1 **BROWNE GEORGE ROSS** O'BRIEN ANNAGUEY & ELLIS LLP Ivy A. Wang (State Bar No. 224899) iwang@bgrfirm.com 3 David J. Carroll (State Bar No. 291665) dcarroll@bgrfirm.com 801 S. Figueroa Street, Suite 2000 Los Angeles, California 90017 5 Telephone: (213) 725-9800 Facsimile: (213) 725-9808 6 Attorneys for Defendants Vertical Bliss, Inc., Kushy Punch, Inc., Conglomerate Marketing LLC, More Agency, Inc., Ruben Kachian aka Ruben Cross, Arutyun Barsamyan, Kevin Halloran, and Mike A. 9 Toroyan SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF LOS ANGELES 11 12 CALIFORNIA DEPARTMENT OF PUBLIC Case No. 20CHCV00560 HEALTH; and BUREAU OF CANNABIS 14 CONTROL, Assigned for All Purposes to: Hon. Stephen Pfahler 15 Plaintiffs, ANSWER TO COMPLAINT 16 VS. 17 VERTICAL BLISS, INC.; KUSHY PUNCH, INC.; CONGLOMERATE MARKETING, 18 LLC; MORE AGENCY, INC.; RUBEN KACHIAN aka RUBEN CROSS; ARUTYUN 19 BARSAMYAN; KEVIN HALLORAN; MIKE A. TOROYAN; and DOES 1 through 30, 20 inclusive. Action Filed: September 23, 2020 21 Defendants. Trial Date: None Set 22 23 24 25 26 27 28

ANSWER TO COMPLAINT

1761281.1

1	Defendants Vertical Bliss, Inc., Kushy Punch, Inc., Conglomerate Marketing LLC, More
2	Agency, Inc., Ruben Kachian aka Ruben Cross, Arutyun Barsamyan, Kevin Halloran, and Mike
3	A. Toroyan (collectively, "Defendants") answer the Complaint of Plaintiffs California Department
4	of Public Health and Bureau of Cannabis Control (collectively, "Plaintiffs") as follows:
5	GENERAL DENIAL
6	1. Pursuant to Section 431.30(d) of the Code of Civil Procedure, Defendants deny,
7	generally and specifically, each and every material allegation and each purported cause of action
8	contained in the Complaint. Defendants further deny, generally and specifically, that they have
9	engaged in any wrongful conduct, or that Plaintiffs are entitled to any legal, equitable, or other
0	relief on their claims.
1	AFFIRMATIVE DEFENSES
2	2. Without admitting any of the facts alleged in the Complaint, Defendants assert and
3	allege the following separate and additional defenses to the causes of action alleged in the
4	Complaint. By setting forth these defenses, Defendants do not assume the burden of proving any
5	fact, issue, or element of any cause of action where such burden properly belongs to Plaintiffs.
6	<u>FIRST AFFIRMATIVE DEFENSE</u>
7	(Failure to State a Cause of Action)
8	3. Plaintiffs' asserted causes of action fail to state a claim sufficient to constitute any
9	cause of action against Defendants.
20	SECOND AFFIRMATIVE DEFENSE
21	(Equitable Estoppel)
22	3. Plaintiffs are equitably estopped from asserting the causes of action in the
23	Complaint against Defendants.
24	THIRD AFFIRMATIVE DEFENSE
25	(Laches)
26	3. Plaintiffs unduly delayed in filing their Complaint and therefore the causes of
27	action therein are barred by the doctrine of laches.

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1 FOURTH AFFIRMATIVE DEFENSE 2 (Statute of Limitations) 3 3. Plaintiffs' asserted causes of action are barred by the statute of limitations contained in Code of Civil Procedure section 340. 4 5 FIFTH AFFIRMATIVE DEFENSE 6 (Intervening and Superseding Cause) 7 3. Plaintiffs' asserted causes of action are barred due to the actions or conduct by 8 other third parties that constitute an intervening and superseding cause. 9 **SIXTH AFFIRMATIVE DEFENSE** 10 (Additional Defenses) 11 4. Defendants do not presently know all of the claims and circumstances related to 12 Plaintiffs' claims, and as such, does not have sufficient knowledge or information upon which to 13 form a belief as to whether any additional, as yet unstated, affirmative defenses are available. Defendants therefore reserve the right to assert additional affirmative defenses in the event that 15 discovery indicates they would be appropriate. Additionally, Defendants reserve the right to 16 amend this Answer as necessary. 17 /// 18 /// 19 /// 20 /// 21 /// 22 /// 23 /// 24 /// 25 /// 26 /// 27 /// 28 /// 1761281.1 ANSWER TO COMPLAINT

1 PRAYER FOR RELIEF 2 WHEREFORE, Defendants pray for judgment in their favor and against Plaintiff as 3 follows: That Plaintiffs take nothing by way of the Complaint; 4 1. 5 2. That the cause of action and requested relief set forth in the Complaint be denied; 6 3. That Defendants be awarded their attorney's fees to the extent allowed by law; 7 4. That Defendants be awarded its costs of suit; and 8 5. For such other and further relief as the Court may deem just and proper. 9 DATED: March 1, 2021 Respectfully submitted, 10 11 **BROWNE GEORGE ROSS** O'BRIEN ANNAGUEY & ELLIS LLP 12 Ivy A. Wang David J. Carroll 13 14 15 By: /s/ Ivy A. Wang Ivy A. Wang 16 Attorneys for Defendants Vertical Bliss, Inc., Kushy Punch, Inc., Conglomerate Marketing LLC, More 17 Agency, Inc., Ruben Kachian aka Ruben Cross, Arutyun 18 Barsamyan, Kevin Halloran, and Mike A. Toroyan 19 20 21 22 23 24 25 26 27 28

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1	PROOF OF SERVICE
2	California Dept. of Public Health et al. v. Vertical Bliss, Inc. et al. Case No. 20CHCV00560
3	STATE OF CALIFORNIA, COUNTY OF LOS ANGELES
4	At the time of service, I was over 18 years of age and not a party to this action. I am
5	employed in the County of Los Angeles, State of California. My business address is 801 S. Figueroa Street, Suite 2000, Los Angeles, CA 90017.
6 7	On March 1, 2021, I served true copies of the following document(s) described as ANSWER TO COMPLAINT on the interested parties in this action as follows:
8	SEE ATTACHED SERVICE LIST
9	BY E-MAIL OR ELECTRONIC TRANSMISSION: On March 1, 2021, I caused a copy of the document(s) to be sent from e-mail address cubence@bgrfirm.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.
11 12	I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.
13	Executed on March 1, 2021, at Los Angeles, California.
14	$\bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j} \bigcap_{j} \bigcap_{i} \bigcap_{j} \bigcap_{j$
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-5-ANSWER TO COMPLAINT

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1 **SERVICE LIST** California Dept. of Public Health et al. v. Vertical Bliss, Inc. et al. 2 **Case No. 20CHCV00560** 3 Xavier Becerra Attorneys for Plaintiffs California Department of Public Health and Attorney General of California 4 Bureau of Cannabis Control Harinder K. Kapur Senior Assistant Attorney General 5 Stacey L. Roberts Supervising Deputy Attorney General 6 Ethan A. Turner Deputy Attorney General 1300 I Street, Suite 125 P.O. Box 944255 Sacramento, CA 94244-2550 Telephone: (916) 210-7898 Facsimile: (916) 327-2319 ethan.turner@doj.ca.gov

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