defendants devised and implemented a scheme to fraudulently interfere with Plaintiffs' and Boosted's ongoing and prospective contractual relationships. Specifically, Defendants entered discussions on the pretense of an interest and intent to acquire portions of Boosted's business, primarily a portion of its employees, but with no actual interest in or intention of purchasing the assets. Instead, Defendants used the supposed negotiations to acquire nonpublic information about Boosted in order to steal Boosted's employees without compensating Boosted or its creditors, including Plaintiffs. Defendants used the information that it acquired from Boosted to interfere with Boosted's pursuit of other commercial contracts and ensure that Boosted was not able to consummate a different transaction with a sincerely interested business partner or to obtain financing from another source. Defendants were successful in sabotaging Boosted's pursuit of alternative plans or financing and interfering with its contractual relationships with its creditors. Defendants' actions eventually led to a foreclosure of Boosted's assets. Lime then completed its plan by purchasing certain of Boosted's assets for far less than it had previously agreed to pay, and then, in an effort to avoid liability for its wrongful actions, went further by purporting to purchase Boosted's contractual claims (including any claims against Lime) through a deficient and improperly conducted foreclosure auction.

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3. By the causes of action asserted herein, Plaintiffs seek monetary damages, including punitive damages, for the wrongful acts of Defendants. Plaintiffs also seek restitution and injunctive relief against Defendants, and recovery of all their costs incurred in bringing and prosecuting this suit, including their attorneys' fees.

JURISDICTION AND VENUE

- 4. This Court has jurisdiction because the matter in controversy exceeds the sum or value of \$25,000.
- 5. Venue is proper in this Court pursuant to California Code of Civil Procedure Sections 395 and 395.5. One or more of the Defendants has its principal place of business in the County of San Francisco, State of California. The tortious conduct at issue took place in California, including in the County of San Francisco, State of California.

THE PARTIES

- 6. Plaintiffs Khosla Ventures IV, L.P. and Khosla Ventures IV (CF), L.P. are each Delaware limited partnerships with their principal place of business in California.
- 7. Defendant Neutron Holdings, Inc., commonly known and hereinafter referred to as "Lime," is a corporation organized under the laws of Delaware with its principal place of business in the County of San Francisco, California. Lime's primary business is operating electric scooter and electric bike sharing systems.
- 8. Plaintiffs are informed and believe and on that basis allege that Defendant David Richter is an individual residing in California and is the Chief Business Officer of Lime.
- 9. Plaintiffs are informed and believe and on that basis allege that Defendant Brad Bao is an individual residing in California and is the Chief Executive Officer of Lime.

GENERAL FACTUAL ALLEGATIONS

10. Boosted was a local electric skateboard and scooter manufacturer. In early 2019, Boosted and Lime entered into commercial discussions regarding a joint business venture, as Lime's business involves renting out electric scooters to customers. The business activities of

both Lime and Boosted concerned the electric scooter market. As part of those discussions, Boosted and Lime signed a non-disclosure agreement.

11. On May 6, 2019, non-party Structural Capital Investments II, LP ("Structural") entered into a Loan and Security Agreement ("the LSA") with Boosted. The LSA stated that Boosted wished to borrow money from Structural and other lenders and set forth the terms on which the lenders would lend money to Boosted and Boosted would repay the loans. Plaintiffs, Structural, and non-party Activate Capital Partners, L.P. ("Activate") are parties to an Intercreditor Agreement, entered as of October 21, 2019 (the "Intercreditor Agreement"), which set out the respective rights, priorities, and interests governing loans that Plaintiffs, Structural, and Activate made to Boosted and the collateral for those loans. Plaintiffs, Structural, and Activate had provided secured loans totaling \$23.5 million to Boosted. In addition, Plaintiffs had previously invested in excess of \$65.0 million of equity capital in Boosted.

The Lime Term Sheet and Deal Negotiations

- 12. In December 2019, Plaintiffs (as investors in Boosted) reached out to Lime to inquire as to whether it would be interested in making an offer to purchase Boosted. Plaintiffs and Boosted disclosed to Lime that they were also pursuing other financing options for Boosted, including financing the company to continue as a stand-alone business. Plaintiffs began negotiating with members of Lime's senior management team, including Defendant David Richter, Lime's Chief Business Officer. On December 10, 2019, Richter confirmed that Lime would pay Boosted \$30 million, in the form of Lime common stock, to acquire certain Boosted assets, primarily a group of Boosted employees.
- 13. On December 11, 2019, Lime promised Plaintiffs that a term sheet would be forthcoming to document Lime's proposal and immediately requested the ability to interview Boosted employees. Lime represented that it needed to determine to which employees it would need to offer employment and said that it needed to get a core group together to facilitate Lime paying the purchase price to Boosted.

- 14. On December 15, 2019, Lime sent Plaintiffs and Boosted an initial term sheet. The term sheet provided by Lime called for a full purchase of all assets of Boosted with limited exceptions. This was inconsistent with Plaintiffs' prior conversations with representatives of Lime and Plaintiffs' understanding of Lime's business needs based on those conversations, namely that the deal was primarily driven by Lime's desire to acquire Boosted employees.
- 15. On December 16, 2019, Michael Hillman, the Vice President of Engineering at Boosted, was put in charge of coordinating the interviews of Boosted employees that Lime had requested.
- 16. Boosted's counsel provided comments to Lime's initial term sheet shortly thereafter to clarify the nature of the proposed transaction. On December 22, 2019, Lime provided Boosted with a revised term sheet. Later that day, Boosted's counsel provided further edits to the term sheet.
- 17. At this same time, Boosted was considering a reduction in force to conserve cash, which would result in terminating a portion of its workforce. When Lime learned of this, it strongly urged Boosted not to eliminate any jobs until Lime was able to interview the subset of employees whom it was targeting to hire, claiming that if Boosted employees were terminated during the negotiation process, it would be much harder for Lime to evaluate and hire Boosted employees. Reluctantly, Boosted agreed to keep its full staff employed during this period.
- 18. Around December 18, 2019, a representative of Plaintiffs spoke with Richter by phone. Plaintiffs requested that the deal not include the purchase of Boosted's intellectual property and instead provide for a license to that intellectual property. Plaintiffs also requested that the deal not include Boosted's physical equipment. Therefore, the terms of the proposed deal as of that date included two items of value to Lime: hiring a small, limited subset of Boosted's employees (approximately 6 people) and a license to use Boosted's intellectual property to manufacture scooters. Richter agreed to the terms of the deal as presented by Plaintiffs.

19. Between December 19, 2019 and December 31, 2019, Plaintiffs, Boosted, and Lime negotiated the provisions of the term sheet. Based on Defendants' representations, Plaintiffs' and Boosted's understanding of the terms of the deal during these negotiations was that Lime would pay Boosted \$30 million, in the form of Lime common stock, in exchange for hiring a small, limited subset of certain Boosted employees (approximately 6 employees) and a license to use Boosted's intellectual property.

Potential Deal with Another Manufacturer

- 20. On or around December 24, 2019, Boosted learned of interest from an international motorcycle and off-road vehicle manufacturer ("Manufacturer") either to acquire all of Boosted or to-finance its ongoing operations. After internal debate, Boosted decided to pursue the potential Manufacturer deal and to continue negotiating with Lime in parallel. The deal with Lime remained Boosted's main priority. Lime was informed of Boosted's potential deal with Manufacturer during the first week of January 2020.
- 21. At this time, Boosted planned first to complete its deal for Lime to hire a small, limited subset of employees (approximately 6 employees) and a non-exclusive license for Lime to use its intellectual property. Then, Boosted planned to pursue a financing or acquisition deal with Manufacturer for its remaining business.

Lime Sabotages the Deal with Boosted

- 22. At around this time, Structural, the senior creditor of Boosted, began freezing Boosted's cash, claiming breaches by Boosted of certain covenants in its LSA. Structural indicated a preference to pursue a deal with Lime and indicated that it was willing to do whatever it took to complete such a deal.
- 23. On January 6, 2020, representatives of Plaintiffs spoke on the phone with representatives of Lime, including Defendant Richter, to attempt to document the terms of the deal. By this time, Lime had already been interviewing Boosted's employees for several weeks, and Plaintiffs continued to emphasize that hiring Boosted's employees would require payment from Lime.

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- 24. Around January 6, 2020, and despite its prior agreement on price, Lime unilaterally purported to reduce the price it was willing to pay Boosted from \$30 million in Lime stock to \$15 million in Lime stock. At around the same time that the price was reduced, Lime indicated that the number of employees required to be acquired by Lime would increase. It also became clear that Lime has acquired additional information regarding the skill sets and capabilities of Boosted's workforce.
- 25. On or around January 15, 2020, Plaintiffs learned that Boosted employee Michael Hillman had accepted an employment offer to join Lime immediately. Hillman, who was coordinating all of Lime's interviews of other Boosted employees, was fully informed from Boosted's management and Board of all strategic information regarding Boosted's business goals and plans with respect to the deals and negotiations with Lime and Manufacturer. Hillman also possessed confidential trade secrets regarding Boosted's internal rankings of its employees and evaluation of its employees' skills and expertise. Lime put Hillman in charge of recruiting Boosted employees to Lime.
- 26. In the last week of January and first week of February 2020, discussions between Boosted and Lime deteriorated and eventually broke off. Plaintiffs grew suspicious that Lime had acquired confidential information through Hillman regarding how Boosted's potential deal with Manufacturer was progressing.
- 27. On or around February 13, 2020, Plaintiffs also became aware that Structural had been having direct discussions with Lime, unbeknownst to Plaintiffs, regarding acquiring Boosted's assets.

Breakdown of the Manufacturer Deal and Fallout

28. At around this time, Manufacturer informed Boosted that it would not proceed with a deal, after all material diligence had been completed. Manufacturer stated that its foreignbased senior management team was not ready to make a move into this space. However, upon information and belief, a significant reason that Manufacturer did not pursue a deal with Boosted was that it feared the loss of crucial Boosted team members to Lime.

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- 29. Lime then proceeded with hiring between 10 to 15 Boosted employees, more than double the number that they supposedly intended to hire at the outset of the negotiations, and the deal between Boosted and Lime was dead. From late February through March 2020, Plaintiffs explored recapitalizing Boosted and funding a go-forward plan. With no strategic partners or transaction partners remaining, and many of its best, critical employees hired away by Lime, Plaintiffs decided not to fund Boosted any further.
- 30. To keep the business operational during the period of negotiation with Lime, Plaintiffs provided four bridge loans to Boosted, totaling \$2,407,000 from January 10, 2020 to February 28, 2020.
- 31. As the direct result of Defendants'-actions, which disrupted Boosted's business and prevented Plaintiffs and Boosted from effectively pursuing alternative financing arrangements for Boosted, Structural then determined that there would be a foreclosure sale of all of Boosted's assets over which Structural held a lien, which occurred on March 17, 2020. Defendants conspired with Structural to limit the number of potential buyers that would have notice of the sale and therefore could participate in the auction, including by not informing Plaintiffs of the sale until fewer than 24 hours beforehand. Defendants' actions in limiting the number of potential buyers, including delayed notice to Plaintiffs of the sale, facilitated Lime's purchase of certain of Boosted's assets and impeded Plaintiffs' ability to benefit from the sale. At the foreclosure sale, Structural purchased certain of Boosted's liquid assets and Lime purchased all of Boosted's other assets over which Structural held a lien, including Boosted's intellectual property. The foreclosure sale did not include Boosted's commercial tort claims against Lime. Thereafter, pursuant to a Quitclaim Bill of Sale dated April 2, 2020 (the "Quitclaim Bill of Sale"), Boosted assigned and transferred to Plaintiffs "all of the right, title and interest of [Boosted], in and to any and all commercial tort claims whatsoever against Neutron Holdings, Inc. dba Lime and any affiliates thereof or successors thereto." In return, Plaintiffs promised to pay up to \$600,000 of Boosted liabilities.

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FIRST ALLEGED CAUSE OF ACTION INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE (against all Defendants)

- 32. Plaintiffs hereby reallege and incorporate by reference paragraphs 1 through 31 of the Complaint as if fully set forth herein.
- 33. Plaintiffs assert this claim on their own behalf against all Defendants. Plaintiffs also assert this claim as the assignee of Boosted against Lime pursuant to the Quitclaim Bill of Sale.
- 34. As detailed above, Plaintiffs and Boosted had alternatives to the Lime acquisition offer, including potential transactions pursuant to which Boosted would be acquired or financed by another party. These alternative transactions had the probability of future economic benefit for Plaintiffs and Boosted.
- 35. Defendants were aware that Plaintiffs and Boosted were considering these alternative transactions.
- 36. Defendants engaged in wrongful, intentional acts designed to disrupt Plaintiffs and Boosted from consummating an alternative transaction. These wrongful, intentional acts include, *inter alia*, (1) misappropriating Boosted's trade secrets, (2) using Boosted's confidential information for improper purposes, (3) misrepresenting that Lime was genuinely considering acquiring the assets and employees of Boosted and concealing that Lime's true intention was to continue to entice Boosted to disclose its confidential information under the guise of due diligence for a transaction that was never going to happen, (4) misrepresenting that Lime was genuinely considering a business relationship with Boosted and concealing Lime's true intention in order to prevent Boosted from being acquired or financed by another party, and (5) inducing Plaintiffs to make bridge loans to Boosted to keep it operational during the purported "due diligence" period and provide Defendants with more time to review and access Boosted's confidential information.

- 37. 1 2 Boosted from consummating an alternative transaction, Defendants told Boosted and Plaintiffs 3 not to terminate the Boosted employees. Thereafter, employees of Defendant Lime continued to 4 interview the Boosted employees. Lime also hired away a key senior Boosted employee, 5 Michael Hillman, who had knowledge of Boosted's confidential and trade secret information, and put Hillman in charge of recruiting Boosted employees to Lime. 6
- 7 38. employees, and told Boosted and Plaintiffs to focus instead on the proposed transaction outlined 8 9 in the term sheet, Defendants misrepresented that Defendant Lime was genuinely considering 10 acquiring Boosted's assets and employees and concealed that Defendant Lime's real intention 11 was to continue to entice Boosted to disclose its confidential information under the guise of due

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42. Defendants' intentional wrongful acts interfered with Plaintiffs' and Boosted's prospective business advantage and disrupted its efforts to consummate an alternative

diligence for a transaction that was never going to happen.

alternative financing or acquisition transaction for Boosted.

transaction. As a result of Defendants' intentional acts, Boosted's business was harmed and disrupted, which negatively affected the ability of Plaintiffs and Boosted to consummate an

Additionally, and in furtherance of Defendants' efforts to disrupt Plaintiffs and

When Defendants told Boosted and Plaintiffs not to terminate the Boosted

On information and belief, Defendants took the above-identified wrongful actions

On information and belief, Defendants took the above-identified wrongful actions

Defendants lack privilege or justification for such actions and Plaintiffs and

alternative financing or acquisition transaction for Boosted once the discussions between

in order to deter Plaintiffs and Boosted from consummating an alternative transaction.

in order to adversely affect the prospects that Plaintiffs and Boosted could consummate an

Boosted have suffered actual damage, loss, or harm as a result of Defendants' wrongful

26 Boosted and Lime broke off.

- 43. As a direct result of Defendants' actions, Plaintiffs and Boosted have suffered damages, the exact amount to be determined at trial.
- 44. On information and belief, Defendants intended to cause injury to Plaintiffs and Boosted by their wrongful acts and acted oppressively and maliciously for the purpose of damaging Plaintiffs' and Boosted's lawful business. Defendants' conduct as alleged herein justifies imposition of exemplary and punitive damages in an amount to be determined at trial.

SECOND CAUSE OF ACTION INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS: BOOSTED'S CONTRACTUAL RELATIONS WITH STRUCTURAL (against Defendant Lime)

- 45. Plaintiffs hereby reallege and incorporate by reference paragraphs 1 through 44 of the Complaint as if fully set forth herein.
- 46. Plaintiffs assert this claim as the assignee of Boosted pursuant to the Quitclaim Bill of Sale.
- 47. At all times relevant hereto, Boosted had a valid and enforceable contract with Structural, the LSA, pursuant to which Structural loaned money to Boosted.
 - 48. Defendants knew of the existence of that agreement.
- 49. Defendants engaged in intentional acts designed to harm and disrupt Boosted's business and that caused Structural to pursue a foreclosure process. These intentional acts include, *inter alia*, (1) misappropriating Boosted's trade secrets, (2) using Boosted's confidential information for improper purposes, (3) misrepresenting that Lime was genuinely considering acquiring the assets and employees of Boosted and concealing that Lime's true intention was to continue to entice Boosted to disclose its confidential information under the guise of due diligence for a transaction that was never going to happen, (4) misrepresenting that Lime was genuinely considering a business relationship with Boosted and concealing Lime's true intention in order to prevent Boosted from being acquired or financed by another party, and (5) inducing Plaintiffs to make bridge loans to Boosted to keep it operational during the purported "due

diligence" period and provide Defendants with more time to review and access Boosted's confidential information.

- 50. Defendants' actions resulted in an actual breach or disruption of the contractual relationship between Boosted and Structural.
- 51. Defendants lack privilege or justification for such actions and Boosted has suffered actual damage, loss, or harm as a result of their interference.
- 52. As a result of Defendants' actions, Boosted's business was harmed and disrupted, and Structural pursued a foreclosure process.
- 53. As a direct result of Defendants' actions, Boosted has suffered damages, the exact amount to be determined at trial.
- 54. On information and belief, Defendants intended to cause injury to Boosted by their wrongful acts and acted oppressively and maliciously for the purpose of damaging Boosted's lawful business. Defendants' conduct as alleged herein justifies imposition of exemplary and punitive damages in an amount to be determined at trial.

THIRD CAUSE OF ACTION INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS: PLAINTIFFS' CONTRACTUAL RELATIONS WITH STRUCTURAL AND ACTIVATE (against all Defendants)

- 55. Plaintiffs hereby reallege and incorporate by reference paragraphs 1 through 54 of the Complaint as if fully set forth herein.
- 56. Plaintiffs had a valid and enforceable contract with Structural and Activate, the Intercreditor Agreement, which set out the respective rights, priorities and interests governing loans that Plaintiffs, Structural and Activate made to Boosted and the collateral for those loans.
 - 57. Upon information and belief, Defendants knew of the existence of that agreement.
- 58. Defendants engaged in intentional acts designed to harm and disrupt Boosted's business and that caused Structural to pursue a foreclosure process, thus harming Plaintiffs.

 These intentional acts include, *inter alia*, (1) misappropriating Boosted's trade secrets, (2) using Boosted's confidential information for improper purposes, (3) misrepresenting that Lime was

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genuinely considering acquiring the assets and employees of Boosted and concealing that Lime's true intention was to continue to entice Boosted to disclose its confidential information under the guise of due diligence for a transaction that was never going to happen, (4) misrepresenting that Lime was genuinely considering a business relationship with Boosted and concealing Lime's true intention in order to prevent Boosted from being acquired or financed by another party, and (5) inducing Plaintiffs to make bridge loans to Boosted to keep it operational during the purported "due diligence" period and provide Defendants with more time to review and access Boosted's confidential information.

- 59. Defendants' actions resulted in an actual breach or disruption of Plaintiffs' contractual relationship with Structural and Activate.
- 60. Defendants lack privilege or justification for such actions and Plaintiffs have suffered actual damage, loss, or harm as a result of their interference.
- As a result of Defendants' actions, Boosted's business was harmed and disrupted, and Structural exercised its creditor rights under the Intercreditor Agreement to the detriment of Plaintiffs. Defendants then conspired with Structural to limit the number of potential buyers who would have notice of the sale and therefore could participate in the auction, including by not informing Plaintiffs of the sale until less than 24 hours beforehand. Defendants' actions in limiting the number of potential buyers, including delayed notice to Plaintiffs of the sale, facilitated Lime's purchase of certain of Boosted's assets and impeded Plaintiffs' ability to exercise their contractual rights and benefit from the foreclosure.
- 62. As a direct result of Defendants' actions, Plaintiffs have suffered damages, the exact amount to be determined at trial.
- 63. On information and belief, Defendants intended to cause injury to Plaintiffs by their wrongful acts and acted oppressively and maliciously for the purpose of damaging Plaintiffs' lawful business. Defendants' conduct as alleged herein justifies imposition of exemplary and punitive damages in an amount to be determined at trial.

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FOURTH ALLEGED CAUSE OF ACTION INTENTIONAL MISREPRESENTATION AND FRAUD PURSUANT TO CAL. CIV. CODE §§ 1709, 1710, 1572, 1573) (against all Defendants)

- 64. Plaintiffs hereby reallege and incorporate by reference paragraphs 1 through 63 of the Complaint as if fully set forth herein.
- 65. Plaintiffs assert this claim on their own behalf against all Defendants. Plaintiffs also assert this claim as the assignee of Boosted against Lime pursuant to the Quitclaim Bill of Sale.
- As detailed above, beginning in late-2019 and continuing to February 2020, Defendants misrepresented to Boosted and Plaintiffs that Lime was considering a business relationship with Boosted and ultimately that it was seeking to acquire Boosted's assets and employees, as memorialized in the draft term sheets provided by Defendant Lime on December 15, 2019 and December 22, 2019.
 - 67. At the time of the misrepresentations, Defendants knew they were false.
- 68. On information and belief, Defendants intended to deceive Plaintiffs and Boosted, and Defendants' true intentions were to lure Boosted into divulging its confidential information, including important employee information, to prevent it from being acquired or financed by another party, and then to use Boosted's information for improper purposes.
- 69. In addition, Defendants' misrepresentations induced Boosted to not proceed with a planned reduction in its work force in order to improve Lime's ability to hire away a critical mass of Boosted's employees. If Boosted had proceeded with the reduction in its work force, or if Lime had simply waited for Boosted to fail and disband, Lime would have had a much more difficult time in tracking down and hiring Boosted's employees after they left the company.
- 70. Lime also hired away a key senior Boosted employee, Michael Hillman, who had knowledge of Boosted's confidential and trade secret information, and put Hillman in charge of recruiting Boosted employees to Lime.

- 71. Defendants intended that Plaintiffs and Boosted rely on the misrepresentations, and in particular the sham term sheet, to make additional bridge loans to Boosted to support the supposed acquisition.
- 72. Defendants also intended for Plaintiffs to make bridge loans to Boosted to keep it operational during the "due diligence" period and provide Defendants with more time to review and access Boosted's proprietary and confidential information.
- 73. Plaintiffs and Boosted were unaware that Defendants' representations were false, actually believed Defendants were genuinely considering a business transaction with Boosted, and Plaintiffs reasonably and actually relied on Defendants' representations in providing additional funding to Boosted.
- 74. Between January 10, 2020 and February 28, 2020, Plaintiffs provided four bridge loans to Boosted, totaling \$2,407,000.
- 75. As a result of Defendants' false representations, Plaintiffs and Boosted have been generally damaged in an amount to be proven at trial. Defendants' false representations were a substantial factor in causing damage to Plaintiffs and Boosted.
- 76. On information and belief, Defendants intended to cause injury to Plaintiffs and Boosted by their fraudulent and wrongful acts and acted oppressively and maliciously for the purpose of damaging Plaintiffs' and Boosted's lawful business. Defendants' conduct as alleged herein justifies imposition of exemplary and punitive damages in an amount to be determined at trial.

FIFTH ALLEGED CAUSE OF ACTION UNFAIR BUSINESS PRACTICES PURSUANT TO CAL. BUS. & PROF. CODE § 17200) (against all Defendants)

- 77. Plaintiffs hereby reallege and incorporate by reference paragraphs 1 through 76 of the Complaint as if fully set forth herein.
- 78. The California Unfair Competition Law defines unfair competition to include any "unlawful," "unfair" or "fraudulent" business act or practice. Cal. Bus. & Prof. Code § 17200.

- 79. Defendants fraudulently misrepresented its intentions to convince Boosted to provide its confidential and proprietary information and to convince Plaintiffs to make additional investments into Boosted in support of the supposed acquisition.
- 80. Defendants intended for Boosted to provide its confidential and proprietary information so that Defendants could use Boosted's information to gain an unfair business advantage.
- 81. Defendants also intended for Plaintiffs to make the loans to Boosted to keep it operational and provide Defendants with more time to review Boosted's confidential information so that they could gain an unfair business advantage.
- 82. In addition, Defendants' misrepresentations induced Boosted to not proceed with a planned reduction in its work force in order to improve Lime's ability to hire away a critical mass of Boosted's employees. If Boosted had proceeded with the reduction in its work force, or if Lime had simply waited for Boosted to fail and disband, Lime would have had a much more difficult time in tracking down and hiring Boosted's employees after they left the company.
- 83. Lime also hired away a key senior Boosted employee, Michael Hillman, who had knowledge of Boosted's confidential and trade secret information, and put Hillman in charge of recruiting Boosted employees to Lime.
- 84. By engaging in the wrongful conduct alleged herein, Defendants violated California's Unfair Competition Law by engaging in unlawful, unfair, and fraudulently deceptive business acts or practices, which were immoral, unethical, oppressive, unscrupulous, and substantially damaging to Plaintiffs and Boosted.
- 85. As a result of Defendants' fraudulent and unlawful and conduct, Plaintiffs have suffered irreparable injury and are entitled to restitution and injunctive relief. Cal. Bus. & Prof. Code § 17203.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment as follows:

- 1. That the Court enter judgment in favor of Plaintiffs and against Defendants on all counts alleged herein.
- 2. That the Court enjoin Lime from using any Boosted confidential information it wrongfully obtained from Boosted beginning in 2019 to the present;
- 3. That the Court enjoin Defendants from retaining any materials reflecting Boosted confidential information that Defendants wrongfully obtained;
 - 4. For compensatory damages in an amount to be proven at trial;
- 5. For restitution and/or disgorgement of all revenues, earnings, profits, compensation, and benefits that may have been obtained by Defendant Lime as a result of its unfair and deceptive business practices;
- 6. For punitive damages in an amount appropriate to punish Defendants and to make an example of them to the community;
- 7. For all attorneys' fees and costs incurred by Plaintiffs in bringing and prosecuting this action; and
- 8. For such other and further relief as the Court may deem just, proper and appropriate.

Dated: April 20, 2020

WILMER CUTLER PICKERING HALE AND DORR LLP

By: Nicholas Purcell

Nicholas G. Purcell (SBN: 313632) nick.purcell@wilmerhale.com 350 S Grand Ave, Suite 2100 Los Angeles, CA 90071 Telephone: (213) 443-5300 Fax: (213) 443-5400

Attorneys for Plaintiffs KHOSLA VENTURES IV, L.P. KHOSLA VENTURES IV (CF), L.P.

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DEMAND FOR JURY TRIAL

1 2 Plaintiffs Khosla Ventures IV, L.P. and Khosla Ventures IV (CF), L.P. hereby demand a 3 trial by jury on all issues and causes of action alleged against each of the Defendants. 4 Dated: April 20, 2020 WILMER CUTLER PICKERING HALE 5 AND DORR LLP 6 Nicholas G. Purcell (SBN: 313632) 7 nick.purcell@wilmerhale.com 350 S Grand Ave, Suite 2100 8 Los Angeles, CA 90071 Telephone: (213) 443-5300 9 Fax: (213) 443-5400 10 Attorneys for Plaintiffs 11 KHOSLA VENTURES IV, L.P. KHOSLA VENTURES IV (CF), L.P. 12 Of Counsel 13 Michael G. Bongiorno (pro hac vice forthcoming) 14 michael.bongiorno@wilmerhale.com Peter J. Kolovos (pro hac vice forthcoming) 15 peter.kolovos@wilmerhale.com Denise Tsai (pro hac vice forthcoming) 16 denise.tsai@wilmerhale.com Wilmer Cutler Pickering Hale and Dorr LLP 17 60 State Street Boston, MA 02109 18 Telephone: (617) 526-6000 19 Fax: (617) 526-5000 20 21 22 23 24 25

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ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Los	imber and address):			
Nichotas G. Purcell (SBN: 313632)	miber, and address).	FOR COURT USE ONLY		
WILMER CUTLER PICKERING HALE AND DO	ARRILE .			
350 S. Grand Ave., Suite 2100	SINIVELI			
Los Angeles, CA 90071				
TELEPHONE NO.: 213-443-5300	FAX NO. (Optional): 213-443-5400	FILED		
ATTORNEY FOR (Name): Khosla Ventures IV, L.P.		SUPERIOR COURT		
	······································	FILED SUPERIOR COURT COUNTY OF SAN FRANCISCO		
SUPERIOR COURT OF CALIFORNIA, COUNTY O		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
STREET ADDRESS: 400 McAllister St., San Francis	sco, CA 94102	APR 2 0 2020		
MAILING ADDRESS: 400 McAllister St.				
CITY AND ZIP CODE: San Francisco, CA 94102		CLERK OF THE COURT		
BRANCH NAME: Civic Center Courthouse		ou. Surance		
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CASE NAME:	OF L. D. v. Novitson Holdings Inc. of al	ANGELICA SUNGA		
Khosla Ventures IV, L.P. and Khosla Ventures IV (JP), L.P. V. Neution Holdings, Inc., et al.	·		
CIVIL CASE COVER SHEET	Complex Case Designation	G C - 20 - 584188		
▼ Unlimited	Counter Joinder	100 20-584 100 T		
(Amount (Amount		G (- 20 3 -)		
demanded demanded is	Filed with first appearance by defendant	JUDGE:		
exceeds \$25,000) \$25,000)	(Cal. Rules of Court, rule 3.402)	DEPT.:		
	l low must be completed (see instructions of	n nage 21		
		n page 2).		
1. Check one box below for the case type the		· · · · · · · · · · · · · · · · · · ·		
Auto Tort		Provisionally Complex Civil Litigation		
Auto (22)	Breach of contract/warranty (06)	(Cal. Rules of Court, rules 3.400-3.403)		
Uninsured motorist (46)	Rule 3.740 collections (09)	Antitrust/Trade regulation (03)		
Other PI/PD/WD (Personal Injury/Property		Construction defect (10)		
Damage/Wrongful Death) Tort	Other collections (09)			
1 <u> </u>	Insurance coverage (18)	Mass tort (40)		
Asbestos (04)	Other contract (37)	Securities litigation (28)		
Product liability (24)	Real Property	Environmental/Toxic tort (30)		
Medical malpractice (45).	` •	Insurance coverage claims arising from the		
1.=	Eminent domain/Inverse	above listed provisionally complex case		
Other PI/PD/WD (23)	condemnation (14)	types (41)		
Non-Pl/PD/WD (Other) Tort		Enforcement of Judgment		
Business tort/unfair business practice (07)		Enforcement of judgment (20)		
Civil rights (08)	Unlawful Detainer	Miscellaneous Civil Complaint		
Defamation (13)	Commercial (31)	RICO (27)		
· — . ·	Residential (32)			
Fraud (16)	Drugs (38)	Other complaint (not specified above) (42)		
Intellectual property (19)		Miscellaneous Civil Petition		
Professional negligence (25)	Judicial Review	Partnership and corporate governance (21)		
Other non-PI/PD/WD tort (35)	Asset forfeiture (05)	<u> </u>		
Employment	Petition re: arbitration award (11)	Other petition (not specified above) (43)		
Wrongful termination (36)	Writ of mandate (02)	•		
·	Other judicial review (39)			
Other employment (15)				
2. This case is is not com	plex under rule 3.400 of the California Rule	es of Court. If the case is complex, mark the		
factors requiring exceptional judicial manag				
a. Large number of separately repre	•	r of witnesses		
	· . — -	with related actions pending in one or more		
		r counties, states, or countries, or in a federal		
issues that will be time-consuming		i counties, states, or countries, or in a leveral		
c. Substantial amount of documenta	ry evidence court			
O Daniella accept (street 1971 ()		ostjudgment judicial supervision		
3. Remedies sought (check all that apply): a.		eclaratory or injunctive relief c. x punitive		
4. Number of causes of action (specify): Five	(5)			
5. This case is x is not a class	ass action suit.			
6. If there are any known related cases, file a	and serve a notice of related case. (You ma	ev use form CM-015.)		
Date: April 20, 2020	II. II a mondo of foliated edeer (foliation			
Nicholas G. Purcell	C 🗽	Nicholas Purall		
(TYPE OR PRINT NAME)	NOTICE	(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)		
District and the state of the s	NOTICE	anneath ann all atalian a season ann an a		
• Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed				
under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result				
in sanctions.				
• File this cover sheet in addition to any cover sheet required by local court rule.				
• If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all				
other parties to the action or proceeding. • Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only. Page 1 of 2				
• Unless this is a collections case under rule	3.740 or a complex case, this cover sheet	will be used for statistical purposes only.		
		Page 1 of 2 a		

Cal. Rules of Court, rules 2.30, 3.220, 3.400–3.403, 3.74
Cal. Standards of Judicial Administration, std. 3.

www.courts.ca.go

INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

To Plaintiffs and Others Filing First Papers. If you are filing a first paper (for example, a complaint) in a civil case, you must complete and file, along with your first paper, the Civil Case Cover Sheet contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 6 on the sheet. In item 1, you must check one box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1. check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action, To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 2.30 and 3.220 of the California Rules of Court.

To Parties in Rule 3,740 Collections Cases. A "collections case" under rule 3,740 is defined as an action for recovery of money owed in a sum stated to be certain that is not more than \$25,000, exclusive of interest and attorney's fees, arising from a transaction in which property, services, or money was acquired on credit. A collections case does not include an action seeking the following: (1) tort damages, (2) punitive damages, (3) recovery of real property, (4) recovery of personal property, or (5) a prejudgment writ of attachment. The identification of a case as a rule 3.740 collections case on this form means that it will be exempt from the general time-for-service requirements and case management rules, unless a defendant files a responsive pleading. A rule 3,740 collections case will be subject to the requirements for service and obtaining a judgment in rule 3.740.

To Parties in Complex Cases. In complex cases only, parties must also use the Civil Case Cover Sheet to designate whether the case is complex. If a plaintiff believes the case is complex under rule 3.400 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiffs designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that CASE TYPES AND EXAMPLES
Contract the case is complex.

Auto Tort Auto (22)-Personal Injury/Property Damage/Wrongful Death Uninsured Motorist (46) (if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto) Other PI/PD/WD (Personal Injury/

Property Damage/Wrongful Death) Tort

Asbestos (04) Asbestos Property Damage Asbestos Personal Injury/ Wrongful Death Product Liability (not asbestos or toxic/environmental) (24) Medical Malpractice (45) Medical Malpractice-Physicians & Surgeons Other Professional Health Care Malpractice Other PI/PD/WD (23) Premises Liability (e.g., slip and fall) Intentional Bodily Injury/PD/WD (e.g., assault, vandalism) Intentional Infliction of **Emotional Distress** Negligent Infliction of

Other PI/PD/WD Non-PI/PD/WD (Other) Tort Business Tort/Unfair Business Practice (07)

Civil Rights (e.g., discrimination, false arrest) (not civil harassment) (08)

Emotional Distress

Defamation (e.g., slander, libel) (13)Fraud (16)

Intellectual Property (19) Professional Negligence (25) Legal Malpractice

Other Professional Malpractice (not medical or legal) Other Non-PI/PD/WD Tort (35)

Employment

Wrongful Termination (36) Other Employment (15)

Breach of Contract/Warranty (06) Breach of Rental/Lease

Contract (not unlawful detainer or wronaful eviction)

Contract/Warranty Breach-Seller Plaintiff (not fraud or negligence) Negligent Breach of Contract/

Warranty

Other Breach of Contract/Warranty

Collections (e.g., money owed, open book accounts) (09)

Collection Case-Seller Plaintiff Other Promissory Note/Collections Case

Insurance Coverage (not provisionally complex) (18)

Auto Subrogation Other Coverage

Other Contract (37) Contractual Fraud

Other Contract Dispute Real Property

Eminent Domain/Inverse Condemnation (14)

Wrongful Eviction (33)

Other Real Property (e.g., quiet title) (26) Writ of Possession of Real Property

Mortgage Foreclosure

Quiet Title

Other Real Property (not eminent domain, landlord/tenant, or

foreclosure)

Unlawful Detainer

Commercial (31) Residential (32)

Drugs (38) (if the case involves illegal drugs, check this item; otherwise. report as Commercial or Residential)

Judicial Review

Asset Forfeiture (05)

Petition Re: Arbitration Award (11)

Writ of Mandate (02)

Writ-Administrative Mandamus Writ-Mandamus on Limited Court

Case Matter Writ-Other Limited Court Case Review

Other Judicial Review (39)

Review of Health Officer Order

Notice of Appeal–Labor Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rules 3,400-3,403)

Antitrust/Trade Regulation (03) Construction Defect (10) Claims Involving Mass Tort (40) Securities Litigation (28) Environmental/Toxic Tort (30) Insurance Coverage Claims (arising from provisionally complex

case type listed above) (41) **Enforcement of Judgment**

Enforcement of Judgment (20) Abstract of Judgment (Out of County)

Confession of Judgment (nondomestic relations) Sister State Judgment

Administrative Agency Award (not unpaid taxes) Petition/Certification of Entry of

Judgment on Unpaid Taxes Other Enforcement of Judgment Case

Miscellaneous Civil Complaint

RICO (27)

Other Complaint (not specified above) (42)

Declaratory Relief Only Injunctive Relief Only (nonharassment)

Mechanics Lien

Other Commercial Complaint Case (non-tort/non-complex)

Other Civil Complaint (non-tort/non-complex)

Miscellaneous Civil Petition

Partnership and Corporate Governance (21)

Other Petition (not specified

above) (43) Civil Harassment Workplace Violence Elder/Dependent Adult Abuse **Election Contest**

Petition for Name Change Petition for Relief From Late

Claim Other Civil Petition