

HARRIS M. MUFSON (*pro hac vice*)
 hmufson@gibsondunn.com
 LEE R. CRAIN (*pro hac vice*)
 lcrain@gibsondunn.com
 DORAN SATANOVE (*pro hac vice*)
 dsatanove@gibsondunn.com
 HAYLEY FRITCHIE (*pro hac vice*)
 hfritchie@gibsondunn.com
 GIBSON, DUNN & CRUTCHER LLP
 200 Park Avenue
 New York, New York 10166
 Telephone: 212.351.4000

ILISSA SAMPLIN, SBN 314018
 isamplin@gibsondunn.com
 GIBSON, DUNN & CRUTCHER LLP
 333 South Grand Avenue
 Los Angeles, California 90071
 Telephone: 213.229.7000

Attorneys for Defendants

IN THE UNITED STATES DISTRICT COURT
 FOR THE NORTHERN DISTRICT OF CALIFORNIA
 SAN FRANCISCO DIVISION

FIRST-CITIZENS BANK & TRUST
 COMPANY, a Delaware Corporation,

Plaintiff,

v.

HSBC HOLDINGS plc *a/k/a* THE HSBC
 GROUP *a/k/a* HONGKONG AND SHANGHAI
 BANKING CORPORATION, an English
 Corporation; HSBC BANK USA, N.A., a
 Delaware Corporation; HSBC UK BANK plc.,
 an English and Welsh Corporation; SILICON
 VALLEY BANK UK LIMITED *n/k/a* HSBC
 INNOVATION BANK LIMITED, an English
 and Welsh Corporation; DAVID SABOW, an
 individual; SUNITA PATEL, an individual;
 MELISSA STEPANIS, an individual; PETER
 KIDDER, an individual; KEVIN LONGO, an
 individual; REBEKAH HANLON, an
 individual; and KATHERINE ANDERSEN, an
 individual,

STEPHANIE L. BROOKER (*pro hac vice*)
 sbrooker@gibsondunn.com
 ELIZABETH P. PAPEZ (*pro hac vice*)
 epapez@gibsondunn.com
 GIBSON, DUNN & CRUTCHER LLP
 1700 M Street, N.W.
 Washington, D.C. 20036
 Telephone: 202.955.8500

SUSANNA G. SCHUEMANN, SBN 332956
 sschuemann@gibsondunn.com
 GIBSON, DUNN & CRUTCHER LLP
 One Embarcadero Center, Suite 2600
 San Francisco, CA 94111
 Telephone: 415.393.8321

Case No. 3:23-cv-02483-LB

**DAVID SABOW'S ANSWER TO
 PLAINTIFF FIRST-CITIZENS BANK &
 TRUST COMPANY'S SECOND
 AMENDED COMPLAINT &
 COUNTERCLAIM**

DEMAND FOR JURY TRIAL

Defendants.

DAVID SABOW, an individual,
Counterclaimant,

v.

FIRST-CITIZENS BANK & TRUST
COMPANY, a Delaware Corporation,
Counter-Defendant.

David Sabow (“Sabow” or “Defendant”) responds to Plaintiff’s Second Amended Complaint below.¹

1. Defendant admits that after the events of Friday, March 10, 2023, the FDIC transferred certain assets and liabilities belonging to the former SVB to an FDIC-created and operated “bridge bank.” Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 1, and therefore denies them.

2. Defendant admits that, effective March 27, 2023, First Citizens and the Federal Deposit Insurance Corporation, as Receiver of Silicon Valley Bridge Bank, N.A., entered into a Purchase and Assumption Agreement, pursuant to which First Citizens purchased certain assets and assumed certain deposits and other liabilities of Silicon Valley Bridge Bank, N.A. Defendant refers the Court to that agreement for its complete and accurate terms. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 2, and on that basis denies them.

3. Defendant denies the allegations in Paragraph 3.

4. Defendant denies the allegations in Paragraph 4.

5. Defendant denies the allegations in Paragraph 5. To the extent Paragraph 5 purports to reference a document, Defendant refers the Court to that document for the full context thereof.

¹ Defendant’s responses to Plaintiff’s Second Amended Complaint are made to the best of Defendant’s current knowledge, information, and belief.

1 6. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
2 Plaintiff's First Cause of Action for breach of the FDIC Confidentiality Agreement has been
3 dismissed. Defendant is not required to answer the allegations in Paragraph 6. To the extent a response
4 is required, Defendant denies the allegations in Paragraph 6.

5 7. Defendant denies the allegations in Paragraph 7. (a) Defendant denies the allegations
6 in subparagraph 7.a. (b) Defendant admits that on or about March 13, 2023, HBUK acquired SVB UK
7 for £1, and that upon the acquisition Defendant remained an employee of SVB UK. Defendant denies
8 the remainder of the allegations in subparagraph 7.b, including because he lacks knowledge or
9 information sufficient to form a belief as to the truth of certain of the allegations. To the extent
10 subparagraph 7.b purports to reference a statement, Defendant refers the Court to that statement for
11 the full context thereof. (c) Defendant denies the allegations in subparagraph 7.c. To the extent
12 subparagraph 7.c purports to reference a document, Defendant refers the Court to that document for
13 the full context thereof. (d) Defendant denies the allegations in subparagraph 7.d. (e) Defendant
14 denies the allegations in subparagraph 7.e. To the extent subparagraph 7.e purports to reference a
15 document, Defendant refers the Court to that document for the full context thereof. (f) Defendant
16 denies the allegations in subparagraph 7.f. To the extent subparagraph 7.f purports to reference a
17 document, Defendant refers the Court to that document for the full context thereof.

18 8. Defendant denies the allegations in Paragraph 8, including each of its subparagraphs,
19 including because he lacks knowledge or information sufficient to form a belief as to the truth of
20 certain of the allegations. To the extent Paragraph 8, including any of its subparagraphs, purports to
21 reference a document, Defendant refers the Court to that document for the full context thereof.

22 9. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the
23 claims premised on the FDIC's purported assignment to First Citizens have been dismissed.
24 Defendant is not required to answer the allegations in Paragraph 9. To the extent a response is
25 required, Defendant denies the allegations in Paragraph 9.

26 10. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
27 the allegations in Paragraph 10, and therefore denies them.

1 11. Defendant admits that he resides in Mill Valley, California; that he was employed by
2 SVB for more than a decade and rose to become SVB's Head of Life Sciences and Technology
3 Banking; that in late 2022 he was offered and accepted the position of CEO of SVB UK, subject to
4 regulatory approval, with a start date of April 1, 2023; that upon HBUK's acquisition of SVB UK,
5 Sabow's employer became a wholly owned subsidiary of HBUK that was later renamed HSBC
6 Innovation Bank Limited; and that he became an employee of HBUS effective April 17,
7 2023. Defendant denies the remainder of the allegations in Paragraph 11.

8 12. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
9 Defendant Katherine Andersen has been dismissed from this case. Defendant is not required to answer
10 the allegations in Paragraph 12. To the extent a response is required, Defendant admits that Andersen
11 reported to him at SVB until he became an SVB UK employee in early 2023. Defendant otherwise
12 denies the allegations in Paragraph 12, including because he lacks knowledge or information sufficient
13 to form a belief as to the truth of certain allegations.

14 13. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
15 Defendant Sunita Patel has been dismissed from this case. Defendant is not required to answer the
16 allegations in Paragraph 13. To the extent a response is required, Defendant denies the allegations in
17 Paragraph 13, including because he lacks knowledge or information sufficient to form a belief as to
18 the truth of certain allegations.

19 14. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
20 Defendant Melissa Stepanis has been dismissed from this case. Defendant is not required to answer
21 the allegations in Paragraph 14. To the extent a response is required, Defendant admits that Stepanis
22 reported to him at SVB until he became an SVB UK employee in early 2023. Defendant otherwise
23 denies the allegations in Paragraph 14, including because he lacks knowledge or information sufficient
24 to form a belief as to the truth of certain allegations.

25 15. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
26 Defendant Peter Kidder has been dismissed from this case. Defendant is not required to answer the
27 allegations in Paragraph 15. To the extent a response is required, Defendant denies the allegations in
28

1 Paragraph 15, including because he lacks knowledge or information sufficient to form a belief as to
2 the truth of certain allegations.

3 16. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
4 Defendant Kevin Longo has been dismissed from this case. Defendant is not required to answer the
5 allegations in Paragraph 16. To the extent a response is required, Defendant admits that Longo
6 reported to him at SVB until he became an SVB UK employee in early 2023. Defendant otherwise
7 denies the allegations in Paragraph 16, including because he lacks knowledge or information sufficient
8 to form a belief as to the truth of certain allegations.

9 17. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
10 Defendant Rebekah Hanlon has been dismissed from this case. Defendant is not required to answer
11 the allegations in Paragraph 17. To the extent a response is required, Defendant admits that Hanlon
12 reported to him at SVB until he became an SVB UK employee in early 2023. Defendant otherwise
13 denies the allegations in Paragraph 17, including because he lacks knowledge or information sufficient
14 to form a belief as to the truth of certain allegations.

15 18. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
16 Defendant HSBC Holdings plc has been dismissed from this case. Defendant is not required to answer
17 the allegations in Paragraph 18.

18 19. Defendant admits that HBUS has offices, branches, and ATMs in California, and that
19 Defendant became an employee of HBUS effective April 17, 2023. Defendant denies the remainder
20 of the allegations in Paragraph 19, including because he lacks knowledge or information sufficient to
21 form a belief as to the truth of certain of the allegations.

22 20. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
23 Defendant HSBC UK Bank plc has been dismissed from this case. Defendant is not required to answer
24 the allegations in Paragraph 20.

25 21. Defendant admits that SVB UK is a corporation organized under the laws of England
26 and Wales, with its headquarters located in London, England, that it was acquired by HBUK on or
27

1 about March 13, 2023, that it was later renamed HSBC Innovation Bank Limited, and that Defendant
2 was an employee of SVB UK. Defendant denies the remainder of the allegations in Paragraph 21.

3 22. The allegations in Paragraph 22 contain conclusions of law to which no responsive
4 pleading is required, and are therefore denied. To the extent the allegations in Paragraph 22 are
5 deemed in whole or in part to be factual, Defendant denies them.

6 23. The allegations in Paragraph 23 contain conclusions of law to which no responsive
7 pleading is required, and are therefore denied. To the extent the allegations in Paragraph 23 are
8 deemed in whole or in part to be factual, Defendant denies them.

9 24. The allegations about personal jurisdiction contain conclusions of law to which no
10 responsive pleading is required, and are therefore denied. Pursuant to the Court's Order granting
11 Defendants' Motions to Dismiss (Dkt. 243), Defendants HSBC Holdings plc and HSBC UK Bank plc
12 have been dismissed from this case. Defendant is not required to answer the allegations in Paragraph
13 24 to the extent they concern HSBC Holdings plc or HSBC UK Bank plc. To the extent a response is
14 required, Defendant denies the allegations in Paragraph 24.

15 25. The allegations about personal jurisdiction contain conclusions of law to which no
16 responsive pleading is required, and are therefore denied. Pursuant to the Court's Order granting
17 Defendants' Motions to Dismiss (Dkt. 243), Defendants Andersen, Stepanis, and Longo have been
18 dismissed from this case. Defendant is not required to answer the allegations in Paragraph 25. To the
19 extent a response is required, Defendant denies the allegations in Paragraph 25.

20 26. The allegations in Paragraph 26 contain conclusions of law to which no responsive
21 pleading is required, and are therefore denied. To the extent the allegations in Paragraph 26 are
22 deemed in whole or in part to be factual, Defendant denies them.

23 27. The allegations in Paragraph 27 contain conclusions of law and about the application
24 of the rules of this Court to which no responsive pleading is required, and are therefore denied. To
25 the extent the allegations in Paragraph 27 are deemed in whole or in part to be factual, Defendant
26 denies them.

28. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 28.

29. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 29.

30. Defendant admits that, before its failure, SVB was a California state-chartered bank founded in 1983 and a member of the Federal Reserve System that offered banking and financial products and services to clients in the U.S. and internationally. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 30, and therefore denies them.

31. Defendant denies that SVB offered “creative and unique solutions” to the financial needs of companies in these industries. Defendant admits that SVB provided financial services to clients, including to “emerging” or “early stage” companies, as well as companies in “later stages . . . as their businesses matured and expanded.” Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 31, and therefore denies them.

32. Defendant admits the allegations in Paragraph 32.

33. Defendant admits that SVB's private equity and venture capital clients sometimes invested in commercial companies to whom SVB provided banking services. Defendant admits that strong relationships with private equity and venture capital firms helped facilitate deal flow opportunities between those private equity/venture capital firms and commercial companies. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 33, and therefore denies them.

34. Defendant admits that SVB was able to attract, retain, and motivate qualified employees, and that this was a factor contributing to SVB's success prior to its collapse. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 34, and therefore denies them.

35. Defendant admits the allegations in Paragraph 35.

36. Defendant admits that, on or about March 8, 2023, it was publicly reported that SVB Financial Group would book a loss after selling certain investments, and that on March 9, 2023, SVB Financial Group's stock price reduced and SVB clients began withdrawing deposits from the bank. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 36, and therefore denies them.

37. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 37, and therefore denies them.

38. Defendant admits that Paragraph 38 purports to reference public actions by the California Department of Financial Protection and Innovation and the FDIC. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 38, and therefore denies them.

39. Defendant admits that Paragraph 39 purports to reference an FDIC press release, available online. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 39, and therefore denies them.

40. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 40, and therefore denies them. To the extent Paragraph 40 purports to reference a document, Defendant refers the Court to that document for the full context thereof. Paragraph 40 also contains conclusions of law to which no responsive pleading is required.

41. Defendant admits that, on or about March 10, 2023, the Bank of England exercised its rights under English law to take possession of the shares of SVB UK. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 41, and therefore denies them.

42. Defendant admits that on or about March 13, 2023, HBUK announced that it had acquired SVB UK for a nominal £1. Defendant further admits that Paragraph 42 purports to reference public statements, and refers the Court to those statements for the full context thereof. Defendant

denies the remainder of the allegations in Paragraph 42, including because he lacks knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

43. Defendant admits that the FDIC announced an auction to sell certain assets and liabilities of the Bridge Bank. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder of the allegations in Paragraph 43, and therefore denies them.

44. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 44.

45. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 45.

46. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 46.

47. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 47.

48. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 48.

49. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 49.

50. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the claims premised on the FDIC's purported assignment to First Citizens have been dismissed. Defendant is not required to answer the allegations in Paragraph 50.

51. Defendant denies the allegations in Paragraph 51. To the extent Paragraph 51 purports to reference a document, Defendant refers the Court to that document for the full context thereof.

52. Defendant admits that, when the former SVB failed on March 10, 2023, he was an employee of SVB UK and was slated to become its CEO subject to regulatory approval. Defendant denies the remainder of the allegations in Paragraph 52.

53. Defendant admits that he prepared materials he labelled “Project Colony.” Defendant denies the remainder of the allegations in Paragraph 53, including the characterization of those materials. To the extent Paragraph 53 purports to reference a document, Defendant refers the Court to that document for the full context thereof.

54. Defendant admits that he met with Noel Quinn, Ian Stuart, Bob Hoyt, and Greg Guyett in London, United Kingdom, on March 15, 2023. Defendant denies the remainder of the allegations in Paragraph 54, including because he lacks knowledge or information sufficient to form a belief as to the truth of certain allegations.

55. Defendant admits that he prepared a written memorandum relating to his proposal. To the extent Paragraph 55 purports to reference a document, Defendant refers the Court to that document for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 55, including the characterization of those materials.

56. Defendant admits that he shared a written memorandum and/or a financial model that was redacted in part with certain HBUS personnel, certain HBUK personnel, and certain SVB UK personnel. Defendant denies that any information contained therein constituted Bridge Bank's or First Citizens' confidential or proprietary information, denies that the redaction of any portion reflected or constituted any willful, malicious, or improper use of such information, and denies that he shared any such information improperly with any HSBC Defendant. To the extent Paragraph 56 purports to reference or quote documents, Defendant refers the Court to those documents for the full context thereof. Except as expressly admitted, Defendant denies the allegations in Paragraph 56, including because he lacks knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

1 57. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
2 Plaintiff's First Cause of Action for breach of the FDIC Confidentiality Agreement has been
3 dismissed. Defendant is not required to answer the allegations in Paragraph 57. To the extent a
4 response is required, Defendant denies the allegations in Paragraph 57, including because he lacks
5 knowledge or information sufficient to form a belief as to the truth of certain allegations.

6 58. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
7 the allegations in Paragraph 58, and therefore denies them. To the extent Paragraph 58 purports to
8 reference a document, Defendant refers the Court to that document for the full context thereof.

9 59. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
10 the allegations in Paragraph 59, and therefore denies them. To the extent Paragraph 59 purports to
11 reference a document, Defendant refers the Court to that document for the full context thereof.

12 60. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
13 the allegations in Paragraph 60, and therefore denies them. To the extent Paragraph 60 purports to
14 reference documents, Defendant refers the Court to those documents for the full context thereof.

15 61. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
16 the allegations in Paragraph 61, and therefore denies them. To the extent Paragraph 61 purports to
17 reference documents, Defendant refers the Court to those documents for the full context thereof.

18 62. Defendant admits that certain individuals identified in Paragraph 62 received a written
19 memorandum and/or a financial model. Defendant otherwise lacks knowledge or information
20 sufficient to form a belief as to the truth of the allegations and as to whether every individual received
21 such documents, and on that basis denies Paragraph 62.

22 63. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
23 the allegations in Paragraph 63, and therefore denies them.

24 64. Defendant admits that the materials he labelled "Project Colony" contained projections,
25 and refers the Court to that document for the full context thereof. Defendant denies the remainder of
26 the allegations in Paragraph 64, including the characterization of those materials.

1 65. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
2 the allegations in Paragraph 65, and therefore denies them.

3 66. Defendant admits he communicated with Quinn on or around March 23, 2023. To the
4 extent Paragraph 66 purports to reference a document, Defendant refers the Court to that document
5 for the full context thereof. Defendant denies the remaining allegations in Paragraph 66, including
6 because he lacks knowledge or information sufficient to form a belief as to the truth of certain of the
7 allegations.

8 67. Defendant admits that he communicated with Quinn, Roberts, and O’Byrne before he
9 joined HBUS. Defendant denies the remainder of the allegations in Paragraph 67, including because
10 he lacks knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

11 68. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
12 the allegations in Paragraph 68, and therefore denies them. To the extent Paragraph 68 purports to
13 reference a document, Defendant refers the Court to that document for the full context thereof.

14 69. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
15 the allegations in Paragraph 69, and therefore denies them. To the extent Paragraph 69 purports to
16 reference a document, Defendant refers the Court to that document for the full context thereof.

17 70. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
18 the allegations in Paragraph 70, and therefore denies them. To the extent Paragraph 70 purports to
19 reference a document, Defendant refers the Court to that document for the full context thereof.

20 71. Defendant admits that on or about March 26, 2023, the FDIC announced that it had
21 entered into a purchase and assumption agreement with First Citizens, effective on or about March 27,
22 2023. Defendant denies the remainder of the allegations in Paragraph 71, including because he lacks
23 knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

24 72. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
25 the allegations in Paragraph 72, and therefore denies them.

1 73. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
2 the allegations in Paragraph 73, and therefore denies them. To the extent Paragraph 73 purports to
3 reference documents, Defendant refers the Court to those documents for the full context thereof.

4 74. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
5 the allegations in Paragraph 74, and therefore denies them. To the extent Paragraph 74 purports to
6 reference documents, Defendant refers the Court to those documents for the full context thereof.

7 75. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
8 the allegations in Paragraph 75, and therefore denies them. To the extent Paragraph 75 purports to
9 reference a document, Defendant refers the Court to that document for the full context thereof.

10 76. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
11 the allegations in Paragraph 76, and therefore denies them. To the extent Paragraph 76 purports to
12 reference documents, Defendant refers the Court to those documents for the full context thereof.

13 77. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
14 the allegations in Paragraph 77, and therefore denies them. To the extent Paragraph 77 purports to
15 reference documents, Defendant refers the Court to those documents for the full context thereof.

16 78. Defendant admits that Paragraph 78 purports to reference a document. Defendant
17 refers the Court to that document for the full context thereof. Defendant denies the remainder of the
18 allegations in Paragraph 78, including because he lacks knowledge or information sufficient to form a
19 belief as to the truth of the allegations in Paragraph 78.

20 79. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
21 the allegations in Paragraph 79, and therefore denies them. To the extent Paragraph 79 purports to
22 reference a document, Defendant refers the Court to that document for the full context thereof.

23 80. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
24 the allegations in Paragraph 80, and therefore denies them.

25 81. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
26 Plaintiff's Fourth Cause of Action for breach of the duty of loyalty and Fifth Cause of Action for
27 aiding and abetting breach of the duty of loyalty have been dismissed. Defendant is not required to
28

1 answer the allegations in Paragraph 81 to the extent they relate to those dismissed claims. To the
2 extent a response is required, Defendant denies the allegations in Paragraph 81.

3 82. Defendant admits that Paragraph 82 purports to reference documents, and refers the
4 Court to those documents for the full context thereof. Defendant denies the remainder of the
5 allegations in Paragraph 82.

6 83. Defendant admits that the first sentence of Paragraph 83 purports to reference a
7 Bloomberg News article, available online. Defendant further admits that on or about March 21, 2023,
8 he met with Hanlon and Patel in California, and that other individuals participated by
9 Zoom. Defendant denies the remainder of the allegations in Paragraph 83, except Defendant admits
10 that Paragraph 83 purports to reference documents. Defendant refers the Court to those documents
11 for the full context thereof.

12 84. Defendant admits that he participated in discussions concerning the materials he
13 labelled “Project Colony” and communicated with certain individuals regarding those materials. To
14 the extent Paragraph 84 purports to reference documents, Defendant refers the Court to those
15 documents for the full context thereof.

16 85. Defendant admits that Paragraph 85 purports to reference a document, and refers the
17 Court to that document for the full context thereof. Defendant denies the remainder of the allegations
18 in Paragraph 85, including the characterization of any communications attributed to him.

19 86. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
20 the allegations in Paragraph 86, and therefore denies them. To the extent Paragraph 86 purports to
21 reference documents, Defendant refers the Court to those documents for the full context thereof.

22 87. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
23 the allegations in Paragraph 87, and therefore denies them. The allegation that specific conduct
24 violated an agreement states a legal conclusion to which no response is required. To the extent
25 Paragraph 87 purports to reference a document, Defendant refers the Court to that document for the
26 full context thereof.

1 88. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
2 Defendants Kidder, Longo, and Andersen have been dismissed from this case. Defendant is not
3 required to answer the allegations in Paragraph 88. To the extent that a response is required, Defendant
4 lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph
5 88, and therefore denies them.

6 89. Defendant admits that he traveled to meet with representatives of HSBC on or about
7 April 4, 2023. Defendant denies the remainder of the allegations in Paragraph 89, including because
8 he lacks knowledge or information sufficient to form a belief as to the truth of certain of the allegations.
9 To the extent Paragraph 89 purports to reference documents, Defendant refers the Court to those
10 documents for the full context thereof.

11 90. Defendant admits that HBUS provided him with information concerning HBUS's
12 employee benefits, onboarding process, and compensation structure. Defendant denies the remainder
13 of the allegations in Paragraph 90, including because he lacks knowledge or information sufficient to
14 form a belief as to the truth of certain of the allegations.

15 91. Defendant admits that HBUS extended offers of employment to certain individuals and
16 that he communicated with certain of those individuals during the relevant period. Defendant denies
17 the remainder of the allegations in Paragraph 91, including because he lacks knowledge or information
18 sufficient to form a belief as to the truth of certain of the allegations.

19 92. Defendant denies the allegations in Paragraph 92, including each of its subparagraphs,
20 including because he lacks knowledge or information sufficient to form a belief as to the truth of
21 certain of the allegations.

22 93. Defendant admits that he met with Quinn on or about March 15, 2023, and that at that
23 time his appointment as CEO of SVB UK remained subject to regulatory approval. Defendant further
24 admits that he gave an interview that was published online, that Paragraph 93 purports to quote from
25 that publication, and refers the Court to that publication for the full context thereof. Defendant denies
26 the remainder of the allegations in Paragraph 93, including any characterization of the statements
27 quoted.

1 94. Defendant admits that he gave an interview and that statements attributed to him were
2 published online, that Paragraph 94 purports to quote from that publication, and refers the Court to
3 that publication for the full context thereof. Defendant denies the remainder of the allegations in
4 Paragraph 94, including because he lacks knowledge or information sufficient to form a belief as to
5 the truth of certain of the allegations.

6 95. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
7 the allegations in Paragraph 95, and therefore denies them.

8 96. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
9 Defendant Andersen has been dismissed from this case and Plaintiff's Fourth Cause of Action for
10 breach of the duty of loyalty and Fifth Cause of Action for aiding and abetting breach of the duty of
11 loyalty have been dismissed. Defendant is not required to answer the allegations in Paragraph 96. To
12 the extent that a response is required, Defendant lacks knowledge or information sufficient to form a
13 belief as to the truth of the allegations in Paragraph 96, and therefore denies them. To the extent
14 Paragraph 96 purports to reference documents, Defendant refers the Court to those documents for the
15 full context thereof.

16 97. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
17 Plaintiff's Fourth Cause of Action for breach of the duty of loyalty and Fifth Cause of Action for
18 aiding and abetting breach of the duty of loyalty have been dismissed. Defendant is not required to
19 answer the allegations in Paragraph 97 to the extent they relate to those dismissed claims. To the
20 extent a response is required, Defendant lacks knowledge or information sufficient to form a belief as
21 to the truth of the allegations in Paragraph 97, and therefore denies them.

22 98. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
23 Defendant Kidder has been dismissed from this case and Plaintiff's Fourth Cause of Action for breach
24 of the duty of loyalty and Fifth Cause of Action for aiding and abetting breach of the duty of loyalty
25 have been dismissed. Defendant is not required to answer the allegations in Paragraph 98 to the extent
26 they relate to those dismissed claims. To the extent a response is required, Defendant lacks knowledge
27

1 or information sufficient to form a belief as to the truth of the allegations in Paragraph 98, and therefore
2 denies them.

3 99. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
4 Defendant Patel has been dismissed from this case and Plaintiff's Fourth Cause of Action for breach
5 of the duty of loyalty and Fifth Cause of Action for aiding and abetting breach of the duty of loyalty
6 have been dismissed. Defendant is not required to answer the allegations in Paragraph 99 to the extent
7 they relate to those dismissed claims. To the extent a response is required, Defendant lacks knowledge
8 or information sufficient to form a belief as to the truth of the allegations in Paragraph 99, and therefore
9 denies them.

10 100. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
11 Defendant Stepanis has been dismissed from this case and Plaintiff's Fourth Cause of Action for
12 breach of the duty of loyalty and Fifth Cause of Action for aiding and abetting breach of the duty of
13 loyalty have been dismissed. Defendant is not required to answer the allegations in Paragraph 100 to
14 the extent they relate to those dismissed claims. To the extent a response is required, Defendant lacks
15 knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 100,
16 and therefore denies them.

17 101. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
18 Defendant Longo has been dismissed from this case and Plaintiff's Fourth Cause of Action for breach
19 of the duty of loyalty and Fifth Cause of Action for aiding and abetting breach of the duty of loyalty
20 have been dismissed. Defendant is not required to answer the allegations in Paragraph 101 to the
21 extent they relate to those dismissed claims. To the extent a response is required, Defendant lacks
22 knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 101,
23 and therefore denies them.

24 102. Defendant admits Paragraph 102 purports to reference documents. Defendant refers the
25 Court to those documents for the full context thereof. Defendant denies the remainder of the
26 allegations in Paragraph 102, including the characterization of any statements attributed to him.
27

1 103. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
2 the allegations in Paragraph 103, and therefore denies them.

3 104. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
4 the allegations in Paragraph 104, and therefore denies them.

5 105. Defendant admits that Paragraph 105 purports to reference and quote an email, and
6 refers the Court to that document for the full context thereof. Defendant denies the remainder of the
7 allegations in Paragraph 105, including because he lacks knowledge or information sufficient to form
8 a belief as to the truth of certain of the allegations.

9 106. Defendant admits that Paragraph 106 purports to reference and quote a published
10 interview, available online, and refers the Court to that publication for the full context thereof.
11 Defendant denies the remainder of the allegations in Paragraph 106, including because he lacks
12 knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

13 107. Defendant denies the allegations in Paragraph 107.

14 108. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
15 Plaintiff's Fourth Cause of Action for breach of the duty of loyalty and Fifth Cause of Action for
16 aiding and abetting breach of the duty of loyalty have been dismissed. Defendant is not required to
17 answer the allegations in Paragraph 108 to the extent they relate to those dismissed claims. To the
18 extent a response is required, Defendant denies the allegations in Paragraph 108.

19 109. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
20 the allegations in Paragraph 109, and therefore denies them. The allegation that Sabow was bound by
21 the SVB Agreement states a legal conclusion to which no response is required. To the extent
22 Paragraph 109 purports to reference a document, Defendant refers the Court to that document for the
23 full context thereof.

24 110. Defendant admits that he entered into an employment agreement with HBUS that
25 contained a non-solicitation provision, that Paragraph 110 purports to quote from that agreement and
26 related documents, and refers the Court to those documents for the full context thereof. Defendant
27 denies the remainder of the allegations in Paragraph 110, including because he lacks knowledge or
28

1 information sufficient to form a belief as to the truth of the allegations concerning agreements between
2 HBUS and other persons.

3 111. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
4 the allegations in Paragraph 111, and therefore denies them.

5 112. Defendant denies the allegations in the first sentence of Paragraph 112. Defendant
6 lacks knowledge or information sufficient to form a belief as to the truth of the allegations in the
7 second sentence of Paragraph 112, and therefore denies them.

8 113. Defendant admits that Paragraph 113 purports to reference a document. Defendant
9 refers the Court to the document for the full context thereof. Defendant denies the remainder of the
10 allegations in Paragraph 113.

11 114. Defendant admits Paragraph 114 purports to reference a document. Defendant refers
12 the Court to that document for the full context thereof. Defendant denies the remainder of the
13 allegations in Paragraph 114, including because Defendant lacks knowledge or information sufficient
14 to form a belief as to the truth of the allegations in Paragraph 114.

15 115. Defendant admits that he communicated with HBUS and certain individuals
16 concerning offers of employment during the relevant period. Defendant denies the remainder of the
17 allegations in Paragraph 115, including because he lacks knowledge or information sufficient to form
18 a belief as to the truth of certain of the allegations.

19 116. Defendant admits that he communicated with certain individuals concerning HBUS's
20 offers of employment during the relevant period. Defendant denies the remainder of the allegations
21 in Paragraph 116, including because he lacks knowledge or information sufficient to form a belief as
22 to the truth of certain of the allegations concerning the conduct of others.

23 117. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243), the
24 Individual Defendants have been dismissed from this case, and Defendant is not required to answer
25 the allegations in Paragraph 117 to the extent they concern the conduct of those dismissed defendants.

26 118. Defendant admits that he communicated with certain of the Individual Defendants
27 between the collapse of SVB and April 9, 2023. Defendant denies the remainder of the allegations in
28

1 Paragraph 118, including because he lacks knowledge or information sufficient to form a belief as to
2 the truth of certain of the allegations concerning the conduct of others.

3 119. Paragraph 119 contains a conclusion of law to which no responsive pleading is
4 required, and is therefore denied. Moreover, pursuant to the Court's Order granting Defendants'
5 Motions to Dismiss (Dkt. 243), Plaintiff's Fifth Cause of Action for aiding and abetting breach of the
6 duty of loyalty has been dismissed, and Defendant is not required to answer the allegations in
7 Paragraph 119 to the extent they relate to that dismissed claim. To the extent a response is required,
8 Defendant denies the allegations in Paragraph 119.

9 120. Defendant admits that Paragraph 120 purports to reference a document. Defendant
10 refers the Court to that document for the full context thereof. Defendant denies the remainder of the
11 allegations in Paragraph 120.

12 121. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
13 the allegations in Paragraph 121, and therefore denies them.

14 122. Defendant denies the allegations in Paragraph 122, including because he lacks
15 knowledge or information sufficient to form a belief as to the truth of certain of the allegations. To
16 the extent Paragraph 122 references a document, Defendant refers the Court to that document for the
17 full context thereof.

18 123. Defendant denies the allegations in Paragraph 123. To the extent Paragraph 123
19 purports to reference a document, Defendant refers the Court to that document for the full context
20 thereof.

21 124. Defendant denies the allegations in Paragraph 124.

22 125. Defendant denies the allegations in Paragraph 125.

23 126. Defendant admits that Paragraph 126 purports to reference an HSBC press release,
24 available online. Defendant refers the Court to that press release for the full context thereof.
25 Defendant lacks knowledge or information sufficient to form a belief as to the truth of the remainder
26 of the allegations in Paragraph 126, and therefore denies them.

127. Defendant admits that Paragraph 127 purports to reference and quote a document. Defendant refers the Court to that document for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 127, including because he lacks knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

128. Defendant denies the allegations in Paragraph 128.

129. Defendant denies the allegations in Paragraph 129.

130. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 130, and therefore denies them.

131. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 131, and therefore denies them.

132. Defendant admits that he holds a leadership role in HSBC's innovation banking business and that Paragraph 132 purports to reference and quote documents. Defendant refers the Court to those documents for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 132, including because he lacks knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

133. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 133, and therefore denies them.

134. Defendant denies the allegations in Paragraph 134.

135. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 135, and therefore denies them.

136. Defendant denies the allegations in Paragraph 136.

137. Defendant denies the allegations in Paragraph 137.

138. Pursuant to the Court’s Order granting Defendants’ Motions to Dismiss (Dkt. 243), Plaintiff’s First Cause of Action for breach of the FDIC Confidentiality Agreement has been dismissed. Defendant is not required to answer the allegations in Paragraph 138. To the extent a response is required, Defendant denies the allegations in Paragraph 138. To the extent Paragraph 138

1 purports to reference a document, Defendant refers the Court to that document for the full context
2 thereof.

3 139. Defendant denies the allegations in Paragraph 139.

4 140. Defendant denies the allegations in Paragraph 140.

5 141. Defendant denies the allegations in Paragraph 141.

6 142. Defendant incorporates by reference his responses to the preceding paragraphs as if
7 fully set forth herein.

8 143. The First Cause of Action is not asserted against Defendant, and the Court dismissed
9 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 143 is
10 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
11 143.

12 144. The First Cause of Action is not asserted against Defendant, and the Court dismissed
13 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 144 is
14 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
15 144.

16 145. The First Cause of Action is not asserted against Defendant, and the Court dismissed
17 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 145 is
18 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
19 145.

20 146. The First Cause of Action is not asserted against Defendant, and the Court dismissed
21 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 146 is
22 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
23 146.

24 147. The First Cause of Action is not asserted against Defendant, and the Court dismissed
25 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 147 is
26 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
27 147.

148. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 148 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 148.

149. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 149 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 149.

150. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 150 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 150.

151. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 151 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 151.

152. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 152 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 152.

153. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 153 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 153.

154. The First Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 154 is

1 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
2 154.

3 155. The First Cause of Action is not asserted against Defendant, and the Court dismissed
4 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 155 is
5 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
6 155.

7 156. The First Cause of Action is not asserted against Defendant, and the Court dismissed
8 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 156 is
9 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
10 156.

11 157. The First Cause of Action is not asserted against Defendant, and the Court dismissed
12 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 157 is
13 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
14 157.

15 158. The First Cause of Action is not asserted against Defendant, and the Court dismissed
16 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 158 is
17 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
18 158.

19 159. The First Cause of Action is not asserted against Defendant, and the Court dismissed
20 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 159 is
21 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
22 159.

23 160. The First Cause of Action is not asserted against Defendant, and the Court dismissed
24 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 160 is
25 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
26 160.

1 161. The First Cause of Action is not asserted against Defendant, and the Court dismissed
2 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 161 is
3 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
4 161.

5 162. Defendant incorporates by reference his responses to the preceding paragraphs as if
6 fully set forth herein.

7 163. Defendant admits that he executed a Confidential Information and Invention
8 Assignment Agreement for Employees as a condition of his SVB employment and that Paragraph 163
9 purports to reference a document. Defendant refers the Court to that document for the full context of
10 its terms. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the
11 remainder of the allegations, and therefore denies them.

12 164. Defendant admits that he executed a Confidential Information and Invention
13 Assignment Agreement for Employees as a condition of his SVB employment and that Paragraph 164
14 purports to quote and reference that agreement. Defendant refers the Court to that document for the
15 full context of its terms. Paragraph 164 contains a legal conclusion to which no response is required.
16 To the extent a response is required, Defendant denies the remainder of the allegations in Paragraph
17 164, including because he lacks knowledge or information sufficient to form a belief as to the truth of
18 the allegations.

19 165. Defendant admits that the FDIC transferred certain assets and liabilities of the former
20 SVB to an FDIC-created and operated bridge bank. To the extent Paragraph 165 purports to reference
21 documents, Defendant refers the Court to those documents for the full context thereof. The allegations
22 in Paragraph 165 contain conclusions of law to which no responsive pleading is required, and are
23 therefore denied. To the extent a response is required, Defendant denies the remainder of the
24 allegations in Paragraph 165, including because he lacks knowledge or information sufficient to form
25 a belief as to the truth of certain of the allegations.

26 166. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
27 the allegations in Paragraph 166, and therefore denies them. The allegations in Paragraph 166 also
28

1 contain conclusions of law to which no responsive pleading is required, and are therefore denied. To
2 the extent Paragraph 166 purports to reference documents, Defendant refers the Court to those
3 documents for the full context thereof.

4 167. Defendant admits that Paragraph 167 purports to quote and reference a document, and
5 refers the Court to that document for the full context of its terms. Defendant denies the remainder of
6 the allegations in Paragraph 167, including because he lacks knowledge or information sufficient to
7 form a belief as to the truth of the allegations concerning agreements executed by other persons.

8 168. Defendant admits that Paragraph 168 purports to quote and reference a document, and
9 refers the Court to that document for the full context of its terms. Defendant denies the remainder of
10 the allegations in Paragraph 168, including because he lacks knowledge or information sufficient to
11 form a belief as to the truth of the allegations concerning agreements executed by other persons.

12 169. Defendant admits that Paragraph 169 purports to quote and reference a document, and
13 refers the Court to that document for the full context of its terms, including the actual duration of any
14 such provision. Defendant denies the remainder of the allegations in Paragraph 169, including because
15 he lacks knowledge or information sufficient to form a belief as to the truth of the allegations
16 concerning agreements executed by other persons.

17 170. Defendant admits that Paragraph 170 purports to quote and reference a document, and
18 refers the Court to that document for the full context of its terms. Defendant denies the remainder of
19 the allegations in Paragraph 170, including because he lacks knowledge or information sufficient to
20 form a belief as to the truth of the allegations concerning agreements executed by other persons.

21 171. The allegations in Paragraph 171 contain conclusions of law to which no responsive
22 pleading is required, and are therefore denied. To the extent the allegations in Paragraph 171 are
23 deemed in whole or in part to be factual, Defendant denies them, including because he lacks knowledge
24 or information sufficient to form a belief as to the truth of the allegations concerning agreements
25 executed by other persons. To the extent that Paragraph 171 purports to reference documents,
26 Defendant refers the Court to those documents for the full context thereof.

172. The allegations in Paragraph 172 contain conclusions of law to which no responsive pleading is required, and are therefore denied. To the extent the allegations in Paragraph 172 are deemed in whole or in part to be factual, Defendant denies them. To the extent that Paragraph 172 purports to reference documents, Defendant refers the Court to those documents for the full context thereof.

173. The allegations in Paragraph 173 contain conclusions of law to which no responsive pleading is required, and are therefore denied. To the extent the allegations in Paragraph 173 are deemed in whole or in part to be factual, Defendant denies them. To the extent that Paragraph 173 purports to reference documents, Defendant refers the Court to those documents for the full context thereof.

174. Paragraph 174 is a conclusion of law, for which no responsive pleading is required, and is therefore denied. Defendant denies the remainder of the allegations in Paragraph 174, including because he lacks knowledge or information sufficient to form a belief as to the truth of the allegations concerning agreements executed by other persons.

175. Paragraph 175 is a conclusion of law, for which no responsive pleading is required, and is therefore denied. To the extent the allegations of Paragraph 175 are deemed in whole or in part to be factual, Defendant denies them. To the extent that Paragraph 175 purports to reference documents, Defendant refers the Court to those documents for the full context thereof.

176. Paragraph 176 is a conclusion of law, for which no responsive pleading is required, and is therefore denied. To the extent the allegations of Paragraph 176 are deemed in whole or in part to be factual, Defendant denies them. To the extent that Paragraph 176 purports to reference documents, Defendant refers the Court to those documents for the full context thereof.

177. The allegations in Paragraph 177 are not directed at Defendant, and therefore no response is required. To the extent a response is required, Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 177, and therefore denies them. To the extent that Paragraph 177 purports to reference documents, Defendant refers the Court to those documents for the full context thereof.

1 178. Paragraph 178 is a conclusion of law, for which no responsive pleading is required, and
2 is therefore denied. To the extent the allegations of Paragraph 178 are deemed in whole or in part to
3 be factual, Defendant denies them. To the extent that Paragraph 178 purports to reference documents,
4 Defendant refers the Court to those documents for the full context thereof.

5 179. The allegations in Paragraph 179 are not directed at Defendant, and therefore no
6 response is required. To the extent a response is required, Defendant lacks knowledge or information
7 sufficient to form a belief as to the truth of the allegations in Paragraph 179, and therefore denies them.

8 180. Paragraph 180 is a conclusion of law, for which no responsive pleading is required, and
9 is therefore denied. To the extent the allegations of Paragraph 180 are deemed in whole or in part to
10 be factual, Defendant denies them.

11 181. Paragraph 181 is a conclusion of law, for which no responsive pleading is required, and
12 is therefore denied. To the extent the allegations of Paragraph 181 are deemed in whole or in part to
13 be factual, Defendant denies them.

14 182. Defendant incorporates by reference his responses to the preceding paragraphs as if
15 fully set forth herein.

16 183. Defendant denies the allegations in Paragraph 183, including each of its subparagraphs.

17 184. Defendant denies the allegations in Paragraph 184. To the extent Paragraph 184
18 purports to reference documents, Defendant refers the Court to those documents for the full context
19 thereof.

20 185. Defendant denies the allegations in Paragraph 185.

21 186. Defendant denies the allegations in Paragraph 186, including because he lacks
22 knowledge or information sufficient to form a belief as to the truth of certain of the allegations.

23 187. The allegations in Paragraph 187 contain conclusions of law to which no responsive
24 pleading is required, and are therefore denied. To the extent the allegations in Paragraph 187 are
25 deemed in whole or in part to be factual, Defendant denies them. Defendant admits Paragraph 187
26 purports to reference documents. Defendant refers the Court to those documents for the full context
27 thereof.

188. Defendant admits that Paragraph 188 purports to reference documents. Defendant refers the Court to those documents for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 188.

189. Defendant admits that Paragraph 189 purports to reference a document. Defendant refers the Court to that document for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 189.

190. Defendant admits that Paragraph 190 purports to reference a document. Defendant refers the Court to that document for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 190.

191. Defendant denies the allegations in Paragraph 191.

192. Defendant admits that Paragraph 192 purports to reference documents. Defendant refers the Court to these documents for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 192, including each of its subparagraphs.

193. Defendant admits that he shared and/or discussed a written memorandum and/or a financial model with certain individuals identified in Paragraph 193. Defendant further admits that Paragraph 193 purports to reference and quote communications and refers the Court to those communications for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 193, including because he lacks knowledge or information sufficient to form a belief as to the truth of the allegations concerning how others used or relied upon any information and as to whether every individual received such documents.

194. The allegations in Paragraph 194 concern the conduct of Patel and are not directed at Defendant. To the extent a response is required, Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 194, and therefore denies them.

195. Defendant admits that Paragraph 195 purports to reference a document. Defendant refers the Court to it for the full context thereof. Defendant denies the remainder of the allegations in Paragraph 195 concerning the purpose for which any information was sought or used. Defendant lacks

1 knowledge or information sufficient to form a belief as to the truth of the allegations concerning Patel's
2 knowledge or state of mind, and therefore denies them.

3 196. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
4 Defendant Patel has been dismissed from this case. Defendant is not required to answer the allegations
5 in Paragraph 196 to the extent they concern Patel. To the extent a response is required, Defendant
6 admits that on March 16, 2023, he revised a document with a file name containing the words "Project
7 Colony." Defendant denies the remainder of the allegations in Paragraph 196, except admits that
8 Paragraph 196 purports to reference documents. Defendant refers the Court to those documents for
9 the full context thereof.

10 197. Defendant admits that Paragraph 197 purports to reference a document. Defendant
11 refers the Court to that document for the full context thereof. Defendant denies the remainder of the
12 allegations in Paragraph 197, including the characterization of any statements attributed to him.

13 198. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
14 Defendant Andersen has been dismissed from this case. Defendant is not required to answer the
15 allegations in Paragraph 198 to the extent they concern Andersen. To the extent a response is required,
16 Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations
17 in Paragraph 198, and therefore denies them. To the extent Paragraph 198 purports to reference
18 documents, Defendant refers the Court to those documents for the full context thereof.

19 199. Pursuant to the Court's Order granting Defendants' Motions to Dismiss (Dkt. 243),
20 Defendant Andersen has been dismissed from this case. Defendant is not required to answer the
21 allegations in Paragraph 199 to the extent they concern Andersen. To the extent a response is required,
22 Defendant denies the allegations in Paragraph 199, including each of its subparagraphs, including
23 because he lacks knowledge or information sufficient to form a belief as to the truth of certain of the
24 allegations. To the extent Paragraph 199 purports to reference documents, Defendant refers the Court
25 to those documents for the full context thereof.

26 200. Defendant admits that he shared and/or discussed a written memorandum and/or a
27 financial model with certain individuals identified in Paragraph 200. Defendant further admits that
28

1 Paragraph 200 purports to reference those materials, and refers the Court to them for the full context
2 thereof. Defendant denies the remainder of the allegations in Paragraph 200, including because he
3 lacks knowledge or information sufficient to form a belief as to the truth of the allegations concerning
4 the conduct of the HSBC Defendants and as to whether every individual received such documents.

5 201. Defendant denies the allegations in Paragraph 201, except admits that Paragraph 201
6 purports to reference documents. Defendant refers the Court to those documents for the full context
7 thereof.

8 202. Defendant denies the allegations in Paragraph 202, including because he lacks
9 knowledge or information sufficient to form a belief as to the truth of certain allegations in Paragraph
10 202.

11 203. Defendant denies the allegations in Paragraph 203.

12 204. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
13 the allegations in Paragraph 204 concerning purported investments of time and money made by SVB,
14 and therefore denies them. The remainder of Paragraph 204 contains conclusions of law to which no
15 responsive pleading is required, and is therefore denied. To the extent that those allegations in
16 Paragraph 204 are deemed in whole or in part to be factual, Defendant denies them.

17 205. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
18 the allegations in the first sentence of Paragraph 205 concerning purported measures to maintain
19 secrecy by SVB and First Citizens, and therefore denies them. The allegations of reasonable measures
20 in the first sentence of Paragraph 205 also contain conclusions of law to which no responsive pleading
21 is required, and are therefore denied. To the extent those allegations are deemed in whole or in part
22 to be factual, Defendant denies them, including because he lacks knowledge or information sufficient
23 to form a belief as to the truth of certain of the allegations. Defendant admits that the remainder of
24 Paragraph 205 purports to reference documents. Defendant refers the Court to those documents for
25 the full context thereof.

26 206. Defendant admits that he signed certain SVB policies. The allegations in Paragraph
27 206 also contain conclusions of law to which no responsive pleading is required, and are therefore

1 denied. Defendant denies the remainder of the allegations in Paragraph 206. To the extent Paragraph
2 206 purports to reference documents, Defendant refers the Court to those documents for the full
3 context thereof.

4 207. Defendant admits that Paragraph 207 purports to quote and reference a document and
5 that he signed an acknowledgment form relating to the SVB Code of Conduct. Defendant refers the
6 Court to those documents for the full context thereof. Defendant denies the remainder of the
7 allegations in Paragraph 207, including because he lacks knowledge or information sufficient to form
8 a belief as to the truth of them.

9 208. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
10 the allegations in Paragraph 208, and therefore denies them. To the extent Paragraph 208 purports to
11 reference documents, Defendant refers the Court to those documents for the full context thereof.

12 209. Defendant admits that Paragraph 209 purports to reference a document. Defendant
13 refers the Court to that document for the full context thereof.

14 210. Defendant lacks knowledge or information sufficient to form a belief as to the truth of
15 the allegations in Paragraph 210, and therefore denies them.

16 211. Defendant denies the allegations in Paragraph 211.

17 212. Defendant denies that he acquired, disclosed, or used any trade secrets. The remainder
18 of the allegations in Paragraph 212 contain conclusions of law to which no responsive pleading is
19 required, and are therefore denied. To the extent those allegations in Paragraph 212 are deemed in
20 whole or in part to be factual, Defendant denies those allegations.

21 213. The allegations in Paragraph 213 contain conclusions of law to which no responsive
22 pleading is required, and are therefore denied. To the extent the allegations in Paragraph 213 are
23 deemed in whole or in part to be factual, Defendant denies those allegations.

24 214. Defendant denies the allegations in Paragraph 214.

25 215. Defendant denies the allegations in Paragraph 215.

26 216. Defendant denies the allegations in Paragraph 216.

217. Defendant incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

218. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the allegations in Paragraph 218. To the extent a response is required, Defendant denies the allegations in Paragraph 218.

219. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the allegations in Paragraph 219. To the extent a response is required, Defendant denies the allegations in Paragraph 219.

220. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the allegations in Paragraph 220. To the extent a response is required, Defendant denies the allegations in Paragraph 220.

221. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the allegations in Paragraph 221. To the extent a response is required, Defendant denies the allegations in Paragraph 221.

222. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the allegations in Paragraph 222. To the extent a response is required, Defendant denies the allegations in Paragraph 222.

223. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the allegations in Paragraph 223. To the extent a response is required, Defendant denies the allegations in Paragraph 223.

1 224. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
2 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
3 allegations in Paragraph 224. To the extent a response is required, Defendant denies the allegations
4 in Paragraph 224.

5 225. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
6 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
7 allegations in Paragraph 225. To the extent a response is required, Defendant denies the allegations
8 in Paragraph 225.

9 226. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
10 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
11 allegations in Paragraph 226. To the extent a response is deemed required, Defendant denies the
12 allegations in Paragraph 226.

13 227. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
14 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
15 allegations in Paragraph 227. To the extent a response is required, Defendant denies the allegations
16 in Paragraph 227.

17 228. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
18 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
19 allegations in Paragraph 228. To the extent a response is required, Defendant denies the allegations
20 in Paragraph 228.

21 229. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
22 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
23 allegations in Paragraph 229. To the extent a response is required, Defendant denies the allegations
24 in Paragraph 229.

25 230. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
26 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
27

1 allegations in Paragraph 230. To the extent a response is required, Defendant denies the allegations
2 in Paragraph 230.

3 231. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
4 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
5 allegations in Paragraph 231. To the extent a response is required, Defendant denies the allegations
6 in Paragraph 231.

7 232. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
8 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
9 allegations in Paragraph 232. To the extent a response is required, Defendant denies the allegations
10 in Paragraph 232.

11 233. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
12 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
13 allegations in Paragraph 233. To the extent a response is required, Defendant denies the allegations
14 in Paragraph 233.

15 234. The Fourth Cause of Action is not asserted against Defendant, and the Court dismissed
16 this claim by its Order dated May 27, 2026 (Dkt. 243). Defendant is not required to answer the
17 allegations in Paragraph 234. To the extent a response is deemed required, Defendant denies the
18 allegations in Paragraph 234.

19 235. Defendant incorporates by reference his responses to the preceding paragraphs as if
20 fully set forth herein.

21 236. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
22 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 236 is
23 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
24 236.

25 237. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
26 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 237 is
27

1 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
2 237.

3 238. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
4 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 238 is
5 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
6 238.

7 239. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
8 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 239 is
9 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
10 239.

11 240. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
12 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 240 is
13 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
14 240.

15 241. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
16 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 241 is
17 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
18 241.

19 242. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
20 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 242 is
21 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
22 242.

23 243. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
24 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 243 is
25 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
26 243.

1 244. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
2 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 244 is
3 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
4 244.

5 245. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
6 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 245 is
7 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
8 245.

9 246. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
10 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 246 is
11 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
12 246.

13 247. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
14 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 247 is
15 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
16 247.

17 248. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
18 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 248 is
19 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
20 248.

21 249. The Fifth Cause of Action is not asserted against Defendant, and the Court dismissed
22 this claim by its Order dated May 27, 2026 (Dkt. 243). Accordingly, no response to Paragraph 249 is
23 required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph
24 249.

25 250. Defendant incorporates by reference his responses to the preceding paragraphs as if
26 fully set forth herein.
27
28

251. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 251 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 251.

252. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 252 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 252.

253. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 253 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 253.

254. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 254 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 254.

255. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 255 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 255.

256. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 256 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 256.

257. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 257 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 257.

258. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 258 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 258.

259. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 259 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 259.

260. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 260 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 260.

261. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Sixth Cause of Action as against Defendant. Accordingly, no response to Paragraph 261 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 261.

262. Defendant incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

263. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 263 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 263.

264. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 264 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 264.

265. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 265 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 265.

266. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 266 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 266.

267. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 267 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 267.

268. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 268 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 268.

269. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 269 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 269.

270. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 270 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 270.

271. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 271 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 271.

272. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 272 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 272.

273. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 273 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 273.

274. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Seventh Cause of Action as against Defendant. Accordingly, no response to Paragraph 274 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 274.

275. Defendant incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

276. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 276 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 276.

277. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 277 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 277.

278. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 278 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 278.

279. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 279 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 279.

280. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 280 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 280.

281. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 281 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 281.

282. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 282 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 282.

283. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 283 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 283.

284. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Eighth Cause of Action as against Defendant. Accordingly, no response to Paragraph 284 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 284.

285. Defendant incorporates by reference his responses to the preceding paragraphs as if fully set forth herein.

286. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of Action as against Defendant. Accordingly, no response to Paragraph 286 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 286.

1 287. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
2 Action as against Defendant. Accordingly, no response to Paragraph 287 is required. To the extent a
3 response is deemed required, Defendant denies the allegations in Paragraph 287.

4 288. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
5 Action as against Defendant. Accordingly, no response to Paragraph 288 is required. To the extent a
6 response is deemed required, Defendant denies the allegations in Paragraph 288.

7 289. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
8 Action as against Defendant. Accordingly, no response to Paragraph 289 is required. To the extent a
9 response is deemed required, Defendant denies the allegations in Paragraph 289.

10 290. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
11 Action as against Defendant. Accordingly, no response to Paragraph 290 is required. To the extent a
12 response is deemed required, Defendant denies the allegations in Paragraph 290, except admits
13 Paragraph 290 purports to reference a document. Defendant refers the Court to the document for the
14 full context thereof.

15 291. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
16 Action as against Defendant. Accordingly, no response to Paragraph 291 is required. To the extent a
17 response is deemed required, Defendant denies the allegations in Paragraph 291.

18 292. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
19 Action as against Defendant. Accordingly, no response to Paragraph 292 is required. To the extent a
20 response is deemed required, Defendant denies the allegations in Paragraph 292.

21 293. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Ninth Cause of
22 Action as against Defendant. Accordingly, no response to Paragraph 293 is required. To the extent a
23 response is deemed required, Defendant denies the allegations in Paragraph 293.

24 294. Defendant incorporates by reference his responses to the preceding paragraphs as if
25 fully set forth herein.
26
27
28

295. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Tenth Cause of Action as against Defendant. Accordingly, no response to Paragraph 295 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 295.

296. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Tenth Cause of Action as against Defendant. Accordingly, no response to Paragraph 296 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 296.

297. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Tenth Cause of Action as against Defendant. Accordingly, no response to Paragraph 297 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 297.

298. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Tenth Cause of Action as against Defendant. Accordingly, no response to Paragraph 298 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 298.

299. By its Order dated May 27, 2026 (Dkt. 243), the Court dismissed the Tenth Cause of Action as against Defendant. Accordingly, no response to Paragraph 299 is required. To the extent a response is deemed required, Defendant denies the allegations in Paragraph 299.

I. This paragraph sets forth Plaintiff's demand for relief, for which the following responses are given:

A. Defendant denies the allegations in Paragraph A.

B. Defendant denies the allegations in Paragraph B.

C. Defendant denies the allegations in Paragraph C.

D. Defendant denies the allegations in Paragraph D.

E. Defendant denies the allegations in Paragraph E.

F. Defendant denies the allegations in Paragraph F.

G. Defendant denies the allegations in Paragraph G.

II. This paragraph sets forth Plaintiff's demand for a trial by jury, to which no response is required.

AFFIRMATIVE DEFENSES

Without assuming any burden of proof, persuasion, or production not otherwise legally assigned to him as to any element of First Citizens’ surviving claims, Defendant asserts the following affirmative and other defenses, in addition to the responses above. Defendant may have separate and additional defenses of which he is not yet fully aware and reserves the right to amend this Answer and assert additional defenses, counterclaims, cross claims, third-party claims, and objections, if and when they become known.

FIRST AFFIRMATIVE DEFENSE

First Citizens is barred from relief to the extent the Second Amended Complaint, and each surviving cause of action asserted against Defendant, fails to state facts sufficient to constitute a cause of action against Defendant.

SECOND AFFIRMATIVE DEFENSE

First Citizens’ claims fail, in whole or in part, for lack of standing.

THIRD AFFIRMATIVE DEFENSE

First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because First Citizens has failed to identify any specific, legally protected trade secrets.

FOURTH AFFIRMATIVE DEFENSE

To the extent any of the information alleged by First Citizens as its “trade secrets” exists, First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because the alleged trade-secret information was readily ascertainable by proper means.

FIFTH AFFIRMATIVE DEFENSE

First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because Defendant independently conceived of, and/or developed, the information that First Citizens alleges Defendant misappropriated.

SIXTH AFFIRMATIVE DEFENSE

First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because the alleged trade secrets lack independent economic value.

SEVENTH AFFIRMATIVE DEFENSE

First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because First Citizens has not exercised reasonable or sufficient efforts to keep the alleged trade secrets a secret.

EIGHTH AFFIRMATIVE DEFENSE

First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because Defendant did not acquire the alleged trade secrets by improper means.

NINTH AFFIRMATIVE DEFENSE

First Citizens cannot prevail against Defendant and cannot recover damages, unjust enrichment, or reasonable royalties, if any, on its Third Cause of Action because First Citizens' claim for misappropriation of trade secrets is frivolous, unreasonable, groundless, and made in bad faith.

TENTH AFFIRMATIVE DEFENSE

First Citizens' claims are barred because First Citizens' conduct was such that it assumed the risk of any alleged losses and/or damages related to the transactions alleged in the Second Amended Complaint.

ELEVENTH AFFIRMATIVE DEFENSE

First Citizens' alleged damages, if any, were the result of one or more superseding or intervening causes or were caused by the acts and/or failures to act of persons or entities other than Defendant, or were caused or contributed to by First Citizens' own actions, inactions, negligence, fault, or lack of diligence, not by actions or inactions of Defendant, thus barring First Citizens from any recovery against Defendant.

TWELFTH AFFIRMATIVE DEFENSE

First Citizens' claims are barred, in whole or in part, by the equitable doctrines of waiver, acquiescence, consent, and/or estoppel.

THIRTEENTH AFFIRMATIVE DEFENSE

First Citizens' alleged damages are too remote or speculative to ascertain or apportion.

FOURTEENTH AFFIRMATIVE DEFENSE

To the extent First Citizens has suffered any damages, it has failed to take reasonable steps to mitigate such damages.

FIFTEENTH AFFIRMATIVE DEFENSE

Defendant acted at all times on the basis of a good-faith and reasonable belief that his actions were in compliance and conformity with applicable provisions of law, administrative regulations, orders, rulings, guidance, and/or interpretations, and did not willfully or maliciously violate any such

1 provisions. Accordingly, remedies such as enhanced or punitive damages requiring willful violations
2 or bad faith acts are unavailable.

3 **SIXTEENTH AFFIRMATIVE DEFENSE**

4 To the extent that any recovery on the surviving claims may either be completely or
5 substantially barred due to after-acquired evidence, any recovery to which First Citizens might
6 otherwise be entitled must be appropriately offset.

7 **SEVENTEENTH AFFIRMATIVE DEFENSE**

8 To the extent First Citizens has suffered any damages, any injunctive or monetary relief is
9 limited to the period (if any) in which Defendant retained an advantage as the result of the alleged
10 misappropriation, and in which the alleged trade secrets maintained their trade secret status.

11 **EIGHTEENTH AFFIRMATIVE DEFENSE**

12 First Citizens' breach of contract claim fails, in whole or in part, because First Citizens lacks
13 privity with SVB Financial Group and because no enforceable contract exists between the parties.

14 **NINETEENTH AFFIRMATIVE DEFENSE**

15 First Citizens' breach of contract claim is barred, in whole or in part, by the terms of SVB's
16 March 13, 2023 transfer agreement with the FDIC's Bridge Bank and First Citizens' March 26, 2023
17 Purchase and Assumption Agreement with the FDIC.

18 **TWENTIETH AFFIRMATIVE DEFENSE**

19 First Citizens' breach of contract claim fails, in whole or in part, because the provisions First
20 Citizens seeks to enforce are void or unenforceable under California Business and Professions Code
21 § 16600.

1 **TWENTY-FIRST AFFIRMATIVE DEFENSE**

2 First Citizens' breach of contract claim fails because Defendant satisfied, fulfilled, and
 3 performed each and every obligation and duty imposed by law or contract to the full extent of his
 4 responsibility.

5 **TWENTY-SECOND AFFIRMATIVE DEFENSE**

6 First Citizens' breach of contract claim fails to the extent it is inconsistent with or violative of
 7 public policy.

8 **TWENTY-THIRD AFFIRMATIVE DEFENSE**

9 First Citizens' claims are barred, in whole or in part, by the equitable doctrine of unclean hands
 10 because the claims are based in part on First Citizens' actions taken in violation of California Code,
 11 Business and Professions Code § 16600 and Unfair Competition Law § 17200 et seq., and that are
 12 contrary to strong public policy.

13 **RESERVATION OF RIGHTS**

14 Defendant hereby gives notice that he has not knowingly or intentionally waived any
 15 applicable defenses, and that he expressly reserves the right to assert and rely upon any other
 16 applicable defenses that may become available or apparent.

17 **DEFENDANT'S COUNTERCLAIM**

18 1. Pursuant to Rule 13 of the Federal Rules of Civil Procedure, Counterclaimant David
 19 Sabow, by and through his attorneys, brings the following Counterclaim against First-Citizens Bank
 20 & Trust Company ("First Citizens"), and states as follows:

21 **INTRODUCTION**

22 2. California employers may not restrain employee mobility by requiring or enforcing
 23 post-employment non-competition agreements. That policy is so fundamental that the California
 24 Legislature passed a law to codify that public policy and give employees the right to recover damages

1 and injunctive relief from employers that attempt to enforce such restraints. Rather than follow the
2 law, First Citizens seeks to enforce a void California non-competition covenant against an individual
3 it never even employed. This is an egregious violation of California law.²

4 3. As a mandatory condition of commencing employment in California with Silicon
5 Valley Bank (“SVB”) in 2012, Counterclaimant David Sabow was required to sign an employment
6 agreement containing a post-employment restriction on competition. Now, more than a decade later,
7 First Citizens claims that it somehow acquired the right to enforce that unlawful restriction through
8 this lawsuit. Mr. Sabow brings this Counterclaim to recover the damages and injunctive relief
9 California law expressly provides for precisely this type of anticompetitive conduct.

10 4. Following SVB’s collapse in March 2023, Mr. Sabow worked to help former
11 colleagues rebuild their careers and to provide former SVB clients with a new banking platform. The
12 collapse abruptly displaced talented professionals who had devoted years to building SVB, many of
13 whom lost significant portions of their net worth when SVB stock became worthless. As a result of
14 the collapse, the innovation economy also suddenly lost one of its principal banking partners.
15 California’s longstanding policy favoring employee mobility exists to foster lawful competition.
16 Acting in furtherance of that ethos, during this time of extraordinary turbulence, Mr. Sabow helped
17 create a new employment option for former SVB employees to rebuild their careers with a new
18 innovation banking business.

19 5. Rather than compete fairly for talent and clients, after Mr. Sabow turned down First
20 Citizens’ offer to lead its own innovation banking business, First Citizens sued him for offering a
21 lifeline to his former colleagues.

22 6. First Citizens never employed Mr. Sabow. It never paid him a dime. Yet, First Citizens
23 now contends that it acquired the right to enforce a California non-competition covenant and is suing
24 Mr. Sabow for breach. Through its lawsuit, First Citizens seeks to accomplish what California law

25 _____
26 ² There are limited exceptions to California’s prohibition on post-employment non-competition
27 covenants, which may include the sale of business or where the employee, represented by independent
28 counsel, voluntarily selects the law of another state to govern their obligations. None of those
exceptions apply here.

expressly forbids: restraining employee mobility through an unlawful post-employment non-competition agreement.

7. This Counterclaim seeks to protect Mr. Sabow's rights as a California citizen. Mr. Sabow seeks declaratory and injunctive relief, together with damages and attorneys' fees, for First Citizens' unlawful attempt to enforce a void restrictive covenant.

JURISDICTION AND VENUE

8. This Court has supplemental jurisdiction over Mr. Sabow's Counterclaim pursuant to 28 U.S.C. § 1367, as the claim arises from a common nucleus of fact shared with the claims alleged and at issue in First Citizens' Second Amended Complaint, filed on February 6, 2026 (the "SAC") in this case. Dkt. 198.

9. This Court has personal jurisdiction over First Citizens because it has availed itself of this Court's jurisdiction in bringing this action.

10. Venue is proper in this District because First Citizens has admitted venue is proper by filing this action.

PARTIES

11. Counterclaimant Mr. Sabow is a resident of Mill Valley, California.

12. Counterclaim Respondent First Citizens is a corporation organized under the laws of the state of North Carolina, with its principal place of business located at 4300 Six Forks Road, Raleigh, North Carolina 27609.

ALLEGATIONS

13. Before its collapse in March 2023, SVB was a bank focused on providing products and services to clients primarily in the technology, life science, and healthcare industries.

14. In 2012, Mr. Sabow joined SVB as a Senior Relationship Manager. As a mandatory condition of his employment, Mr. Sabow was forced to sign a Confidential Information and Invention Assignment Agreement for Employees (the "employment agreement") with SVB Financial Group—SVB's parent company.

15. The employment agreement contained a non-competition covenant, which states:

I agree that for any period during which I am employed by the Company, I will not participate in selling product lines that compete with the Company to existing Company customers or identified prospects. I further agree that, after my employment with the Company ends, that I shall not participate in selling product lines that compete with the Company to existing Company customers or its identified prospects if such conduct would require or in any way cause the disclosure, use or exploitation of any of the Company's trade secrets or confidential information (as defined by the Uniform Trade Secrets Act) *or if trade secrets or confidential information obtained during my employment at the Company would give a competitive advantage over the Company.* I agree that these limitations are necessary and reasonably calculated to protect the Company's trade secrets and confidential information. There shall be no exceptions to these limitations on competition unless I obtain express written approval for any exception from the Company's President and CEO. Except for these reasonable limitations, I am free to obtain employment with other companies in the financial services industry. Accordingly, I understand this provision shall not be construed to prevent me from being gainfully employed in the financial services industry by a competitor of the Company.

Dkt. 1-8 ¶ 9 (emphasis added) (incorporated by reference). The employment agreement is governed by California law, as all parties and the Court have consistently recognized in this case.

16. Over the years, Mr. Sabow received multiple promotions at SVB until, in 2022, he accepted an offer to become Chief Executive Officer ("CEO") of SVB's subsidiary in the United Kingdom—SVB UK. He subsequently moved to London, transferred his employment to SVB UK, and awaited regulatory approval as SVB UK's new CEO.

17. SVB collapsed before the authorities could provide that approval. On March 8, 2023, SVB announced a \$1.8 billion loss. The next day, SVB Financial Group's stock plummeted, and depositors withdrew approximately \$42 billion from the bank. Over the next two days, widespread crisis and uncertainty in the banking industry ensued. On March 10, 2023, SVB was closed by the California Department of Financial Protection and Innovation, which appointed the FDIC as receiver for SVB. On Monday, March 13, 2023, via a Transfer Agreement, the FDIC transferred all deposits and substantially all assets of SVB to a newly created, full-service, FDIC-operated, Silicon Valley Bridge Bank, N.A. (the "Bridge Bank") with the stated intent of protecting all depositors of SVB. Under Section 2.03(b)(ix) of the Transfer Agreement, the FDIC reserved to itself as SVB's receiver

1 the right to bring any contract claims arising out of SVB’s employment agreements. SVB Financial
2 Group was not a party to the Transfer Agreement.

3 18. The same day California authorities closed SVB, the Bank of England announced plans
4 to ask a court to place SVB UK into insolvency proceedings. On March 13, 2023, HSBC UK Bank
5 plc (“HBUK”) purchased SVB UK, sparing the bank from insolvency. As a result of HBUK’s
6 acquisition, Mr. Sabow’s employer—SVB UK—became an HBUK subsidiary.

7 19. On March 26, 2023, the FDIC announced it had entered into a Purchase & Assumption
8 Agreement with First Citizens to acquire certain assets and liabilities of Bridge Bank. SVB Financial
9 Group was not a party to that agreement. In Section 4.8(b) of that Purchase Agreement, First Citizens
10 provided it did “not assume any liabilities or acquire any rights under” “any consulting, management,
11 or employment agreement between the Failed Bank and its employees or other Persons.” Dkt. 48-7 §
12 4.8(b).

13 20. At or around this same time, Mr. Sabow met with multiple banks to consider his future
14 employment. Mr. Sabow received multiple lucrative job offers from other banks, including First
15 Citizens. Ultimately, Mr. Sabow turned down First Citizens’ offer, declined another bank, and decided
16 to join HSBC Bank USA, N.A. (“HBUS”), accepting lower compensation because he believed HSBC
17 offered a stronger platform and culture after the collapse of SVB.

18 21. In April 2023, HBUS launched a new innovation banking business. That expansion
19 gave the technology, life science, and healthcare clients SVB once served a banking alternative. And
20 it gave displaced SVB professionals a place to continue their careers.

21 22. Six weeks later, and despite its explicit disclaimer of acquiring any rights under SVB
22 employment agreements, First Citizens filed a lawsuit against Mr. Sabow for, among other things,
23 allegedly breaching his SVB employment agreement. First Citizens amended the Complaint two times
24 and, on December 18, 2025, alleged a claim against Mr. Sabow for, among other things, breaching the
25 post-employment non-competition clause in the employment agreement.

26 23. In suing Mr. Sabow for breach of his non-competition covenant, First Citizens has
27 caused, and continues to cause, harm to Mr. Sabow. Such harm includes monetary damages and
28

irreparable injury, including harm to reputation, interference with professional opportunities, and/or expenditure of substantial time and resources defending this unlawful claim rather than devoting time and resources to furthering career growth and the success of HSBC's innovation bank.

24. On July 8, 2026, counsel for Mr. Sabow sent a letter to counsel for First Citizens, giving First Citizens the opportunity to withdraw with prejudice its breach of contract claim against Mr. Sabow to the extent it is based on his unlawful post-employment non-competition covenant, and requesting confirmation of such withdrawal by July 9. First Citizens did not withdraw its claim.

COUNTERCLAIM

Cal. Bus. & Prof. Code § 16600.5

25. Mr. Sabow repeats, alleges, and incorporates by reference as though fully set forth herein all the allegations contained in Paragraphs 1 through 24.

26. California Business & Professions Code Section 16600 provides that "every contract by which anyone is restrained from engaging in a lawful profession, trade, or business of any kind is to that extent void." Cal. Bus. & Prof. Code § 16600. That statute must "be read broadly, in accordance with *Edwards v. Arthur Andersen LLP* (2008) 44 Cal. 4th 937, to void the application of any noncompete agreement in an employment context, or any noncompete clause in an employment contract, no matter how narrowly tailored, that does not satisfy an exception." Cal. Bus. & Prof. Code § 16600.

27. Section 16600.5 expressly provides for a private right of action for an employee to sue for injunctive relief and actual damages, as well as attorneys' fees and costs. *Id.* § 16600.5(d), (e)(1)–(2). It states that an employer may not "enter into a contract with an employee or prospective employee that includes a provision that is void" under Section 16600, and bars "an employer or former employer" from attempting "to enforce a contract that is void under this chapter." *Id.* § 16600.5(b).

28. As this Court has explained, "[i]n California, 'every contract by which anyone is restricted from engaging in a lawful profession, trade, or business of any kind is to that extent void.'" Dkt. 71 at 16 (quoting Cal. Bus. & Prof. Code § 16600(a)). Section 16600 "evinces a settled legislative policy in favor of open competition and employee mobility." *Id.* (quoting *Edwards*, 44 Cal. 4th at

946). And in *Edwards*, the California Supreme Court held that “[n]oncompetition agreements are invalid under section 16600.” 44 Cal. 4th at 955.

29. In 2012, Mr. Sabow entered into an employment agreement with SVB Financial Group that contained a post-employment non-competition covenant that he was required to sign as a condition of his employment. That restrictive covenant is illegal, void, and unenforceable under California law and public policy, including California Business & Professions Code Sections 16600 and 16600.5. Because the restraint on competition is triggered by the mere possession of information, untethered to any actual or threatened misappropriation, it is a transparent attempt to contract around California’s rejection of the inevitable disclosure doctrine and serves as an unlawful non-compete. *See Whyte v. Schlage Lock Co.*, 101 Cal. App. 4th 1443, 1462 (2002) (inevitable disclosure doctrine creates an after-the-fact covenant not to compete, restricting employee mobility).

30. By seeking to enforce the unlawful post-employment non-competition covenant, First Citizens is attempting to improperly constrain Mr. Sabow from developing a lawful profession of his choosing with HBUS, from engaging in lawful competition, and from pursuing fundamental rights to employee mobility. That is an unlawful restraint on competition and employee mobility prohibited by California law.

31. To the extent First Citizens acquired Mr. Sabow’s employment agreement and stepped into the shoes of his former employer as it alleges, First Citizens has violated Section 16600.5 by seeking to enforce a restrictive covenant forbidden under California law.

32. Accordingly, Mr. Sabow is entitled to the injunctive, declaratory, and monetary relief in an amount to be proven at trial, as well as reasonable attorneys’ fees and costs. Cal. Bus. & Prof. Code §§ 16600, 16600.5(e)(1)–(2).

DEMAND FOR JURY TRIAL

33. Counterclaimant hereby demands a trial by jury for his Counterclaim.

PRAYER FOR RELIEF

WHEREFORE Mr. Sabow prays for relief as follows:

1 A. For a judicial declaration that Mr. Sabow’s post-employment non-competition
2 provision is void and unenforceable by First Citizens under California law and public policy,
3 including California Business & Professions Code Sections 16600 and 16600.5;

4 B. For injunctive relief voiding Mr. Sabow’s post-employment non-competition covenant
5 under California law and public policy, including California Business & Professions Code Sections
6 16600 and 16600.5, and enjoining First Citizens from violating same or enforcing same in court;

7 C. For an award of monetary or nominal damages in an amount to be determined at trial;

8 D. For an award of pre- and post-judgment interest;

9 E. For an award of attorneys’ fees, costs, and expenses; and

10 F. For an award of any further relief as the Court deems just and proper.

11
12 Dated: July 10, 2026

GIBSON, DUNN & CRUTCHER LLP

13
14
15 By: /s/ Harris M. Mufson
Harris M. Mufson

16 *Attorneys for Defendants*
17
18
19
20
21
22
23
24
25
26
27
28