DISTRICT COURT, DENVER COUNTY, COLORADO 1437 Bannock Street Denver, Colorado 80202

Phone: (720) 865-8301

Plaintiff:

ANNE HOLLAND VENTURES INC., a Rhode Island corporation;

V.

Defendant:

GEORGE JAGE, an individual

Attorney for Defendant:

Jeremy S. Wysocki, (#37219) Messner Reeves LLP

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Case No.: 2017CV32068

Div.:

DEFENDANT GEORGE JAGE'S ANSWER, AFFIRMATIVE DEFENSES, and COUNTERCLAIMS

Defendant, George Jage ("Defendant"), by and through his counsel, Messner Reeves LLP, submits his Answer, Affirmative Defenses, and Counterclaims and states as follows:

ANSWER INTRODUCTION

- 1. Defendant admits the allegations contained in Paragraph 1 of the Complaint.
- 2. Defendant admits he was employed by Plaintiff from approximately June 2014 to April 24, 2017, but denies the remaining allegations contained in Paragraph 2 of the Complaint.
 - 3. Defendant admits the allegations contained in Paragraph 3 of the Complaint.
 - 4. Defendant denies the allegations contained in Paragraph 4 of the Complaint.
- 5. Paragraph 5 does not contain allegations to which Defendant is required to respond, except as follows:

- a. Defendant denies the allegations contained in subparagraph a of the Complaint;
- b. Defendant admits the allegations contained in subparagraph b of the Complaint;
- c. Defendant admits the allegations contained in subparagraph c of the Complaint;
- d. Defendant admits he is demanding payment of additional sums and unpaid wages, but denies the remaining allegations contained in subparagraph d of the Complaint;
- e. Defendant denies the allegations contained in subparagraph e of the Complaint; and
- f. Defendant denies the allegations contained in subparagraph f of the Complaint.

PARTIES, JURISDICTION & VENUE

- 6. Defendant admits the allegations contained in Paragraph 6 of the Complaint.
- 7. Defendant admits the allegations contained in Paragraph 7 of the Complaint.
- 8. Defendant admits the allegations contained in Paragraph 8 of the Complaint.
- 9. Defendant admits the allegations contained in Paragraph 9 of the Complaint.
- 10. Defendant admits the allegations contained in Paragraph 10 of the Complaint as the document speaks for itself.

GENERAL ALLEGATIONS

- 11. Defendant admits the allegations contained in Paragraph 11 of the Complaint.
- 12. Defendant admits the allegations contained in Paragraph 12 of the Complaint.
- 13. The allegations contained in Paragraph 13 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 13 of the Complaint.
- 14. The allegations contained in Paragraph 14 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 14 of the Complaint.
- 15. The allegations contained in Paragraph 15 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 15 of the Complaint.

- 16. The allegations contained in Paragraph 16 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 16 of the Complaint.
- 17. The allegations contained in Paragraph 17 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant admits the allegations contained in Paragraph 17.
- 18. The allegations contained in Paragraph 18 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 18.
- 19. The allegations contained in Paragraph 19 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 19 of the Complaint.
- 20. The allegations contained in Paragraph 20 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 20 of the Complaint.
- 21. The allegations contained in Paragraph 21 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 21 of the Complaint.
- 22. The allegations contained in Paragraph 22 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 22 of the Complaint.
- 23. The allegations contained in Paragraph 23 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 23 of the Complaint.
- 24. The allegations contained in Paragraph 24 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 24 of the Complaint.
 - 25. Defendant denies the allegations contained in Paragraph 25 of the Complaint.
 - 26. Defendant denies the allegations contained in Paragraph 26 of the Complaint.
 - 27. Defendant denies the allegations contained in Paragraph 27 of the Complaint.

- 28. The allegations contained in Paragraph 28 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant admits he made an offer to purchase the Business on April 10, 2017.
 - 29. Defendant admits the allegations contained in Paragraph 29 of the Complaint.
 - 30. Defendant denies the allegations contained in Paragraph 30 of the Complaint.
- 31. The allegations contained in Paragraph 31 of the Complaint contain references to an email to which no response is required. Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 31 of the Complaint.
- 32. Defendant lacks sufficient information to either admit or deny the allegations contained in Paragraph 32 of the Complaint.
- 33. The allegations contained in Paragraph 33 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 33 of the Complaint.
- 34. The allegations contained in Paragraph 34 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 34 of the Complaint.
- 35. The allegations contained in Paragraph 35 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 35 of the Complaint.
 - 36. Defendant denies the allegations contained in Paragraph 36 of the Complaint.
- 37. The allegations contained in Paragraph 37 contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 37 of the Complaint.
- 38. The allegations contained in Paragraph 38 contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 38 of the Complaint.
- 39. The allegations contained in Paragraph 39 contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 39 of the Complaint.
 - 40. Defendant denies the allegations contained in Paragraph 40 of the Complaint.
- 41. The allegations contained in Paragraph 41 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent

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a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 41 of the Complaint.

- 42. The allegations contained in Paragraph 42 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 42 of the Complaint.
 - 43. Defendant denies the allegations contained in Paragraph 43 of the Complaint.
 - 44. Defendant denies the allegations contained in Paragraph 44 of the Complaint.
- 45. The allegations contained in Paragraph 45 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 45 of the Complaint
- 46. The allegations contained in Paragraph 46 contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 46 of the Complaint.
- 47. The allegations contained in Paragraph 47 contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 47 of the Complaint.
- 48. The allegations contained in Paragraph 48 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 48 of the Complaint.
- 49. Defendant admits he received the request contained in Paragraph 49 of the Complaint.
 - 50. Defendant admits the allegations contained in Paragraph 50 of the Complaint.
- 51. Defendant admits he again received the request contained in Paragraph 51 of the Complaint.
 - 52. Defendant admits the allegations contained in Paragraph 52 of the Complaint.
- 53. Defendant admits he received the request contained in Paragraph 53 of the Complaint.
 - 54. Defendant admits the allegations contained in Paragraph 54 of the Complaint.
- 55. The allegations contained in Paragraph 55 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent

a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 55 of the Complaint.

- 56. The allegations contained in Paragraph 56 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 56 of the Complaint.
- 57. The allegations contained in Paragraph 57 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 57 of the Complaint.
 - 58. Defendant admits the allegations contained in Paragraph 58 of the Complaint.
- 59. The allegations contained in Paragraph 59 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 59 of the Complaint.
 - 60. Defendant admits the allegations contained in Paragraph 60 of the Complaint.
- 61. The allegations contained in Paragraph 61 contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 61 of the Complaint.
- 62. The allegations contained in Paragraph 62 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 62 of the Complaint.
- 63. The allegations contained in Paragraph 63 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 63 of the Complaint.
- 64. The allegations contained in Paragraph 64 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 64 of the Complaint.
- 65. The allegations contained in Paragraph 65 of the Complaint contain legal conclusions and attempt to define a legal document to which no response is required. To the extent a response is required Defendant states the document speaks for itself and denies the remaining allegations contained in Paragraph 65 of the Complaint.
 - 66. Defendant denies the allegations contained in Paragraph 66 of the Complaint.

- 67. The allegations contained in Paragraph 67 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 67 of the Complaint.
- 68. The allegations contained in Paragraph 68 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 68 of the Complaint.
- 69. The allegations contained in Paragraph 69 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required, Defendant denies the allegations contained in Paragraph 69 of the Complaint.
- 70. Defendant lacks sufficient information to either admit or deny the allegations contained in Paragraph 70 of the Complaint.
- 71. Defendant lacks sufficient information to either admit or deny the allegations contained in Paragraph 71 of the Complaint.
- 72. Paragraph 72 does not contain an allegation to which Defendant is required to respond, to the extent a response is required, Defendant denies the allegations contained in Paragraph 72 of the Complaint.
 - 73. Defendant admits to the allegations contained in Paragraph 73 of the Complaint.
- 74. The allegations contained in Paragraph 74 of the Complaint contain legal conclusions to which no response is required. To the extent a response is required Defendant denies the allegations contained in Paragraph 74 of the Complaint.
 - 75. Defendant denies the allegations contained in Paragraph 75 of the Complaint.
- 76. The allegations contained in Paragraph 76 contain legal conclusions to which no response is required. To the extent a response is required, Defendant lacks sufficient information to either admit or deny the allegations contained in Paragraph 76 of the Complaint.
- 77. Paragraph 77 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 78. Paragraph 78 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 79. Paragraph 79 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 80. Paragraph 80 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 81. Paragraph 81 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.

- 82. Paragraph 82 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 83. Paragraph 83 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.

FIRST CLAIM FOR RELIEF (Breach of Contract)

- 84. In response to Paragraph 84, Defendant reiterates his responses to all Paragraphs above as though fully set forth herein.
- 85. The allegations contained in Paragraph 85 contain legal conclusions to which no response is required. To the extent a response is required Defendant lacks sufficient information to either admit or deny the allegations contained in Paragraph 85 of the Complaint.
- 86. Paragraph 86 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
 - 87. Defendant denies the allegations contained in Paragraph 87 of the Complaint.
 - 88. Defendant denies the allegations contained in Paragraph 88 of the Complaint.
 - 89. Defendant denies the allegations contained in Paragraph 89 of the Complaint.
- 90. Paragraph 90 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.

SECOND CLAIM FOR RELIEF (Declaratory Judgment)

- 91. In response to Paragraph 91, Defendant reiterates his responses to all Paragraphs above as though fully set forth herein.
- 92. Paragraph 92 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 93. Paragraph 93 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 94. Paragraph 94 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 95. Paragraph 95 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.
- 96. Paragraph 96 of the Complaint contains no allegations and therefore requires no response; to the extent a response is required, Defendant denies any wrongdoing.

AFFIRMATIVE DEFENSES

- 1. Plaintiff failed to state claims upon which relief may be granted, and Plaintiff's claims should therefore be dismissed pursuant to C.R.C.P. 12(b)(5).
 - 2. Plaintiff failed to mitigate, minimize, or avoid any damages, if any.
 - 3. Plaintiff's claims may be barred by fraud due to Plaintiffs' actions or omissions.
 - 4. Plaintiff's claims for relief may be barred by their failure to act in good faith.
 - 5. Plaintiff's claims may be barred by the doctrine of estoppel.
 - 6. Plaintiff's claims may be barred by the doctrine of unclean hands.
- 7. Plaintiff's damages, if any, are a result of Plaintiff's own acts or omissions and/or the acts of third-parties over whom Defendant had no control or right of control.
- 8. Defendant reserves the right to assert additional affirmative defenses as Plaintiff's claims are clarified in the course of this litigation.

DEFENDANT'S COUNTERCLAIMS

General Averments

- 1. AHV is in the business of owning and operating Marijuana Business Daily (the "Business").
- 2. Jage was employed by AHV as the President and Publisher of the Business from approximately June of 2014 until April 24, 2017 (the "**Wrongful Discharge Date**")
 - 3. Jage was a model employee of AHV.
 - 4. Jage significantly expanded the size and revenue of the Business.
- 5. During Jage's employment with AHV, the Business received numerous awards including, without limitation, from Tradeshow Executive.
- 6. Jage and Plaintiff agreed that Jage's employment with AHV would be reviewed and/or renewed on a calendar year basis.
- 7. In connection with Jage's employment with AHV, Jage and Plaintiff agreed that AHV would pay Jage base compensation in the amount of \$147,900.00 per calendar year (the "Base Compensation").
- 8. Plaintiff promised and represented to Jage that AHV would pay Jage the Base Compensation.

- 9. In connection with Jage's employment with AHV, Jage and Plaintiff agreed that Jage would receive a minimum bonus in the amount of \$482,249.42 in connection with the 2017 calendar year (the "2017 Bonus").
- 10. Plaintiff promised and represented to Jage that AHV would pay Jage the 2017 Bonus.
- 11. In connection with Jage's employment with AHV, Jage and Plaintiff agreed that Jage would receive stock in AHV in the sum of no less than one percent (1%) of the issued and outstanding stock of AHV (the "Ownership Interest").
- 12. On numerous occasions, Plaintiff promised and represented to Jage that AHV would issue the Ownership Interest to Jage.
- 13. On numerous occasions, Jage requested that Plaintiff honor their promise to issue the Ownership Interest to Jage.
- 14. On numerous occasions, Plaintiff promised and represented to Jage that they were interest in selling the Business.
 - 15. Plaintiff requested that Jage assist Plaintiff in selling the Business.
- 16. In response to Jage's request that Plaintiff honor their promise to issue the Ownership Interest to Jage, Plaintiffs promised and represented to Jage that AHV would pay Jage a bonus of a minimum of one percent (1%) of the purchase price for the Business upon the sale of the Business (the "Sale Bonus").
- 17. Plaintiff requested that Jage enter into a Noncompete Agreement with AHV in consideration for the various promises and representations made by Plaintiff to Jage.
- 18. In reliance upon Plaintiff's promises and representations to Jage, Jage signed a Noncompete Agreement that was conditional upon AHV executing the Noncompete Agreement and upon Plaintiff honoring its various promises and obligations to Jage, including, without limitation, by issuing the Ownership Interest to Jage.
- 19. AHV failed to execute the Noncompete Agreement, and Plaintiff failed to honor its various promises and obligations to Jage, including, without limitation, by issuing the Ownership Interest to Jage.
 - 20. Jage expressed interest to Plaintiff in purchasing the Business.
- 21. Plaintiff represented to Jage that it preferred a management buyout over a sale to a third party.

- 22. Jage was the only individual in management of the Business that was able to pursue a buyout.
- 23. Plaintiff represented to Jage that it was interested in selling the Business to Jage, and/or a group of investors to be assembled by Jage (the "**Prospective Buyers**").
 - 24. Plaintiff directed Jage to make it an offer to purchase the Business.
- 25. In reliance upon Plaintiff's representations to Jage, Jage formed Frost Media, LLC, a Colorado limited liability company ("Frost"), and intended to form Shennong Holdings, Inc., ("Holdings"), and engaged legal counsel for the sole purpose of purchasing the Business.
- 26. On April 10, 2017, Jage presented Plaintiff with an offer to purchase the Business for Twenty-Two Million Dollars (\$22,000,000.00).
 - 27. Plaintiff rejected Jage's offer to purchase the Business.
- 28. Plaintiff informed Jage that it was insulted by Jage's offer to purchase the Business for Twenty-Two Million Dollars (\$22,000,000.00).
- 29. Plaintiff informed Jage that it wanted at least Fifty Million Dollars (\$50,000,000.00) for the business.
- 30. Jage informed Plaintiff that the Business was not presently worth Fifty Million Dollars (\$50,000,000.00).
- 31. Once again, Jage requested that Plaintiff honor its various promises and obligations to Jage, including, without limitation, by issuing the Ownership Interest to Jage.
- 32. Plaintiff informed Jage that Plaintiff was contemplating terminating Jage's employment with AHV.
- 33. On April 18, 2017, Jage rescinded his signature to the Noncompete Agreement because AHV had failed to execute the Noncompete Agreement and Plaintiff failed to honor its various promises and obligations to Jage, including, without limitation, by issuing the Ownership Interest to Jage.
- 34. On April 18, 2017 and through the Wrongful Termination Date, Jage reassured Plaintiff that he would continue to serve as the President and Publisher of the Business pursuant to his agreement with AHV and in a manner consistent with past practices.
- 35. On April 24, 2017, the Wrongful Discharge Date, AHV terminated Jage's employment with AHV without cause.
 - 36. AHV failed to pay Jage the entire Base Compensation for the 2017 calendar year.

- 37. AHV failed to pay Jage the entire 2017 Bonus.
- 38. AHV failed to issue the Ownership Interest to Jage
- 39. AHV has informed Jage that it will not pay Jage the Sale Bonus.
- 40. Plaintiff is interfering with Jage's ability to earn a living, including, without limitation, by threatening to sue Jage if it believes he is competing with the Business.
- 41. Upon information and belief, after the Wrongful Discharge Date, Plaintiff has attempted to sell the Business.
- 42. After the Wrongful Discharge Date, AHV's attorney demanded that Jage provide Plaintiff with the names and contact information of the Prospective Buyers.
- 43. Upon information and belief, Plaintiff is attempting to negotiate the sale of the Business directly with the Prospective Buyers.
- 44. Upon information and belief, Plaintiff is interfering and/or attempting to interfere with Jage's prospective contractual relations with the Prospective Buyers.
- 45. After the Wrongful Discharge Date, Plaintiff made false and defamatory statements regarding Jage, including, without limitation, that AHV terminated Jage's employment with AHV because he engaged in gross misconduct detrimental to AHV and that he was a disruption, threat and liability to the Business.

FIRST COUNTERCLAIM FOR RELIEF (Violation of Colorado Wage Claim Act, C.R.S. § 8-4-101, et seq.) (Against AHV)

- 46. Jage incorporates the above paragraphs as though fully set forth herein.
- 47. In violation of the Colorado Wage Claims Act, AHV failed to (i) pay Jage the Base Compensation for the 2017 calendar year; (ii) pay Jage the 2017 Bonus, (iii) issue the Ownership Interest to Jage; and/or (iv) pay Jage the Sale Bonus.
- 48. At all times pertinent, Jage was an employee of AHV as defined by C.R.S. § 8-4-101(5).
- 49. Instead of paying Jage the amount due and payable to Jage, AHV engaged in the above referenced acts against Jage.
- 50. AHV's failure to pay Jage the amount immediately due and payable to him is willful.
 - 51. Unpaid compensation constitutes wages pursuant to C.R.S. § 8-4-101(14).

- 52. AHV's failure and refusal to pay such wages is willful.
- 53. Jage is entitled to immediate payment of all amounts due and payable, plus the statutory penalties provided in C.R.S. § 8-4-109, costs and attorneys' fees.

SECOND COUNTERCLAIM FOR RELIEF (Breach of Contract) (Against AHV)

- 54. Jage incorporates the above paragraphs as though set forth fully herein.
- 55. AHV and Jage are parties to one (1) or more contracts where by Plaintiff was contractually obligated to Jage (the "Contracts").
- 56. Plaintiff and Jage entered into several employment contracts, in fact or implied by law.
- 57. Under the contracts, Plaintiff promised to pay Jage his annual salary, bonus, sales bonus, and create an ownership interest.
 - 58. Plaintiff has failed to perform and are in breach of the Contracts.
 - 59. Jage substantially performed any and all obligations under the Contracts.
- 60. Jage has incurred and continues to incur damages as a direct and proximate cause of Plaintiff's breach of contract in an amount to be proven at trial.

THIRD COUNTERCLAIM FOR RELIEF (Promissory Estoppel) (Against AHV)

- 61. Jage incorporates the above paragraphs as though set forth fully herein.
- 62. Plaintiff promised to: (i) pay Jage the Base Compensation for the 2017 calendar year; (ii) pay Jage the 2017 Bonus; (iii) issue the Ownership Interest to Jage; and (iv) pay Jage the Sale Bonus.
- 63. Plaintiff should have reasonably expected such promises to induce Jage to accept employment with AHV, continue to serve as the President and Publisher of the Business, and/or sign the Noncompete Agreement.
- 64. Plaintiff failed to: (i) pay Jage the entire Base Compensation for the 2017 calendar year; (ii) pay Jage the entire 2017 Bonus; (iii) issue the Ownership Interest to Jage; and/or (iv) pay Jage the Sale Bonus.

- 65. Plaintiff informed Jage that AHV would not pay Jage the Sale Bonus.
- 66. Jage relied on the promises made by Plaintiff to Jage.
- 67. Jage's reliance on such promises was reasonable, justified, and in good faith.
- 68. Allowing Plaintiff to keep the benefits of its promises without providing Jage with the compensation he earned would be unjust.
- 69. Jage has been substantially harmed by Plaintiff's conduct in an amount to be proven at trial and injustice can be avoided only by enforcement of the promises made by Plaintiff made to Jage.

FOURTH COUNTERCLAIM FOR RELIEF (Unjust Enrichment/Quantum Meruit) (Against AHV)

- 70. Jage incorporates the above paragraphs as though set forth fully herein.
- 71. At Jage's expense, Plaintiff received the benefit of Jage serving as the President and Publisher of the Business and Jage assisting Plaintiff in connection with the sale of the Business.
- 72. Plaintiff has been unjustly enriched by receiving such benefits without paying Jage for such benefits.
- 73. Under the circumstances, it would be unjust and inequitable to allow Plaintiff to be enriched without compensating Jage.
 - 74. Plaintiff has been unjustly enriched in an amount to be proven at trial.

FIFTH COUNTERCLAIM FOR RELIEF (Misrepresentation) (Against AHV)

- 75. Jage incorporates the above paragraphs as though fully set forth herein.
- 76. Plaintiff made material, factual misrepresentations to Jage in connection with the Contracts, the Base Compensation, the 2017 Bonus, the Ownership Interest, the Sale Bonus, and/or the Noncompete Agreement.
- 77. At the time the representations were made, Plaintiff knew the representations were false or were aware that it did not know whether the representations were true or false.
- 78. Plaintiff made the misrepresentation with the intent that Jage would rely on the misrepresentations.

- 79. Jage relied on the misrepresentations and acted in reasonable reliance on the misrepresentations.
 - 80. Jage's reliance on the misrepresentations was justified and in good faith.
- 81. Jage has incurred and continues to incur damages caused by Plaintiff's misrepresentations in an amount to be proven at trial.

SEVENTH CLAIM FOR RELIEF (Breach of Implied Duty of Good Faith and Fair Dealing) (Against AHV)

- 82. Jage incorporates the above paragraphs as though fully set forth herein.
- 83. Jage substantially performed his obligations under the Contracts.
- 84. Plaintiff breached the implied covenant of good faith and fair dealing implicit in all Colorado contracts by, among other things, entering into the Contracts with Jage, undertaking a special relationship with Jage, with no intention of fulfilling their obligations thereunder, by making fraudulent statements and representations in order to induce Jage to enter into the Contracts, and/or by attempting to negotiate the sale of the Business directly with the Prospective Buyers.
- 85. As a direct and proximate result of Plaintiff's breach of the covenant of good faith and fair dealing related to the contract, Jage has been harmed in an amount to be proven at trial.

EIGHTH COUNTERCLAIM FOR RELIEF (Intentional Interference with Prospective Economic Advantage) (Against AHV)

- 86. Jage incorporates the above paragraphs as though fully set forth herein.
- 87. Plaintiff intentionally and improperly interfered with Jage's prospective contractual relations with the Prospective Buyers, prospective employers, prospective customers, prospective clients, and the general public.
- 88. Plaintiff knew or reasonably should have known of Jage's prospective contractual relations with his customers, clients, and the general public.
- 89. On information and belief, Plaintiff has attempted to interfere with Jage's future contractual relations by, among other actions, falsely misrepresenting Jage, disparaging the competence and ethics of Jage, and by using Jage's commercially sensitive information to the Plaintiff's advantage and to the disadvantage of Jage, all without Jage's knowledge or permission.

- 90. On information and belief, Plaintiff engaged in this wrongful conduct for the purpose of harming Jage's business and personal relationships in order to solicit the prospective relations for the Plaintiff itself.
- 91. As a direct and proximate result, Jage was damaged by Plaintiff's conduct in an amount to be proven at trial.

NINTH COUNTERCLAIM FOR RELIEF (Defamation and Defamation Per Se) (Against AHV)

- 92. Jage incorporates the above paragraphs as though fully set forth herein.
- 93. Plaintiff made or caused to be made false statements regarding Jage.
- 94. The statements were false at the time they were made.
- 95. At the time they were made, Plaintiff knew the statements were false or Plaintiff made the statements with reckless disregard as to whether they were false.
- 96. Plaintiff's false statements relate to the conduct of Jage's business and are tantamount to defamation of Jage's personal reputation, business reputation, and professional reputation.
- 97. Plaintiff's statements caused Jage to suffer injuries, damages, and losses in an amount to be proven at trial.

TENTH COUNTERCLAIM FOR RELIEF (Extreme and Outrageous Conduct – Emotional Distress) (Against AHV)

- 98. Jage incorporates the above paragraphs as though fully set forth herein.
- 99. Plaintiff engaged in extreme and outrageous conduct by making false statement(s) against Jage.
- 100. Plaintiff attempted to force Jage to make false statements to the staff of the Business regarding his departure when Plaintiff contemplated his exit.
- 101. Plaintiff did so recklessly or with the intent of causing Jage severe emotional distress.
 - 102. Plaintiff's conduct has caused Jage severe emotional distress.

ELEVENTH COUNTERCLAIM FOR RELIEF (Wrongful Discharge)

(Against AHV)

- 103. Jage incorporates the above paragraphs as though fully set forth herein.
- 104. Plaintiff represented to Jage that it wished to sell the Business to Jage and/or the Prospective Buyers.
 - 105. Plaintiff requested that Jage assist Plaintiff in selling the Business.
 - 106. Plaintiff directed Jage to make it an offer to purchase the Business.
- 107. Jage presented Plaintiff with an offer to purchase the Business for Twenty-Two Million Dollars (\$22,000,000.00).
 - 108. Plaintiff wrongfully discharged Jage.
 - 109. Jage has been harmed by Plaintiff's conduct in an amount to be proven at trial.

TWELFTH COUNTERCLAIM FOR RELIEF (Civil Conspiracy) (Against AHV)

- 110. Jage incorporates the above paragraphs as though fully set forth herein.
- 111. Plaintiff agreed, by words or conduct, to engage in unlawful conduct with respect to Jage.
- 112. Plaintiff affirmatively acted by performing the acts described more specifically above.
 - 113. Plaintiff took actions in furtherance of these goals which were unlawful.
- 114. As a direct and proximate result of Plaintiff's actions and omissions as described, and which constitute civil conspiracy, Jage has been harmed by Plaintiff's conduct in an amount to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, Jage respectfully requests that this Court find in his favor and against Plaintiff on all claims, including:

- A. Enter judgment in Jage's favor and against Plaintiff, for such actual damages, compensatory damages, consequential damages, and incidental damages as this Court may deem appropriate, in an amount to be proven at trial;
- B. Dismissal of Plaintiff's claims;

- C. Award to Jage all reasonable attorney fees, costs, including, but not limited to, expert witness fees, deposition costs, and all other costs incurred in connection with the defense and prosecution of this action, in an amount to be proven at trial;
- D. Award to Jage pre-judgment and post-judgment interest on any award of damages to the extent permitted by law; and
- E. Such other and further relief as this Court may deem just and proper.

Respectfully submitted this the 16 day of June 2017.

MESSNER REEVES LLP

Jeremy S. Wysocki

Attorney for Defendant George Jage

CERTIFICATE OF SERVICE

I certify that on the 16 day of June 2017, a true and correct copy of the foregoing **DEFENDANT GEORGE JAGE'S ANSWER, AFFIRMATIVE DEFENSES, and COUNTERCLAIMS** was served via ICCES to all counsel of record.

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