## UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

FELD ENTERTAINMENT, INC.,	) )
Plaintiff,	) Civ. No. 07-1532 (EGS)
v.	) )
AMERICAN SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS, et al.,	) ) )
Defendants	) )

# ANSWER OF DEFENDANTS KATHERINE A. MEYER, ERIC R. GLITZENSTEIN, HOWARD M. CRYSTAL AND MEYER GLITZENSTEIN & CRYSTAL IN RESPONSE TO PLAINTIFF'S FIRST AMENDED COMPLAINT

This Answer is submitted solely on behalf of Defendants Katherine A. Meyer, Eric R. Glitzenstein, Howard M. Crystal and the law firm Meyer Glitzenstein & Crystal (hereinafter referred to collectively as the MGC Defendants) in response to the First Amended Complaint ("FAC") filed by Feld Entertainment, Inc. ("FEI"). Unless specifically noted, the MGC Defendants lack sufficient knowledge or information to admit or deny any of FEI's allegations regarding any other defendant. Unless specifically noted, with respect to FEI's repeated references to "FFA/HSUS," the MGC Defendants are also without sufficient knowledge or information to admit or deny FEI's allegations as to the Humane Society of the United States ("HSUS") and the Answer will consider "FFA/HSUS" as a reference only to the Fund for Animals ("FFA"). Prior to March 1, 2005 MGC was named Meyer and Glitzenstein ("MG") and any allegations concerning MGC prior to that date will be considered allegations concerning only MG.

The MGC Defendants object to the FAC on the grounds that it fails to comply with the pleading requirements set forth in Fed.R.Civ.P. 8(d) in that the individual numbered paragraphs of the FAC contain multiple, compound and lengthy averments, such that each allegation is not simple, concise, and direct, rendering it difficult, if not impossible to respond. For this reason, the MGC Defendants generally deny all of the allegations in the FAC.

#### **FIRST DEFENSE**

The FAC fails to state a claim upon which relief can be granted.

#### **SECOND DEFENSE**

Responding to the separately and individually numbered paragraphs contained within the FAC, the MGC Defendants plead and answer as follows:

- 1. The MGC Defendants acknowledge the existence of the FAC, including the parties named therein, and the MGC Defendants note that the Court dismissed FEI's champerty claim, has limited several of FEI's other claims, and has dismissed Mr. Crystal from direct liability under RICO. The MGC Defendants generally deny and all allegations of wrongdoing and/or impropriety as alleged in the FAC.
  - 2. Denied.
- 3. The MGC Defendants admit only that they represented the plaintiffs in the ESA Action, which was brought to redress Mr. Rider's aesthetic injuries resulting from FEI's abused of its Asian elephants and that the MGC Defendants also represented other plaintiffs who also sought to redress their aesthetic injuries, as well as organizations that sought to redress organizational injuries. The MGC Defendants deny the remaining allegations in this paragraph.

- 4. The MGC Defendants admit only the first sentence in this paragraph regarding Mr. Rider and that Mr. Rider had worked with other circuses which used bull hooks. The MGC Defendants deny the remaining allegations in this paragraph.
- 5. The MGC Defendants admit only that Mr. Rider received certain funding for his living and travel expenses while he engaged in public education and media outreach. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 6. The MGC Defendants admit only that Mr. Rider received certain funding for his living and travel expenses while he engaged in public education and media outreach, which funding was known to different persons and organizations (including FEI) at different times. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
  - 7. Denied.
- 8. The MGC Defendants admit only that the ESA Action went to trial after approximately six (6) years of expensive and protracted litigation and that FEI, rather than the ESA plaintiffs, was largely responsible for the delay and expense of the ESA Action. The second sentence is denied. As to the remainder in this paragraph, the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
  - 9. Denied.

10. The MGC Defendants are without sufficient knowledge or information to admit

or deny what other defendants knew or believed about the results of the relief sought in the ESA

Action, or about the intent of Congress in enacting the ESA. To the extent a response may be

required, the allegations are denied.

11. As to the allegations in this paragraph, the MGC Defendants are without

sufficient knowledge or information sufficient to form a belief as to the truth of the allegations in

the second sentence regarding the referenced IRS forms or the amount of donations received by

the other defendants, and, therefore deny those allegations. As to the last sentence in this

paragraph, the MGC Defendants admit only that Ringling Bros. and Barnum & Bailey Circus

was originally named as a defendant in the ESA Action. The MGC Defendants deny the

remaining allegations in this paragraph.

12. The MGC Defendants admit only that the ESA plaintiffs did not seek a

preliminary injunction in 2000, but deny the remaining allegations of the first four sentences in

this paragraph. As to the fifth sentence, the MGC Defendants admit only that at an early stage of

the litigation in the ESA Action, the ESA plaintiffs withdrew their request that FEI be required to

forfeit its possession of the Asian elephants, but deny the remaining allegations as phrased. The

MGC Defendants deny the remaining allegations in this paragraph and specifically deny all

allegations of wrongdoing and/or impropriety as alleged in the FAC.

13. Denied.

14. Denied.

15. Denied.

16. Denied.

- 17. The MGC Defendants admit only that Mr. Rider received funding for his living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations in this paragraph.
- 18. The MGC Defendants admit only that ASPCA, AWI, FFA, API, and Mr. Rider were plaintiffs in the ESA Action, and that FEI was a defendant, but deny that HSUS was a plaintiff in the ESA Action. As to the second sentence, the MGC Defendants admit only that Mr. Rider was one of the plaintiffs in the ESA Action, that several organizations were plaintiffs, and that establishing Article III standing with respect to at least one of the ESA plaintiffs was essential to establishing the jurisdiction of the court, but the MGC Defendants deny the remaining allegations in this paragraph.
- 19. As to the first sentence in this paragraph, the MGC Defendants admit only that funding was provided to Mr. Rider from 2001 and continuing through the trial to allow him to conduct public education and media outreach concerning FEI's mistreatment of Asian elephants, that some of that funding was provided by ASPCA, AWI, FFA, and API, and that Mr. Rider accepted that funding. The MGC Defendants also admit that some of that funding was originally provided by MG and then reimbursed by the ESA plaintiffs, and that some of the funding was provided to the Wildlife Advocacy Project ("WAP") which then provided it to Mr. Rider. The MGC Defendants deny the remaining allegations of the first sentence in this paragraph. The second sentence in this paragraph is denied. The MGC Defendants lack sufficient knowledge or information to admit or deny the third sentence regarding Mr. Rider's employment since 2001 and demand strict proof thereof. The fourth sentence is denied. As to the fifth sentence, the MGC Defendants admit only that funding was provided to Mr. Rider by the ASPCA, AWI, FFA and

API either directly, through MG and/or WAP to pay for his living and travel expenses while he engaged in public education and media outreach. The MGC Defendants deny the remaining allegations in this paragraph.

- 20. As to the first three sentences in this paragraph, the MGC Defendants admit only that Mr. Rider received some funding from one or more of the following organizations, ASPCA, AWI, FFA, API, and/or MG and/or WAP from 2001 through at least the trial of the ESA Action in February-March, 2009, and that, at times, ASPCA, AWI, FFA and API provided funding directly to Mr. Rider and at other times, ASPCA, AWI, FFA, and API's funding was provided by MG and then reimbursed by these groups, or provided to WAP which provided funding to Mr. Rider, but deny the remaining allegations in this paragraph as phrased.
- 21. The MGC Defendants admit only that the funding provided to Mr. Rider for his travel and living expenses for his public education and media outreach from 2001 through 2009 totaled approximately \$190,000.00, that Mr. Rider was provided funding through a donation to WAP to purchase a used van to use for his public education and media outreach, that Mr. Rider occasionally stayed in hotel rooms while he conducted his public education campaign, that he was provided cell phone use, and some camera equipment, and that he had a lap top. The MGC Defendants also admit that some of these items were supplied by the ASPCA, AWI, FFA, API, and WAP, and that some of these items were initially provided by MG which was then reimbursed by the ESA plaintiffs, but are without sufficient knowledge to admit or deny whether all of the items listed in this paragraph were provided by the named entities, and therefore demand strict proof. The MGC Defendants deny the remaining allegations in this paragraph as phrased.

- 22. Denied.
- 23. Denied.
- 24. Denied.
- 25. As to the first sentence in this paragraph, the MGC Defendants admit only that Mr. Rider was provided funding for his living and travel expenses while he engaged in public education and media outreach by one or more of ASPCA, AWI, FFA, and API, and/or MG and WAP. The MGC Defendants deny the remaining allegations in this paragraph.
  - 26. Denied.
- 27. As to the allegations in this paragraph, the MGC Defendants acknowledge the existence of the Court's Opinion in the ESA Action,, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
- 28. As to the allegations in this paragraph, the MGC Defendants deny the first two sentences. As to the last sentence in this paragraph, the MGC Defendants admit only that MG and WAP sent Mr. Rider 1099 Forms that reported the funding they had provided to him, but deny the remaining allegations of this sentence and deny the remaining allegations in this paragraph.
- 29. As to the allegations in the first two sentences in this paragraph, the MGC Defendants admit that, to the best of their knowledge, Mr. Rider is a man of more than 50 years of age who did not file tax returns during the period from 2000 through 2006. The MGC Defendants further admit that, to the best of their knowledge, Mr. Rider filed tax returns in April

2007, with the assistance of a tax lawyer who provided assistance on a *pro bono* basis and who was recommended by Katherine Meyer. As to the third sentence in this paragraph, the MGC Defendants admit only that Mr. Rider has only the equivalent of a high-school education and that one of his counsel stated to the Court that he was not sophisticated, but the MGC defendants deny the remaining allegations in this paragraph and specifically deny any allegation or implication that they counseled Mr. Rider not to pay taxes. The MGC Defendants deny the remaining allegations in this paragraph.

- 30. As to the allegations of the first two sentences in this paragraph, the MGC Defendants admit only the existence of the motion made in the ESA Action, which speaks for itself, but deny the remaining allegations in this paragraph. As to the third sentence, the MGC Defendants admit only that, at some time, API changed the way it referred to the grants, but deny the remaining allegations in this paragraph and specifically deny any and all allegations of wrongdoing or any implication that there was an attempt "to cover up" these payments. The MGC Defendants deny the remaining allegations in this paragraph.
  - 31. Denied.
  - 32. Denied.
- 33. As to the allegations in this paragraph, the MGC Defendants admit, to the best of their knowledge, the allegations regarding FEI.
- 34. As to the first sentence in this paragraph, the MGC Defendants admit that the ASPCA is a non-profit organization dedicated to eliminating the abuse, neglect, and exploitation of all animals, including animals used in entertainment, but the MCG Defendants deny the remaining allegations in this sentence. As to the second sentence, the MGC Defendants are

without knowledge sufficient to form a belief as to the truth of those allegations regarding assets or fund balances and therefore deny those allegations. As to the third and fourth sentences in this paragraph, the MGC Defendants admit that Lisa Weisberg is an attorney who served as ASPCA's 30(b)(6) organizational representative for the ESA Action, was aware of ASPCA's funding of Mr. Rider's living and travel expenses while he engaged in public education and media outreach, and that she served as ASPCA's Senior Vice President of Government Affairs and Public Policy.

As to the first sentence in this paragraph, the MGC Defendants admit that AWI is 35. a non-profit membership organization which is dedicated to eliminating pain and fear inflicted by people on animals, including animals used for entertainment purposes, but the MCG Defendants deny the remaining allegations in this sentence. As to the second sentence, the MGC Defendants are without knowledge sufficient to form a belief as to the truth of those allegations regarding revenues, assets or fund balances and therefore deny those allegations. As to the third sentence, the MGC Defendants admit only that that Cathy Liss served as AWI's 30(b)(6) organizational representative for the ESA Action and is the President of AWI, but the MGC Defendants are without sufficient information or knowledge to admit or deny the remaining allegations in this sentence. As to the remainder in this paragraph, the MGC Defendants admit that, at some time in 2005, Tracy Silverman became AWI's General Counsel, that she is a licensed attorney, that she became involved in representing AWI's interests in the ESA Action and that she was aware that AWI provided funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach. The MGC Defendants deny the remaining allegations of this sentence and in this paragraph.

36. As to the first sentence in this paragraph, the MGC Defendants admit only that FFA and HSUS are non-profit membership organizations, but deny the remaining allegations of the first sentence as phrased. As to the second sentence, it states a legal conclusion to which no response is required, and if a response is required the allegations are denied. As to the third sentence, the MGC Defendants are without sufficient information or knowledge to admit or deny the allegations regarding organizational membership, revenues or assets. The MCG Defendants admit the allegations of the fourth sentence in this paragraph regarding HSUS's address in Washington D.C. As to the fifth sentence, the MGC Defendants are without knowledge or information sufficient to admit or deny the allegations regarding HSUS's tax returns, revenues, assets and fund balances and demand strict proof thereof. As to the sixth and seventh sentences, the MGC Defendants admit only that Mr. Markarian served as FFA's 30(b)(6) organizational representative in the ESA Action and that he is the President of FFA and Executive Vice-President of HSUS, but the MGC Defendants are without sufficient knowledge or information to admit or deny the remaining allegations in those sentences and demand strict proof thereof. As to the eighth sentence in this paragraph, the MCG Defendants admit only that certain employees of HSUS appeared as counsel of record for all of the plaintiffs in the ESA Action, but deny the remaining allegations in this sentence and in this paragraph.

- 37. Admitted.
- 38. As to the first sentence in this paragraph, the MGC Defendants admit only that Born Free USA United With Animal Protection Institute (API) is a non-profit membership organization dedicated to eliminating the abuse, neglect, and exploitation of animals, including animals used in entertainment, but deny the remaining allegations. As to the second sentence, the

MGC Defendants admit only that API and Born Free became associated in 2007, but the MGC Defendants are without sufficient knowledge or information to admit or deny the remaining allegations of this sentence and demand strict proof thereof. As to the third sentence, the MGC Defendants are without sufficient information and knowledge to admit or deny API's tax returns, revenues, assets and fund balances and demand strict proof thereof. As to the remaining allegations in this paragraph, the MGC Defendants admit only that Nicole Paquette served as API's 30(b)(6) organizational representative for the ESA Action, that she was aware of API's funding of Mr. Rider's living and travel expenses while he engaged in public education and media outreach, that she served as a Senior Vice-President and General Counsel of API, and that she is a licensed attorney, but deny the remaining allegations in this paragraph as phrased.

- 39. The MCG Defendants admit the allegations of the first, third, fourth and fifth sentences in this paragraph. As to the second sentence, the MGC Defendants admit that the offices of MCG are located at 1601 Connecticut Avenue, N.W., Suite 700 Washington D.C. 20009 and that its predecessor firm was MG, but deny that MG was located in Suite 700 during all relevant times.
  - 40. Admitted.
  - 41. Admitted.
- 42. The first three sentences in this paragraph are admitted. As to the last sentence, the MGC Defendants admit that, at some point in time, Mr. Crystal learned that Mr. Rider was receiving funding for living and travel expenses while Mr. Rider engaged in public education and media outreach, but the MGC Defendants deny the remaining allegations of this sentence in this paragraph.

43. As to the first sentence, the MGC Defendants admit that the Wildlife Advocacy Project (WAP) is a non-profit advocacy group, and deny the remaining allegations. As to the second and third sentences, the MCG Defendants admit that WAP was founded by Katherine Meyer and Eric Glitzenstein and that WAP was established to engage in public education on animal protection issues, and that some of these issues also relate to public interest litigation pursued by MGC, but the MGC Defendants deny the remaining allegations in these sentences. The MGC Defendants deny the allegations of the fourth and fifth sentences in this paragraph. The sixth and seventh sentences are admitted only with respect to the positions held by Katherine Meyer and Eric Glitzenstein. As to the eighth, ninth and tenth sentences, the MGC Defendants admit only that WAP has two other directors, but deny the remaining allegations as phrased. As to the eleventh sentence, the MGC Defendants admit that there currently are no full-time employees of WAP, but deny the remaining allegations. The twelfth, thirteenth, fourteenth, and fifteenth sentences are admitted. As to the sixteenth sentence, the MGC Defendants admit that only some of WAP's advocacy projects are related to public interest cases litigated by MGC, but deny the remaining allegations. As to the seventeenth sentence, the MGC Defendants admit that groups and individuals made contributions to WAP to help fund Mr. Rider's living and travel expenses while he engaged in public education and media outreach and that WAP provided some of that funding to Mr. Rider for that purpose, but deny the remaining allegations in this sentence. The eighteen and nineteenth sentences are denied. As to the twentieth sentence, the MGC Defendants admit that WAP received grant contributions from ASPCA, AWI, FFA, and API that were used to help fund Mr. Rider's public education and media outreach, but deny the remaining allegations in this sentence. As to the last sentence, the MGC Defendants admit only that, of the

funds that WAP received from late 2001 through the trial of the ESA Action to help fund Mr. Rider's public education and media outreach, most of those funds were provided to Mr. Rider for that purpose, but the MCG Defendants deny the remaining allegations of this sentence. The MGC Defendants deny the remaining allegations in this paragraph.

- 44. The MGC Defendants admit the allegations of the first and third sentences in this paragraph with respect to Mr. Lovvorn. As to the second and fourth sentences, the MGC Defendants admit that Mr. Lovvorn was a non-equity partner of MGC who was counsel of record in the ESA Action, but the MGC Defendants deny the remaining allegations of these sentences as phrased. The fifth sentence is admitted. As to the sixth sentence, the MGC Defendants admit that at some point Mr. Lovvorn became aware of some of the funding that was provided to Mr. Rider, but the MGC Defendants are without sufficient knowledge to admit or deny the allegations regarding the extent of any other defendant's knowledge or discussion about such funding and therefore deny the remaining allegations. The MCG Defendants deny the remaining allegations in this sentence. As to the last sentence, the MGC Defendants admit that Mr. Lovvorn was aware that Mr. Rider received funding for public education and media outreach concerning circus elephants and that such funding was provided for Mr. Rider's living and travel expenses as part of that effort, but the MGC Defendants are without sufficient knowledge to admit or deny the remaining allegations of the last sentence in this paragraph and demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.
- 45. The MGC Defendants admit the allegations of the first and third sentences in this paragraph with respect to Ms. Ockene. As to the second and fourth sentences, the MGC Defendants admit that Ms. Ockene was a non-equity partner of MGC who was counsel of record

in the ESA Action, but the MGC Defendants deny the remaining allegations of these sentences as phrased. The fifth sentence is admitted. As to the sixth sentence, the MGC Defendants admit that at some point Ms. Ockene became aware that some funding was provided to Mr. Rider for public education and media outreach concerning circus elephants and that such funding was provided for Mr. Rider's living and travel expenses as part of that effort, but the MGC Defendants are without sufficient knowledge to admit or deny the allegations regarding the extent of any other defendant's knowledge or discussion about such funding and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.

- 46. The allegations in this paragraph set forth a legal conclusion to which no response is required. To the extent a response may be required, the allegations are denied.
- 47. The allegations in this paragraph set forth a legal conclusion to which no response is required. To the extent a response may be required, the allegations are denied.
- 48. The allegations in this paragraph set forth a legal conclusion to which no response is required. To the extent a response may be required, the allegations are denied.
- 49. The allegations in this paragraph set forth a legal conclusion to which no response is required. To the extent a response may be required, the allegations are denied.
- 50. The MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in THE FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants also deny that the ESA Action was brought on behalf of HSUS,

and deny the remaining allegations in this paragraph. As to the fourth sentence, the MGC Defendants admit that the Court of Appeals did not decide the standing of the organizational plaintiffs, but deny the remaining allegations in this sentence and in this paragraph.

- 51. As to the first sentence in this paragraph, it states a conclusion of law as to which no response is required. As to the remainder in this paragraph, the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The remaining allegations in this paragraph are denied and the MGC Defendants specifically deny all allegations of wrongdoing and/or impropriety.
  - 52. Denied.
  - 53. Denied.
- 54. The allegations in the first four sentences in this paragraph characterize the D.C. Circuit briefing and ruling in the ESA Action and the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context and deny the remaining allegations in these sentences. As to the fifth sentence, the MGC Defendants admit that Mr. Rider sought an injunction against FEI's bull hook and chaining practices, and that he also originally sought an injunction requiring FEI to forfeit the elephants, but they deny the remaining allegations in this sentence. As to the sixth sentence, the MGC Defendants admit that Mr. Rider's standing was not premised specifically on informational injury, but deny the

remaining allegations in this sentence. The seventh sentence is denied. As to the eighth sentence, the MGC Defendants deny that there was any conflict of interest with respect to the position of the plaintiffs in the ESA Action, and deny the remaining allegations of this sentence. The ninth, tenth and eleventh sentences are denied.

- 55. The allegations in this paragraph characterize filings in the ESA Action and the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
- 56. The allegations in this paragraph characterize filings in the ESA Action and the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
- 57. The allegations in this paragraph characterize filings in the ESA Action and the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context.
  - 58. Admitted.

- 59. As to the first sentence in this paragraph, the MGC Defendants admit only that the Court dismissed the ESA Action based upon a lack of standing. With regard to the remaining allegations in this paragraph, the MGC Defendants acknowledge the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. As to the remaining allegations in the third, and fifth sentences, the MGC defendants deny the allegations. The fourth sentence is admitted. As to the sixth sentence, the MGC Defendants admit only that the Court ruled that API failed to carry its burden of proof for standing, but deny the remaining allegations in this sentence. As to the last sentence, the MGC Defendants admit only that the ESA Action was dismissed as to all plaintiffs and was dismissed with prejudice as to Rider on standing grounds only, but deny that the ASPCA, AWI, or FFA completely defaulted on the standing issue at trial. The MGC defendants deny the remaining allegations in this paragraph.
  - 60. Denied.
- 61. The allegations in this paragraph characterize filings in the ESA Action and the MGC Defendants acknowledge the pleadings and filings made therein, but deny the allegations in this paragraph to the extent that the allegations set forth in FAC are inconsistent with the ESA record or taken out of context. As to the first sentence in this paragraph, the MGC Defendants admit only that during the time that Mr. Rider was a plaintiff in the ESA Action he received funding from one or more of the plaintiffs for living and travel expenses while he engaged in public education and media outreach and that some of the funding was provided to him by MG and then reimbursed by the plaintiffs, but deny the remaining allegations as phrased. As to the

second sentence, the MGC defendants admit that Mr. Rider performed security for the Performing Animal Welfare Society (PAWS) which was an original plaintiff in the ESA Action, and that Mr. Rider testified that he did not regard this as a job, but deny the remaining allegations as phrased. As to the third sentence, the MGC Defendants admit only that Mr. Rider continued to perform security for PAWS until May 2001, and that PAWS voluntarily withdrew from the ESA Action in January 2001, but deny the remaining allegations as phrased. As to the fourth sentence, the MGC Defendants admit that Mr. Rider wrote a letter to PAWS stating that officials at PAWS told him after PAWS settled its own lawsuit against Ringling that as long as he was on PAWS's payroll he could not engage in media or public education concerning Ringling Bros. anymore, that he would be fired if he did so, and that he has explained that this was the reason why he left PAWS, but the MCG Defendants deny the remaining allegations as phrased. As to the fifth sentence, the MGC Defendants admit that after Mr. Rider left PAWS, the ASPCA decided to fund his living and travel expenses while he engaged in public education and media outreach, and that at some point thereafter AWI and FFA also contributed to that funding, but the MGC Defendants deny the remaining allegations in this sentence. As to the last sentence, the MGC Defendants admit only that, at various times, the organizational plaintiffs contributed funding to Mr. Rider's living and travel expenses while he engaged in public education and media outreach, and that Ms. Weisberg, Ms. Liss, and Mr. Markarian were involved in that effort, but the MGC Defendants deny the remaining allegations in this sentence and in this paragraph.

62. The first sentence is admitted. As to the second sentence, the MCG Defendants admit the allegations except that HSUS was not an organizational plaintiff and hence was not

charged for any of these expenses. The MGC Defendants deny the remaining allegations in this paragraph.

- 63. The MGC defendants admit that since May 2001 through the trial of the ESA Action in February-March, 2009, Mr. Rider received funding for his living and travel expenses while he engaged in public education and media outreach from the ASPCA, AWI, FFA, API, or WAP, and that he also received some funding from MG that was reimbursed by the organizational plaintiffs, but the MGC Defendants deny the remaining allegations in this paragraph.
  - 64. Denied.
  - 65. Denied.
- 66. The MGC Defendants admit that FEI purports to detail what it refers to as the mechanics of the funding that was provided to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations in this paragraph as phrased.
- 67. The MGC Defendants admit only that funds that were provided by MG for Mr. Rider's living and travel expenses while he engaged in public education and media outreach were charged back to the organizational ESA Action plaintiffs (ASPCA, AWI, and FFA) as shared expenses, but the MCG Defendants deny that HSUS was an ESA plaintiff and deny the remaining allegations of this sentence. The second and third sentences are denied as phrased. The fourth sentence is denied. As to the fifth sentence, the MGC Defendants admit only that some of the plaintiff organizations provided funding to Mr. Rider at various points through the trial for his living and travel expenses while he engaged in public education and media outreach, but

deny the remaining allegations in this sentence as phrased. As to the sixth sentence, the MGC Defendants admit only that some of the plaintiff organizations provided funding to Mr. Rider at various points through the trial for his living and travel expenses while he engaged in public education and media outreach, that some of that money was provided by MG and then billed to the organizational plaintiffs, and that some of that funding was provided to Mr. Rider by WAP, but the MGC Defendants deny the remaining allegations in this sentence and in this paragraph.

- 68. As to the first sentence, the MGC Defendants admit only that, at various times from May 2001 until November 2003, Mr. Rider received funding for his living and travel expenses while he engaged in public education and media outreach. The second sentence is admitted except that no legal bills were sent to HSUS, and the MGC Defendants deny the remaining allegations in this paragraph.
- 69. As to the first sentence in this paragraph, the MGC Defendants admit only that after May 2001 and for some time thereafter the ASPCA provided funding directly to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, but are without sufficient knowledge to confirm the precise amount of that funding and therefore demand strict proof thereof. As to the third sentence, the MGC Defendants admit that at some point, AWI, and FFA contributed funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
- 70. The MGC Defendants admit that at various times after 2003 though the trial of the ESA Action AWI or FFA contributed funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach, and that some of this funding was provided

to Mr. Rider directly or by WAP, but the MGC Defendants deny the remaining allegations in this paragraph.

- 71. As to the first sentence in this paragraph, the MGC Defendants admit that API joined the ESA Action in February 2006 and they also admit that at some point API contributed funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations as phrased. The second and third sentences are denied as phrased.
- 72. As to the first, second and third sentences, the MGC Defendants admit only that funds were provided to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, that MGC, Ms. Meyer and Mr. Glitzenstein were all counsel of record for plaintiffs in the ESA Action during that time, and that certain funds were reimbursed by the organizational plaintiffs to help fund Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but the MGC Defendants deny the remaining allegations as phrased. As to the fourth sentence, the MGC Defendants admit only that Ms. Meyer was aware that MG had provided funding to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach and that this funding was charged to ASPCA, AWI, and FFA as out-of-pocket cost, but the MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 73. The MGC Defendants admit that the amount of funding provided to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach and then charged to the organizational plaintiffs is accurately approximated as set forth in this paragraph, but the MGC Defendants deny the remaining allegations in this paragraph as phrased.

- 74. The MGC Defendants admit only that MGC sent Mr. Rider an IRS Form 1099 for tax year 2001, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants acknowledge that Mr. Rider testified in the ESA Action regarding the tax matters referred to, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph and specifically deny that they advised or encouraged Mr. Rider not to pay his taxes.
- 75. The MGC Defendants admit only that a check was erroneously written to Mr. Rider in the amount of \$1,639.34 for Mr. Rider's public education and media outreach that was supposed to have come from WAP, but the MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 76. The first sentence is denied as phrased. As to the second sentence, the MGC Defendants admit only the existence of a letter from Ms. Meyer referred to, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
  - 77. Denied.
  - 78. Denied.
  - 79. Denied.
  - 80. Denied.

- 81. The first, second, third and fourth sentences are denied. As to the fifth and seventh sentences, the MGC Defendants admit only that copies of a 1099 Form issued by MCG and invoices were provided to FEI after August 23, 2007 and that the invoices were produced in the ESA Action without asserting a privilege, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph and specifically deny and all allegations of wrongdoing and/or impropriety.
- 82. The MGC Defendants admit only that from 2002 through the trial of the ESA Action, WAP provided funding to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and they also admit that WAP received much of that funding from the ASPCA, AWI, FFA, or API, but the MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 83. As to the first sentence in this paragraph, the MGC Defendants admit only that the IRS Forms 1099 issued by WAP show that WAP provided funding to Mr. Rider totaling approximately \$155,000, which funded his living and travel expenses for multiple years while he engaged in public education and media outreach concerning FEI's mistreatment of Asian elephants, but the MCG Defendants deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that the amount of funding provided to Mr. Rider by WAP each year is approximately correct, but the MCG Defendants deny the remaining allegations as phrased. With regard to the third sentence, the MGC Defendants admit only that the funding was denominated non-employee compensation on Forms 1099 filed with the IRS. The MGC Defendants deny the remaining allegations in this paragraph.

- 84. As to the first sentence, the MGC Defendants acknowledge that Mr. Rider testified in the ESA Action regarding the tax matters referred to, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants specifically deny that any organization advised or encouraged Mr. Rider not to pay his taxes, and deny the remaining allegations. As to the second sentence, the MGC Defendants admit only that Mr. Rider received the assistance of a tax lawyer on a pro bono basis, that he eventually reported certain income information to the IRS, and that a resolution was ultimately reached, but they are without sufficient knowledge to admit or deny the allegations regarding the amount of the settlement reached with the IRS or how Mr. Rider ultimately resolved this matter, and demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.
- Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in WAP's corporate books and records, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the first sentence, the MGC Defendants admit only that WAP provided funding to Mr. Rider during January 15 March 12, 2002 at least nine times, but deny the allegations as phrased. As to the second sentence, the MGC Defendants admit only that the funding ranged from approximately \$441.00 to \$1,639.34, but deny the remaining allegations as phrased. As to the third sentence, the MGC Defendants admit only that WAP recorded the funding provided to Mr. Rider as funding for

media for elephants, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

- 86. The MGC Defendants admit only that certain funding was provided by WAP to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in WAP's corporate books and records, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the first sentence in this paragraph, the MGC defendants admit only that on December 21, 2001, ASPCA provided a grant in the amount of \$6,000 to WAP to help fund Mr. Rider's living and travel expenses while he engaged in public education and media outreach concerning FEI's mistreatment of Asian elephants, but deny the remaining allegations as phrased. As to the second and third sentences, to the extent that the allegations refer to the contents of documents, those documents speak for themselves, and the MGC Defendants deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. As to the last sentence, the MGC Defendants admit only that some of the funding provided by WAP to Mr. Rider between January 15 and March 12, 2002 was made possible by the grant that ASPCA had provided WAP, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
- 87. The MGC Defendants admit only that certain funding was provided by WAP to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in WAP's corporate books and records, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set

forth in the FAC are inconsistent therewith or with the ESA record. The remaining allegations in this paragraph are denied as phrased.

- 88. The MGC Defendants admit only that certain funding was provided by WAP to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in WAP's corporate books and records, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants admit only that ASPCA reimbursed MG for \$526.16 for funding provided by MG to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations in this paragraph.
- 89. As to the first sentence, the MGC Defendants admit only that at some point in March 2002 to sometime in July 2003 the ASPCA provided funding directly to Mr. Rider to fund his living and travel expenses while he engaged in public education and media outreach about FEI's mistreatment of elephants, but deny the remaining allegations as phrased. The second sentence is admitted. The MGC Defendants deny the remaining allegations in this paragraph.
- 90. As to the first sentence in this paragraph, the MGC Defendants admit only that WAP provided funding to Mr. Rider after May 2003, but deny the remaining allegations as phrased. The second sentence is denied as phrased.
- 91. The MGC Defendants admit only that sometime after 2003, WAP began to provide funding to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach concerning FEI's mistreatment of elephants, but deny the remaining allegations as phrased.

- 92. As to the first sentence, the MGC Defendants admit only that a significant amount of the funding that WAP was able to provide to Mr. Rider since July 2003 came from AWI, FFA and API. As to the second sentence, the MGC Defendants admit that, during the specified time frame, AWI provided grants to WAP in the amount of approximately \$10,500, but deny the remaining allegations. With regard to the third sentence, the MGC Defendants admit only that funding was given by AWI for Mr. Rider's living and travel expenses while he engaged in public education and media outreach concerning FEI's mistreatment of elephants, but the MGC Defendants deny the remaining allegations. As to the fourth sentence, the MGC Defendants admit only that from March 17, 2005 to June 15, 2005, WAP received checks from HSUS in the amount of \$5,500, but deny the remaining allegations as phrased. The last sentence is admitted. The MGC Defendants deny the remaining allegations in this paragraph.
- 93. The MGC Defendants admit only that funding received from AWI, FFA, and API during 2004-2007 was used to fund Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations as phrased.
- 94. The MGC Defendants admit only that WAP helped defray Mr. Rider's living and traveling expenses at times by paying them directly, but deny the remaining allegations in this paragraph as phrased.
- 95. The MGC Defendants admit only that certain funding was provided by WAP to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in the cell phone and other business records, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations

set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

96. The MGC Defendants admit only that certain funding was provided by WAP to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in the cell phone and other business records, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the second sentence, the MGC Defendants admit that during the specified time-frame, WAP provided funding for Mr. Rider's cell phone use, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

97. The MGC Defendants admit only that certain funding was provided by WAP to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, and that such funding is reflected in the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MCG Defendants admit only that WAP provided funding for Mr. Rider to stay at a hotel in Nebraska while he testified before the Nebraska legislature, but deny the remaining allegations in this paragraph.

- 98. Denied.
- 99. Denied.
- 100. Denied.
- 101. Denied.
- 102. Denied.

- 103. The MGC Defendants acknowledge that Mr. Rider testified in the ESA Action regarding the tax matters referred to, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants specifically deny that any organization advised or encouraged Mr. Rider not to pay his taxes, and deny the remaining allegations in this paragraph. The MGC Defendants acknowledge the existence of the tax records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- Defendants admit only that WAP's accounting records reflect that the funds were provided to Mr. Rider for media expenses, but deny the remaining allegations as phrased. As to the remaining allegations in the paragraph, the documents referred to speak for themselves and are the best evidence of their contents. The MGC Defendants acknowledge the existence of the documents referred to, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 105. As to the first sentence, the MGC Defendants admit only that Mr. Rider previously lived in a van while he engaged in public education and media outreach, and that funding he received was used to defray his living and travel expenses while he did so; but the MGC Defendants deny the remaining allegations in this sentence. As to the second sentence, the MGC Defendants admit only that the funding provided to Mr. Rider was used for his living and

traveling expenses while he conducted his public education and media outreach. The MGC Defendants deny the remaining allegations in this paragraph as phrased.

Rider a check so that he could buy a used van with which to conduct his public education and media outreach concerning FEI's mistreatment of Asian elephants, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that in April 2005 WAP gave Mr. Rider a grant in the amount of \$5,500 to allow him to purchase a used van, but deny the remaining allegations as phrased. As to the third sentence, the MGC Defendants admit only that WAP provided a grant to Mr. Rider in part to enable him to travel around the country to educate the public and the media about FEI's mistreatment of the elephants, which also involved at times being in the same city or town when the circus was there, which also allowed Mr. Rider to visit the elephants and collect additional evidence of FEI's continuing mistreatment of the elephants, but they deny the remaining allegations in this sentence as phrased. The fourth and fifth sentences are denied. The MGC Defendants deny the remaining allegations in this paragraph.

107. As to the first sentence, the MGC Defendants admit only that funding WAP provided to Mr. Rider helped to maintain the van that he used to travel around the country and educate the public and the media about FEI's mistreatment of the elephants, but deny the remaining allegations as phrased. As to the second, third, and fourth sentences, the MGC Defendants admit only that Mr. Rider may have used some of that funding to pay for the registration, insurance, and repair for the van, but deny the remaining allegations in this paragraph as phrased.

- 108. Denied.
- 109. Denied.
- 110. Denied.
- 111. Denied.
- 112. The MGC Defendants admit only that WAP defrayed Mr. Rider's living and travel expenses while he conducted public education and media outreach concerning FEI's mistreatment of the Asian elephants, but the MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 113. As to the first sentence, the MGC Defendants admit only that the funding provided to Mr. Rider was often sent via Federal Express, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that some of the funding provided to Mr. Rider was sent to him via Western Union, but deny the remaining allegations as phrased. The third, fourth, and fifth sentences are admitted. The sixth sentence is denied. The MGC Defendants deny the remaining allegations in this paragraph.
- 114. With regard to the first sentence, the MGC Defendants admit only that some of the packages sent by WAP to Mr. Rider contained a cover letter and a check from WAP, but the MGC Defendants deny the remaining allegations in this paragraph.
  - 115. Denied.
- 116. The first sentence is denied. With regard to the second sentence, the MGC Defendants admit only that the funding from WAP was used for Mr. Rider's living and travel expenses while he engaged in public education and media outreach. The MGC Defendants deny the remaining allegations in this paragraph.

117. As to the first sentence, the MGC Defendants admit only that the funding provided to Mr. Rider was provided to him in advance for his living and traveling expenses rather than reimbursements for expenses already incurred, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that WAP provided funding to Mr. Rider approximately every two weeks while he was engaged in public education and media outreach, and that Mr. Rider periodically provided receipts for his expenditures to WAP, but the MGC Defendants deny the remaining allegations in this sentence as phrased. The third and fourth sentences are admitted. The fifth sentence is denied as phrased. As to the sixth sentence, the MGC Defendants admit only that Mr. Rider used the funding he received from WAP to buy a shirt that he wore at his deposition, but lack sufficient information to admit or deny the remaining allegations regarding how Mr. Rider regarded the funding, and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.

### 118. Denied.

- 119. The first, second, and third sentences are denied. The remaining sentences in this paragraph quote from and characterize the Court's opinion in the ESA Action which speaks for itself. The MGC Defendants acknowledge the existence of the Court's rulings and findings made in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context.
- 120. The MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the first sentence,

the MGC Defendants admit only that the cover letters were usually signed by Mr. Glitzenstein, but they deny the remaining allegations as phrased. The second sentence is denied. As to the third sentence, the MGC Defendants admit only that WAP did not always send cover letters to Mr. Rider, but deny the remaining allegations as phrased. As to the fourth, fifth and sixth sentences, the MGC Defendants admit only that the cover letters and WAP's ledger usually referred to the venues where the circus was performing, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

- 121. The first sentence refers to the deposition testimony provided by WAP, which speaks for itself. The MGC Defendants acknowledge the existence of the depositions taken in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC defendants deny the remaining allegations of this sentence as phrased. With regard to the second sentence, the MGC Defendants admit only that in 2005 the ledger began to reflect that Mr. Rider was targeting his media efforts. The MGC Defendants deny the remaining allegations in this paragraph.
- 122. The first sentence is admitted. As to the second sentence, the MGC Defendants admit only that a number of WAP cover letters and checks were sent to Mr. Rider in Florida, but deny the remaining allegations as phrased. As to the third sentence, the MGC Defendants admit only that some of Mr. Rider's media work was conducted over the phone and his laptop computer but the MGC Defendants deny the remaining allegations in this sentence as phrased. The last sentence is denied as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

- 123. The first sentence is denied. As to the second sentence, the MGC Defendants admit only that Mr. Rider was not always able to generate media coverage of FEI's mistreatment of Asian elephants, but deny the remaining allegations as phrased. The third sentence is denied as phrased. The fourth sentence is denied as phrased. As to the remaining sentences the MGC Defendants admit only that WAP did not cease funding Mr. Rider on the ground that he had not done enough media work, but deny the remaining allegations in this paragraph as phrased.
- 124. As to the first sentence, the MGC Defendants admit only that the public education and media outreach done by Mr. Rider while he received funding for living and travel expenses was done while the ESA Action was pending, but deny the remaining allegations as phrased. The second and third sentences refer to the deposition testimony taken in the ESA Action, which speaks for itself. The MGC Defendants acknowledge the existence of the depositions taken in the ESA Action, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC defendants deny the remaining allegations of this sentence as phrased. The MGC defendants deny the remaining allegations in this paragraph.
- 125. This paragraph refers to WAP's records and the MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 126. As to the first sentence, the MGC Defendants admit only that WAP continued to fund Mr. Rider's living and travel expenses while he engaged in public education and media

outreach during this time period, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

- 127. As to the first sentence, the MGC Defendants admit only that WAP engaged in activities to raise funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that Ms. Meyer transmitted a grant proposal to Ms. Liss for the purpose of funding Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations in this sentence as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
- 128. The first sentence is denied. As to the second sentence, the MGC Defendants admit only that a grant proposal was sent to FFA, but deny the remaining allegations as phrased. As to the third sentence, the MGC Defendants admit that a grant proposal was sent to a woman, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
  - 129. Denied.
  - 130. Denied.
- 131. The first two sentences are denied. As to the third sentence, the MGC Defendants admit only that the ASPCA provided funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach during this time period but deny the remaining allegations in this paragraph as phrased.
- 132. As to the first sentence, the MGC Defendants admit only that some funding was provided to Mr. Rider by MG for living and travel expenses while he engaged in public

education and media outreach and was then reimbursed by the ESA clients, including the ASPCA, but deny the remaining allegations as phrased. The second, third, and fourth sentences refer to invoices, and the MGC Defendants admit the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the fifth sentence, the MCG Defendants admit only that neither the ASPCA nor Mr. Rider produced any such forms during discovery in the ESA Action, but the MGC Defendants are otherwise without sufficient information to admit or deny the remaining allegations in this sentence. The MGC Defendants deny the remaining allegations in this paragraph.

- 133. The MGC Defendants admit only that the ASPCA provided grants to Mr. Rider for living and travel expenses while he engaged in public education and media outreach but deny the remaining allegations in this paragraph.
- 134. As to the first sentence, the MGC Defendants admit only that the ASPCA provided Mr. Rider funding for bus tickets, daily living expenses, and occasionally a hotel room, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that some of the expenses were paid with the ASPCA's corporate credit card that had been issued to Ms. Weisberg, but deny the remaining allegations. As to the third sentence, the MGC Defendants admit only that the ASPCA retrieved these records from American Express, but deny the remaining allegations as phrased. The fourth sentence is denied as phrased. The MGC Defendants deny the allegations in the fifth sentence. The MGC Defendants deny the remaining allegations in this paragraph.

135. The first sentence is admitted to the extent that the ASPCA provided grants to Mr. Rider for living and travel expenses while he engaged in public education and media outreach but deny the remaining allegations in this paragraph. As to the second sentence, the MGC Defendants admit only that neither the ASPCA nor Mr. Rider produced any such forms during discovery in the ESA Action, but lack sufficient information to otherwise admit or deny the remaining allegations. The MGC Defendants deny the remaining allegations in this paragraph.

136. The first sentence is denied as phrased. As to the second sentence, the MGC Defendants admit only that ASPCA sent WAP a check for \$6,000 to support Mr. Rider's living and travel expenses while he engaged in public education and media outreach but deny the remaining allegations as phrased. As to the third sentence, the MGC Defendants lack sufficient information and knowledge regarding the allegations concerning other parties, including the ASPCA and what it understood, and therefore demand strict proof thereof. As to the fourth sentence, the MCG Defendants admit only that Lisa Weisberg knew that WAP was founded by Ms. Meyer and Mr. Glitzenstein, but deny the remaining allegations as phrased. As to the fifth sentence, the MGC Defendants lack sufficient knowledge to admit or deny the allegations regarding other parties, and therefore demand strict proof thereof. The sixth sentence is denied as phrased. The seventh sentence is denied. As to the eighth sentence, the MGC Defendants admit only that no receipts were produced during discovery for 2002 by the specific entities named, but deny the remaining allegations as phrased. The ninth and tenth sentences are denied. As to the last sentence, the MGC Defendants admit that neither the ASPCA nor Mr. Rider produced the tax forms referred to during discovery in the ESA Action, but the MGC Defendants are otherwise without sufficient knowledge to admit or deny these allegations concerning other parties and their records. The MGC Defendants deny the remaining allegations in this paragraph.

admitted. The MGC Defendants are without sufficient information or knowledge to respond to the allegations in the fourth sentence and on that basis they are denied. As to the last sentence, the MGC Defendants admit that neither the ASPCA nor Mr. Rider produced the tax forms referred to during discovery in the ESA Action, but the MGC Defendants are otherwise without sufficient knowledge to admit or deny the allegations concerning other parties and their records. The MGC Defendants deny the remaining allegations in this paragraph.

- 138. Denied.
- 139. Denied.
- 140. Denied.
- 141. Denied.
- 142. Denied.
- 143. Denied.
- 144. Denied as phrased.
- 145. Denied as phrased.
- 146. As to the first sentence two sentences, the MGC Defendants admit only that during this time period some funding was provided by MG to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach and was then reimbursed by the ESA clients including AWI, but deny the remaining allegations as phrased. As to the remainder in this paragraph, the allegations refer to invoices and the MGC Defendants admit

only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 147. The MGC Defendants admit only that AWI provided funding to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach and that some of this funding was used to repair the van that Mr. Rider used for this purpose, but deny the remaining allegations in this paragraph as phrased.
- 148. As to the first sentence the MGC Defendants admit only that AWI provided grants to WAP to help fund Mr. Rider's living and travel expenses while he engaged in public education and media outreach concerning FEI's mistreatment of Asian elephants. As to the remainder in this paragraph, the allegations refer to WAP's records and an AWI Form 990 and the MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 149. The first sentence is denied as phrased. With regard to the second sentence, the MGC Defendants admit that neither AWI nor Mr. Rider produced the tax forms referred to during discovery in the ESA Action, but the MGC Defendants are otherwise without sufficient knowledge to admit or deny these allegations concerning other parties and their records. The MGC Defendants deny the remaining allegations in this paragraph.
  - 150. Denied.

- 151. Denied.
- 152. Denied.
- 153. Denied.
- 154. Denied.
- 155. Denied.
- 156. The MGC Defendants admit only that FFA contributed funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach concerning FEI's mistreatment of Asian elephants, but the MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 157. The MGC Defendants admit only that the ASPCA, AWI and FFA all contributed funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations in this paragraph as phrased.
- 158. As to the first two sentences, the MGC Defendants admit only that some funding was provided to Mr. Rider by MG for living and travel expenses while he engaged in public education and media outreach and was then reimbursed by the ESA clients including FFA, but deny the remaining allegations as phrased. The last sentence refers to invoices, and the MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 159. As to the first sentence, the MGC Defendants admit only that FFA provided some funding directly to Mr. Rider, but deny the remaining allegations as phrased; the MGC

Defendants are without sufficient knowledge or information to form a belief as to the relationship between FFA and HSUS and hence whether any of the funding provided for Mr. Rider's public education and media was provided by HSUS rather than FFA, and therefore demand strict proof thereof. The second sentence is admitted. The third and fourth sentences are admitted with respect to FFA, but the MGC Defendants are without sufficient knowledge or information to admit or deny the allegations regarding whether FFA received any such receipts, and therefore demand strict proof thereof. The MGC Defendants are without sufficient knowledge or information to admit or deny the allegations regarding any relationship between FFA and HSUS or whether any of the funding provided for Mr. Rider's public education and media was provided by HSUS rather than FFA, and therefore demand strict proof thereof. As to the last sentence, the MGC Defendants admit only that Mr. Rider appeared at the press conference with Mr. Markarian, and that Mr. Markarian was FFA's Rule 30(b)(6) witness in the ESA Action, but deny the remaining allegations. The MGC Defendants deny the remaining allegations in this paragraph.

160. The first sentence sets forth a conclusion of law as to which no response is required, but if a response may be required, the allegations are denied. As to the second sentence, the MGC Defendants are without sufficient knowledge or information to admit or deny the allegations regarding any relationship between FFA and HSUS or the degree to which the funding provided for Mr. Rider's public education and media was provided by HSUS rather than FFA and therefore demand strict proof thereof. The remainder in this paragraph refers to WAP's records, and the MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations

set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 161. As to the first sentence, the MGC Defendants admit only that before Mr. Rider was able to purchase a used van for his public education and media outreach with funding provided by WAP, and that he used an older used van for this purpose, but deny the remaining allegations as phrased. As to the second and third sentences, the MGC Defendants admit only that FFA paid for repairs for this van to enable Mr. Rider to attend a press conference in Denver, Colorado, but the MGC Defendants deny the remaining allegations as phrased.
- 162. As to the first sentence, the MGC Defendants admit only that FFA provided funding for Mr. Rider's living and travel expenses while he engaged in public education and media outreach concerning the mistreatment of the Asian elephants, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit that neither FFA nor Mr. Rider produced the tax forms referred to during discovery in the ESA Action, but the MGC Defendants are otherwise without sufficient knowledge to admit or deny the allegations concerning other parties and their records. The MGC Defendants deny the remaining allegations in this paragraph.
  - 163. Denied.
  - 164. Denied.
  - 165. Denied.
  - 166. Denied.
  - 167. Denied.
  - 168. Denied.

- 169. The first sentence is admitted. The second sentence is denied. As to the third and fourth sentences, the MGC Defendants are without sufficient information to admit or deny allegations regarding other parties and their knowledge and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.
- 170. As to the first sentence, the MGC Defendants admit only that API provided grants to WAP to support Mr. Rider's living and travel expenses while he engaged in public education and media outreach concerning FEI's mistreatment of Asian elephants, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit only that funding provided by API to support Mr. Rider's living and travel expenses while he engaged in public education and media outreach was provided to Mr. Rider for that purpose, but deny the remaining allegations as phrased. The remainder in this paragraph refers to letters, checks and records, and the MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 171. The first sentence is denied. As to the second sentence, the MGC Defendants admit only that sometime in 2006, API changed the way it recorded certain information, but the MGC Defendants deny the remaining allegations in this paragraph.
- 172. As to the first sentence, the MGC Defendants admit only that API provided funding directly to Mr. Rider for his living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants admit that API paid Mr. Rider's travel and living expenses in

connection with his travel to Omaha Nebraska to testify at a legislative hearing, but are without sufficient information to admit or deny the amounts, and therefore demand strict proof thereof.

173. The MGC Defendants admit only that API provided funding for Mr. Rider's public education and media outreach concerning FEI's mistreatment of Asian elephants, but deny the remaining allegations in the first sentence as phrased. As to the second sentence, the MGC Defendants admit that neither the API nor Mr. Rider produced the tax forms referred to during discovery in the ESA Action, but the MGC Defendants are otherwise without sufficient knowledge to admit or deny these allegations concerning other parties and their records. The MGC Defendants deny the remaining allegations in this paragraph.

- 174. Denied.
- 175. Denied.
- 176. Denied.
- 177. Denied.
- 178. Denied.
- ASPCA, AWI and HSUS held a fundraiser, but deny the remaining allegations as phrased. The second sentence refers to documents, and the MGC Defendants admit only the existence of the records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in FAC are inconsistent therewith or with the ESA record. As to the third sentence, the MGC Defendants admit only that one or more attorneys from MGC attended the fundraiser, but deny the remaining allegations as phrased. The fourth sentence is denied. The final sentence refers to a document and the MGC Defendants admit only the

existence of the record referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

180. To the extent this paragraph refers to certain documents, the MGC Defendants admit only the existence of the documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 181. Denied.
- 182. Denied.
- 183. Denied.
- 184. Admitted.
- 185. The allegations in this paragraph refer to discovery responses and a trial exhibit and the MGC Defendants acknowledge the existence of the filings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
  - 186. Denied.
- 187. The allegations in this paragraph refer to discovery responses, and the MGC Defendants acknowledge the existence of the filings in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth

in the FAC are inconsistent with the ESA record or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.

- 188. Denied.
- 189. Denied.
- as a fact witness and that his testimony had to be continued to a second day, but deny the remaining allegations. As to the second, third and fourth sentences, the allegations in these sentences quote from and characterize the Court's opinion in the ESA Action and the MGC Defendants acknowledge the existence of the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
  - 191. Denied.
  - 192. Denied.
- 193. As to this paragraph, the MGC Defendants admit only that, to the best of their knowledge, Mr. Rider did not file a tax return during 2001- 2006, that Mr. Rider began filing such tax returns in 2007, and that he did so with the assistance of a pro bono attorney, but deny the remaining allegations and specifically deny that they or any organization advised or encouraged Mr. Rider not to pay his taxes. The MGC Defendants deny the remaining allegations in this paragraph.
- 194. The first sentence is denied. As to the second, third, and fourth sentences, the MGC Defendants acknowledge the existence of the filing referred to in the ESA Action, but

deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or taken out of context. As to the fifth sentence, the MGC Defendants admit only that on October 3, 2006, the WAP website may have been temporarily unavailable or inaccessible, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

195. The MGC Defendants acknowledge that API's representative testified in the ESA Action regarding the matters referred to, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

196. The first sentence is denied. As to the second and third sentences, the MGC Defendants admit only the existence of the discovery responses referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the third sentence, the MGC Defendants admit only that the ASPCA disclosed in June 2004 that it had provided funding to WAP, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

- 197. Denied.
- 198. Denied.
- 199. The MGC Defendants admit only the existence of the discovery responses referred to, which speak for themselves, but deny the allegations in this paragraph to the extent

that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 200. The MGC Defendants admit only the existence of the discovery responses and tax forms referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 201. The MGC Defendants admit only the existence of the discovery responses referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 202. The MGC Defendants admit only the existence of the discovery responses referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
  - 203. Denied.
  - 204. Denied.
  - 205. Denied.
- 206. The MGC Defendants admit only the existence of the deposition testimony referred to, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 207. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 208. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 209. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 210. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 211. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 212. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this

paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 213. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
  - 214. Denied.
  - 215. Denied.
  - 216. Denied.
- 217. The MGC Defendants admit only the existence of the deposition testimony, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 218. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 219. The MGC Defendants admit only the existence of the deposition testimony, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph. The MGC Defendants specifically deny that FEI was not aware that the ESA plaintiffs were funding

Mr. Rider's living and travel expenses while he engaged in public education and media outreach until after August 23, 2007, and specifically deny that FEI was not aware that the ESA plaintiffs also provided funding to WAP for that purpose until FEI served a subpoena on WAP.

- 220. Denied.
- 221. Denied.
- 222. Denied.
- 223. The MGC Defendants admit only the existence of the discovery responses referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants admit only that Ms. Meyer signed the objections, but deny the remaining allegations in this paragraph.
- 224. The MGC Defendants admit only the existence of the discovery responses, invoices and documents referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.
- 225. The MGC Defendants admit only the existence of the discovery responses referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants admit only that Ms. Meyer signed the objections, but deny the remaining allegations in this paragraph.
- 226. The first sentence is denied. As to the second sentence, it is admitted that Mr. Rider received funding from the ESA plaintiffs to fund his living and travel expenses while he

engaged in public education and media outreach but the MGC Defendants deny the remaining allegations of this sentence as phrased. The third sentence is admitted. As to the fourth and sixth sentences, the MGC Defendants acknowledge the existence of the tax records referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. As to the fifth sentence, the MCG Defendants admit that funding was provided for Mr. Rider's living and travel expenses while he engaged in public education and media outreach, but deny the remaining allegation as phrased. The MGC Defendants deny the remaining allegations in this paragraph.

227. The first sentence is denied. As to the remainder in this paragraph, the MGC Defendants admit only the existence of the discovery responses, invoices and documents referred to, which speak for themselves, admit that Ms. Meyer knew that Mr. Rider received funding for his living and travel expenses while he engaged in public education and media outreach, admit that Ms. Meyer served as a partner of MGC, admit that Ms. Meyer served as a principal of WAP, but deny the remaining allegations in this paragraph. As to the allegations regarding the Performing Animal Welfare Society, the MGC Defendants admit that this organization is a former client that had previously employed Mr. Rider. The MGC Defendants deny the remaining allegations in this paragraph.

- 228. Denied.
- 229. Denied.
- 230. Denied.
- 231. The MGC Defendants admit only the existence of the evidentiary hearings referred to, which speak for themselves, but deny the allegations in this paragraph to the extent

that the allegations set forth in the FAC are inconsistent therewith or with the ESA record. The third sentence is admitted. The MGC Defendants deny the remaining allegations in this paragraph.

- 232. The MGC Defendants admit only that at the time of the hearings referred to, Mr. Rider was receiving funding from WAP for his living and travel expenses while he engaged in public education and media outreach, that some of the funding had been provided by one or more of the organizational plaintiffs, and that those organizations knew about the funding they had provided, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
  - 233. Denied.
  - 234. Denied.
- 235. The first and second sentences are denied. As to the third sentence, the MGC Defendants admit only that, at some point during the ESA Action, the ASPCA did not have copies of all of Ms. Weisberg's personal credit card records and that the organization was subsequently able to obtain those records and produce them to counsel for FEI, but the MGC Defendants deny the remaining allegations. The MGC Defendants deny the remaining allegations in this paragraph.
  - 236. Denied.
- 237. Based upon the Court's ruling on the initial dispositive motion in this case, allegations regarding legislative activities cannot serve as the basis for a RICO claim, and therefore no response to these allegations is required. If a response may be required, the MGC Defendants admit only that in 1999, a bill was introduced in Congress that would have outlawed

the use of elephants in traveling shows and circuses and for the purpose of providing elephant rides. The MGC Defendants deny the remaining allegations in this paragraph.

- 238. Based upon the Court's ruling on the initial dispositive motion in this case, allegations regarding legislative activities cannot serve as the basis for a RICO claim, and therefore no response to these allegations is required. If a response may be required, the MGC Defendants admit only that legislation has been introduced in state and local legislatures to ban certain practices with respect to elephants. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 239. Based upon the Court's ruling on the initial dispositive motion in this case, allegations regarding legislative activities cannot serve as the basis for a RICO claim, and therefore no response to these allegations is required. If a response may be required, the MGC Defendants admit the allegations of the first sentence. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
  - 240. Denied.
  - 241. Denied.
- 242. The MGC Defendants acknowledge the existence of the testimony and hearings referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
- 243. As to the first sentence, the MGC Defendants acknowledge the existence of the appearance referred to, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context.

As to the second sentence, the MGC Defendants admit only that at the time Mr. Rider testified he was receiving funding from WAP for his public education and media outreach and that PETA paid for some of his expenses in connection with that hearing, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph

- 244. The MGC Defendants admit only that the ASPCA, FFA and AWI, with assistance from MG, issued a report concerning FEI's Asian elephants, but deny the remaining allegations in this paragraph as phrased.
- 245. As to the first sentence, the MGC Defendants admit only that, after the trial of the ESA Action, Mr. Rider worked with the Animal Defenders International in Europe to educate the public about the mistreatment of animals by circuses, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants are without sufficient knowledge or information to admit or deny the allegations and therefore demand strict proof thereof. As to the third sentence, the MGC Defendants admit only that, after the ESA Action, Mr. Rider continued his public advocacy and education work to tell the public about what he had witnessed when he worked at the circus, but deny the remaining allegations as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
  - 246. Denied.
  - 247. Denied.
- 248. The MGC Defendants are without knowledge sufficient to admit or deny the allegations in this paragraph and therefore demand strict proof thereof.
- 249. The MGC Defendants are without knowledge sufficient to admit or deny the allegations in this paragraph and therefore demand strict proof thereof.

- 250. The MGC Defendants are without knowledge sufficient to admit or deny the allegations in this paragraph and therefore demand strict proof thereof.
- 251. The MGC defendants admit only that Mr. Hagan executed an affidavit in the Summer of 2004 concerning the mistreatment of animals by FEI that he had witnessed when he worked for FEI, but deny the remaining allegations in this paragraph.
- 252. The MGC Defendants are without knowledge sufficient to admit or deny the allegations in this paragraph and therefore demand strict proof thereof.
- 253. The MGC Defendants admit only that Mr. Hagan met with an USDA investigator and provided an affidavit to the USDA regarding FEI's mistreatment of animals. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 254. As to the allegations in this paragraph, the MGC Defendants deny that Mr. Hagan's affidavits were false or misleading, but are without knowledge sufficient to admit or deny the remaining allegations in this paragraph and therefore demand strict proof thereof.
- 255. As to the first sentence, the MGC Defendants admit only that MGC attorneys have represented PETA, but deny the remaining allegations. As to the second sentence, the MGC Defendants are without knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof.
- 256. The first four sentences in this paragraph refer to a subpoena and deposition testimony, and the MGC Defendants acknowledge the existence thereof, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in FAC are inconsistent therewith or taken out of context. The MGC defendants deny the remaining allegations of these sentences as phrased. The fifth sentence is admitted. As to the

sixth sentence, the MGC Defendants are without information or knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.

- 257. The MGC Defendants acknowledge the existence of the deposition testimony referred to, which speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. The MGC defendants deny the remaining allegations of this sentence as phrased. The MGC Defendants deny the remaining allegations in this paragraph.
  - 258. Admitted.
- 259. The MGC Defendants are without knowledge sufficient to admit or deny the allegations in this paragraph and therefore demand strict proof thereof.
  - 260. Admitted.
  - 261. Admitted.
- 262. The first sentence is admitted. As to the second sentence the MGC Defendants admit only that Ms. Hundley testified in the ESA Action, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context.
- 263. As to the first sentence the MGC Defendants admit only that Ms. Hundley testified in the ESA Action, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context.

- 264. As to this paragraph, the MGC Defendants admit only that Mr. and Mrs. Tom testified in the ESA Action, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context.
- 265. As to the first sentence, the MGC Defendants admit only that PETA has been a client of MGC over the years, but deny the remaining allegations as phrased. As to the second sentence, the MGC Defendants are without knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof.
- 266. As to the first three sentences, the MGC Defendants acknowledge the existence of the ESA Action, the pleadings, testimony and filings made therein and the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
- 267. As to the first sentence, the allegations are denied. The allegations in the second sentence are admitted. The MGC Defendants deny the allegations of the third sentence as phrased. As to the last sentence, the MGC Defendants are without information or knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.
- 268. As to this paragraph, the MGC Defendants admit that Ms. Hundley and Mr. and Mrs. Tom testified in the ESA Action, which testimony speaks for itself, but deny the allegations

in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. The last sentence is admitted.

- 269. As to this paragraph, the MGC Defendants only admit that Ms. Hundley testified in the ESA Action, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. As to the last sentence, the MGC Defendants are without information or knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof.
- 270. The MGC Defendants are without information or knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof.
- 271. As to the first sentence, the MGC Defendants are without information or knowledge sufficient to admit or deny the allegations and therefore demand strict proof thereof. The second sentence is admitted. The third and fourth sentences are denied and the MGC Defendants deny the remaining allegations in this paragraph.
- 272. As to this paragraph, the MGC Defendants only admit the existence of the trial and deposition testimony referred to, which testimony speaks for itself, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
  - 273. Denied.
- 274. The MGC Defendants admit only that FEI retained the two law firms referred to, but the MGC Defendants are without information or knowledge sufficient to admit or deny the remaining allegations and therefore demand strict proof thereof. The MGC Defendants specifically deny that plaintiff is entitled to recover damages.

# (Alleging violations of RICO, 18 U.S.C. §§ 1962(c) and 1964(c))

- 275. The MGC Defendants hereby adopt and incorporate their responses to paragraphs 1-274 set forth above as if fully set forth herein.
- 276. This paragraph contains conclusions of law to which no response is required. To the extent a response may be required, the allegations are denied.
- 277. This paragraph contains conclusions of law to which no response is required. To the extent a response may be required, the allegations are denied.
- 278. This paragraph contains conclusions of law to which no response is required. To the extent a response may be required, the allegations are denied.
  - 279. Denied.
  - 280. Denied.
  - 281. Denied.
  - 282. Denied.
  - 283. Denied.
- 284. This paragraph contains conclusions of law to which no response is required. To the extent a response may be required, the allegations are denied.
  - 285. Denied.
  - 286. Denied.
  - 287. Denied.
- 288. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

# COUNT II (Alleging violations of RICO, 18 U.S.C. §§ 1962(d) and 1964(c)

- 289. The MGC Defendants hereby adopt and incorporate their responses to paragraphs 1-288 set forth above as if fully set forth herein.
  - 290. Denied.
  - 291. Denied.
  - 292. Denied.
  - 293. Denied.
  - 294. Denied.
  - 295. Denied.
- 296. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

# COUNT III (Alleging violations of Virginia Conspiracy Act, Va. Code §§ 18.2-499(a) and 18.2-500)

- 297. The MGC Defendants hereby adopt and incorporate their responses to paragraphs 1-296 set forth above as if fully set forth herein.
  - 298. Denied.
  - 299. Denied.
  - 300. Denied.
- 301. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

# COUNT IV (Alleging Abuse of Process)

- 302. The MGC Defendants hereby adopt and incorporate their responses to paragraphs 1-301 set forth above as if fully set forth herein.
- 303. As to this paragraph, the MGC Defendants deny that HSUS was named as a party in the ESA Action, but the MGC Defendants acknowledge the existence of the ESA Action, the pleadings and filings made therein and the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
- 304. As to this paragraph, the MGC Defendants acknowledge the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph.
  - 305. Denied.
  - 306. Denied.
- 307. As to this paragraph, the MGC Defendants lack sufficient information or knowledge to admit or deny the allegations regarding the fundraising practices and activities of the ESA organizational plaintiffs and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.
  - 308. Denied as phrased.

- 309. As to the allegations in this paragraph, the MGC Defendants are without sufficient information or knowledge to admit or deny the allegations regarding the amount of donations received by the organizations and therefore demand strict proof thereof. The MGC Defendants deny the remaining allegations in this paragraph.
  - 310. Denied.
- 311. The first sentence is denied. As to the second sentence, the MGC Defendants admit only that some of the defendants disseminated some non-confidential information they obtained in discovery to the public and legislative entities. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
- 312. As to the allegations in this paragraph, the Court has ruled that FEI lacks standing to assert a RICO claim based upon legislative activities and therefore no response is required. To the extent a response may be required, the MGC Defendants admit only that Mr. Rider engaged in public education and media outreach, including legislative efforts, that he received funding for his living and travel expenses while he engaged in those activities, and the MGC Defendants acknowledge the existence of the testimony, statements and appearances referred to, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent therewith or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph as phrased.
  - 313. Denied.
  - 314. Denied.
- 315. The MGC Defendants acknowledge the trial testimony and record in the ESA Action, which speaks for itself, but deny the allegations in this paragraph to the extent that the

allegations set forth in the FAC are inconsistent therewith or with the ESA record. The MGC Defendants deny the remaining allegations in this paragraph.

- 316. Denied.
- 317. Denied.
- 318. Denied.
- 319. Denied.
- 320. Denied.
- 321. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.
- 322. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

# **COUNT V**(Alleging malicious prosecution)

- 323. The MGC Defendants hereby adopt and incorporate their responses to paragraphs 1-322 set forth above as if fully set forth herein.
- 324. The MGC Defendants acknowledge the existence of the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph and specifically deny that a dismissal of the ESA Action for lack of standing terminated the ESA Action in FEI's favor or constitutes a judgment on the merits
  - 325. Denied.
  - 326. Denied.

- 327. Denied.
- 328. The MGC Defendants acknowledge the existence of the Court's rulings and findings made in the ESA Action, which speak for themselves, but deny the allegations in this paragraph to the extent that the allegations set forth in the FAC are inconsistent with the ESA record or are taken out of context. The MGC Defendants deny the remaining allegations in this paragraph and specifically deny that a dismissal of the ESA Action for lack of standing terminated the ESA Action in FEI's favor or constitutes a judgment on the merits
  - 329. Denied.
  - 330. Denied.
  - 331. Denied.
  - 332. Denied.
- 333. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

# **COUNT VI**(Alleging maintenance)

- 334. The MGC Defendants hereby adopt and incorporate their responses to paragraphs 1-333 set forth above as if fully set forth herein.
- 335. As to this paragraph, the MCG Defendants admit only that WAP was not a party to the ESA Action, and that WAP has never owned, exhibited, cared for or bred an Asian elephant, but deny the remaining allegations in this paragraph as phrased.
- 336. As to this paragraph, the MCG Defendants admit only that, to the best of their knowledge, the ASPCA, AWI, and API have never owned, exhibited, cared for or bred an Asian

elephant, and that Mr. Rider had never been a member of the ASPCA, AWI, FFA, HSUS or API, but deny the remaining allegations in this paragraph as phrased.

- 337. Denied.
- 338. Denied as phrased.
- 339. Denied.
- 340. Denied.
- 341. Denied.
- 342. Denied.
- 343. Denied.
- 344. Denied. The MGC Defendants specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

# <u>COUNT VII</u> (Alleging champerty)

345 - 354. FEI's champerty claims have been dismissed by the Court and accordingly no response to these allegations is required; to the extent any response may be required, the allegations are denied.

Further answering the First Amended Complaint, the MGC defendants deny each and every allegation in the First Amended Complaint not specifically admitted. The MGC Defendants also specifically deny any and all allegations of wrongdoing and specifically deny that plaintiff is entitled to the relief requested.

Moreover, in its Prayer For Relief clauses, the First Amended Complaint demands judgment against multiple defendants and, to the extent that a response may be required, the

MGC Defendants specifically deny that they are liable to FEI for any damages, expenses, costs, attorneys' fees, or interest as alleged.

**WHEREFORE**, the MGC Defendants requests that this Court: (1) Dismiss this action with prejudice; (2) Award defendants' costs, attorneys' fees, and other appropriate sanctions under 28 U.S.C. § 1927, and any other applicable provision of law; and (3) Award such further relief as the Court deems proper.

### THIRD DEFENSE

Plaintiff has, or may have, failed to mitigate its damages.

#### **FOURTH DEFENSE**

Plaintiff's alleged injuries or damages, if any, were or may have been caused or proximately caused by the plaintiff's contributory negligence and/or assumption of the risk.

### FIFTH DEFENSE

Plaintiff's alleged injuries and damages, if any, were not caused or proximately caused by any acts and/or omissions of these defendants or their agents and any alleged injuries and/or damages, if any, were or may have been proximately caused by the superseding and/or intervening acts or negligence of others for whom these defendants are not responsible.

# SIXTH DEFENSE

Plaintiff's claims are or may be barred by the applicable statute of limitations.

#### **SEVENTH DEFENSE**

Plaintiff's alleged injuries and/or damages, if any, were or may have been proximately caused by the acts or negligence of persons acting outside the scope of their employment and for whom these defendants are not responsible.

#### **EIGHTH DEFENSE**

Plaintiff's claims are or may be barred by lack of privity of contract and/or because these defendants owed no duty to plaintiff.

#### **NINTH DEFENSE**

Plaintiff's claims are or may by barred by the doctrines of laches, waiver and/or estoppel.

## **TENTH DEFENSE**

Plaintiff's claims are or may by barred by the doctrine of res judicata and/or collateral estoppel.

#### **ELEVENTH DEFENSE**

Plaintiff's claims are or may by barred by its failure to plead and/or prove with sufficient particularity the necessary "conduct" element in that the Complaint does not set forth a "predicate act" as required under the Civil Racketeering Influenced and Corrupt Organizations Act ("RICO").

#### TWELFTH DEFENSE

Plaintiff's claims are or may by barred by its failure to plead and/or prove the necessary "causal connection" between any predicate acts and plaintiff's purported injuries.

# THIRTEENTH DEFENSE

Plaintiff's claims are or may by barred by its failure to plead and/or prove the necessary "conduct" and "enterprise" elements of any so-called RICO "enterprise."

#### **FOURTEENTH DEFENSE**

Plaintiff's claims are or may by barred by its failure to plead and/or prove with sufficient particularity the necessary "pattern" required under RICO.

#### FIFTEENTH DEFENSE

Plaintiff's claims are or may by barred by its failure to plead and/or prove with sufficient particularity a RICO conspiracy claim under 18 U.S.C. § 1962(d).

#### **SIXTEENTH DEFENSE**

Plaintiff's claims are or may by barred in whole or in part by the doctrine of unclean hands and/or *pare delicto*.

### **SEVENTEENTH DEFENSE**

Plaintiff's claims are or may be barred in whole or in part by the Noerr-Pennington Doctrine and/or by the protections afforded by the First Amendment to the United States Constitution.

### **EIGHTEENTH DEFENSE**

Plaintiff's claims are or may by barred in whole or in part by the District of Columbia's Anti–SLAPP Act ("strategic lawsuits against public participation") codified at D.C. Code §§ 16–5501 *et seq.* (2010).

#### NINETEENTH DEFENSE

Plaintiff's malicious prosecution claim fails as a matter of law because there was no favorable termination of the ESA Action on the merits and Plaintiff has not alleged and cannot prove a special injury as a result of the ESA Action.

#### TWENTIETH DEFENSE

Plaintiff's abuse of process claim fails as a matter of law because there was no perversion of the regular and contemplated judicial process.

#### TWENTY-FIRST DEFENSE

Plaintiff's maintenance claim fails as a matter of law because such a claim is not recognized in this jurisdiction, and the defendants had and have a strong interest in advancing the humane treatment of performing animals.

#### TWENTY-SECOND DEFENSE

Plaintiff's claims are or may be barred in whole or in part by because of the failure to the comply with the heightened pleading requirements of Fed. R. Civ. P. 9(b).

#### TWENTY-THIRD DEFENSE

Plaintiff's claims fail as a matter of law because they constitute a compulsory counterclaim in the ESA Action pursuant to Rule 13(a).

### TWENTY-FOURTH DEFENSE

Plaintiff's claims are or may be barred in whole or in part because at all relevant times the MGC Defendants' conduct was reasonable, lawful, and in good faith.

#### TWENTY-FIFTH DEFENSE

The MGC Defendants reserve the right to assert each and every additional defense, including affirmative defenses that may become available during the course of discovery.

#### **SET-OFF**

The MGC Defendants are entitled to a set-off should any damages be awarded against them, in the amount(s) recovered by Plaintiff FEI with respect to the same alleged injuries or damages, including any attorneys' fees that may be awarded in the ESA Action. The MGC Defendants are also entitled to have any damages that may be awarded to Plaintiff reduced by the value of any benefit or payment to Plaintiff from any collateral source.

#### **JURY DEMAND**

The MGC Defendants demand a trial by jury on all causes so triable.

#### **COUNTERCLAIM**

Defendant and Counter-plaintiff Meyer Glitzenstein & Crystal, by counsel and pursuant to Fed.R.Civ.P. 13, hereby asserts its Counterclaim and states the following in support of its Counterclaim against Plaintiff/Counter-Defendant, Feld Entertainment, Inc. ("FEI") as follows:

### **COUNT I - ABUSE OF PROCESS**

- 1. This Court has jurisdiction over this Counterclaim pursuant to Fed.R.Civ. P. 13.
- 2. FEI has known since 2002 at the latest that Tom Rider was receiving funding from one or more of the organizational plaintiffs in the ESA Action, but FEI did not pursue any RICO or any other claim concerning such funding until 2007. On February 28, 2007, FEI moved for leave in the ESA Action to file a RICO Counterclaim. Although the proposed counterclaim alleged that MGC and various individual attorneys in the ESA Action played a central role in the purported scheme on which the RICO claim is based, the proposed counterclaim was not asserted against MGC or any of the individual attorneys in the ESA Action.
- 3. On August 23, 2007, the Court denied FEI's motion to file a RICO counterclaim in the ESA Action, explaining that FEI "has been aware that plaintiff Tom Rider has been receiving payments from the plaintiff organizations for more than two years," that FEI "was aware of the payments to Tom Rider that underlie its defense of unclean hands at least as early as 2005," and that "[s]uch delay provides strong evidence of a dilatory motive."
- 4. Five days after the Court's denial of FEI's motion for leave to file a RICO counterclaim in the ESA Action, on August 28, 2007, FEI filed its original Complaint in this

case. FEI again alleged that MGC and various individual counsel in the ESA Action were central to the purported scheme on which the RICO claim is based. FEI specifically alleged that the "payment scheme, which was devised and carried out with the encouragement and advice of MGC, first became known to FEI in June 2004 when one or more of the defendants submitted their discovery responses in the ESA Action." However, FEI again elected not to sue MGC or any of the individual counsel.

- 5. On November 7, 2007, the Court stayed the RICO claim, explaining that it had "rejected FEI's RICO counterclaim because it found that the claim was made with a dilatory motive," and had been "filed for the improper purpose of interfering with and delaying the resolution of the ESA Action." The Court further found that "FEI itself has already long delayed its day in court on this claim" and that FEI "has waited a significant amount of time before bringing this claim."
- 6. When FEI amended its RICO complaint in March 2010, following the resolution of the ESA Action, it added MGC and the individual attorney defendants for the first time, notwithstanding the statute of limitations barrier to subjecting them to a RICO claim many years after FEI itself conceded that it knew about the activities that purportedly comprise the "scheme" at the core of its RICO claim.
- 7. The addition of MGC and the individual attorneys to the claim in 2010 was intended primarily, if not solely, to accomplish objectives not regularly or legally obtainable as relief through the litigation itself, including by impairing MGC's ability to represent animal protection organizations in future litigation and advocacy, including but not limited to litigation and other advocacy pertaining to FEI's treatment of the Asian elephants and other animals. For

example, FEI's Complaint specifically alleges as part of its RICO claim the mere fact that MGC has in the past represented People for the Ethical Treatment of Animals and other animal protection and animal rights organizations.

- 8. FEI seeks to employ the litigation in order to impair the relationship between MGC and its animal protection clients; to compel MGC to expend massive time and resources defending itself against baseless claims that, in any event, FEI knows, or should know, are barred by the statute of limitations; and, ultimately, to cause MGC to expend so much time and resources defending the litigation that it must curtail or close its public-interest legal practice. These collateral objectives are not within the ordinary purview of relief that FEI may pursue through litigation
- 9. FEI's ultimate objective in adding MGC and the individual attorneys to the RICO claim in 2010 was to prevent and deter further advocacy, including, but not limited to, litigation, directed at FEI's practices involving Asian elephants and other animals and, ultimately, to cause MGC to curtail or shut down its law practice so that it could never again pursue advocacy concerning FEI or issues about which FEI is concerned, again.
- 10. FEI has taken extraordinary and extreme measures in the past in an effort to monitor, harass, intimidate, and divert and drain the resources of its perceived adversaries and critics. For example, the Performing Animal Welfare Society ("PAWS"), an initial plaintiff in the ESA Action, filed a RICO lawsuit against FEI for allegedly spying on, infiltrating, and engaging in other predicate acts in an effort to monitor and ultimately undermine PAWS's criticism of FEI's treatment of elephants, and FEI engaged in similar activities with respect to

other groups including, but not limited to, People for the Ethical Treatment of Animals and the Elephant Alliance.

- 11. Similarly, as reported in an extensive *Salon* magazine article published on August 31, 2001, FEI engaged in extensive efforts to spy on and surreptitiously derail author Jan Pottker's effort to write a book concerning FEI's Chief Executive Officer Kenneth Feld.
- 12. Accordingly, bringing a RICO action against MGC for the primary purpose of draining MGC's time and resources and impairing MCG from engaging in any advocacy or litigation that might affect FEI is entirely consistent with FEI's past practices to use any means necessary to stifle criticism, deter advocacy directed at FEI's treatment of its Asian elephants and other animals, and retaliate against those who criticize FEI's practices.
- 13. FEI's use of litigation for the improper purpose of stifling criticism and preventing any advocacy directed at its treatment of animals is also entirely consistent with testimony provided by FEI's own officials and documents.
- 14. FEI hired Clair George, the former head of covert operations for the Central Intelligence Agency as a consultant to FEI and its affiliates. According to an affidavit prepared by Mr. George, he was hired in order to assist with FEI's efforts to engage in "surveillance of and efforts to counter the activities of various animal rights groups."
- 15. Kenneth Feld admitted in trial testimony on March 9, 2006 that FEI had placed covert "operatives" with animal protection organizations in an effort to "find out what the animal activists were doing" and to obtain "complete bios" concerning the groups' leaders.
- 16. Consistent with these activities, FEI produced in discovery in the ESA Action a "Long Term Action Plan," which proposed an extensive operation to "expose and discredit

animal activist entities" through myriad means, including placing stories in the media with "negative information about activists," and, specifically, attacking animal protection advocates with "lawsuits," the purpose of which would be to force them to "spend more of their resources in defending their actions" so that little or no time or resources could be devoted to advocacy that might affect FEI or its use of elephants and other animals.

- 17. Consistent with FEI's own proposed Long Term Action Plan, FEI brought time-barred RICO claims against MGC and the individual attorneys in 2010 for the primary purpose of compelling them to expend time and resources defending themselves, and to deter and prevent them from pursuing any litigation or other advocacy that might bear on FEI or its treatment of animals. These are purposes that are distinct from and collateral to the ordinary purposes for which litigation may be pursued, and hence the RICO claim against MGC and the individual attorneys constitutes an abuse of process.
- 18. Counter-defendant/plaintiff FEI's own conduct demonstrates its ulterior purposes for ends that are outside the regular purview of the judicial process. Counter-defendant/plaintiff FEI's actions constitute a malicious abuse and misuse of the judicial process in a manner not contemplated by or proper in the regular prosecution of a lawsuit.
  - 19. Counter-defendant/plaintiff FEI acted with actual and/or implied malice.
- 20. Counter-defendant/plaintiff FEI's actions were willful and wanton and/or reckless and/or in callous disregard of MGC's rights.
- 21. As a result of Counter-defendant/plaintiff FEI's conduct, Counterclaim-plaintiff/defendant Defendant Meyer Glitzenstein & Crystal has suffered, and continues to suffer, damages, including the costs of defending this lawsuit and attorneys' fees.

- 22. As a result of Counter-defendant/plaintiff FEI's actions, Counterclaim-plaintiff/defendant Defendant Meyer Glitzenstein & Crystal seeks compensatory damages equal to an amount to be proven at trial.
- 23. As a result of Counter-defendant/plaintiff FEI's actions, Counterclaim-plaintiff/defendant Defendant Meyer Glitzenstein & Crystal requests punitive damages for the reckless disregard of, and callous indifference to, its rights in an amount appropriate to the proof presented at trial.

WHEREFORE, Defendant/Counterclaim-plaintiff demands entry of judgment against FEI for compensatory damages limited to compensation for the time and resources it must expend in defending against this action, in an amount to be determined at trial, for pre-judgment interest, for punitive damages in the amount of \$100 million, for Defendant/Counterclaim-plaintiff's costs, attorneys' fees, and for other appropriate sanctions under 28 U.S.C.§ 1927, and any other applicable provision of law; and

WHEREFORE, having fully answered Plaintiff's First Amended Complaint, Counterclaim-plaintiff/Defendant Meyer Glitzenstein & Crystal respectfully requests that the First Amended Complaint be dismissed with prejudice, demands judgment on its counterclaim in an amount to be proven at trial, and requests that appropriate costs and attorney's fees be awarded against Plaintiff in favor of Counterclaim-plaintiff/Defendant Meyer Glitzenstein & Crystal, along with such other relief that the Court may find just and appropriate.

# Respectfully submitted,

## /s/ Laura N. Steel

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Counsel for Defendants, Katherine Meyer, Eric Glitzenstein, Howard Crystal, Meyer, Glitzenstein &

Crystal

#### **CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that on this 9<sup>th</sup> day of August, 2012, copies of the foregoing Answer Of Defendants Katherine A. Meyer, Eric R. Glitzenstein, Howard M. Crystal and Meyer Glitzenstein & Crystal in Response to Plaintiff's First Amended Complaint was served by ECF on the following counsel of record:

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/s/ Laura N. Steel

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