

**IN THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA
CIVIL DIVISION**

NATIONAL ASSOCIATION OF
CONSUMER ADVOCATES, INC.,

Plaintiff,

v.

GEMINI TRUST COMPANY, LLC,

Defendant.

Case No. 2024-CAB-003999

Judge Maribeth Raffinan

Next Court Date: February 7, 2025

Event: Status Hearing

DEFENDANT GEMINI TRUST COMPANY, LLC'S ANSWER

Pursuant to Rule 8 and 12 of the Superior Court Rules of the District of Columbia, Defendant Gemini Trust Company, LLC (“Gemini”), through its undersigned counsel, hereby answers the Complaint of Plaintiff National Association of Consumer Advocates, Inc. (“Plaintiff” or “NACA”), based upon actual knowledge as to itself and otherwise upon information and belief as to all other persons and events. All allegations not expressly admitted are denied, and Gemini reserves the right to amend, supplement, and/or revise this Answer.

To the extent the headings in the Complaint are construed as allegations, Gemini denies them. As for the specific allegations in the Complaint, Gemini responds as follows, using the Plaintiff’s paragraph numbering:

INTRODUCTION

1. Gemini admits that Gemini users can buy and sell cryptocurrencies like Bitcoin through the Gemini platform and that Gemini maintains a website. The remaining allegations refer to documents that speak for themselves. To the extent the allegations are contrary to the documents, they are denied.

2. Gemini admits that users must agree to the Gemini User Agreement in order to create a Gemini account and buy, sell, or trade cryptocurrency on the Gemini platform. Gemini

denies the remaining allegations and any allegations of wrongdoing.

3. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

4. Gemini admits that NACA holds itself out as a nonprofit advocacy organization committed to representing consumers' interests. Gemini denies the remaining allegations in this Paragraph and any allegations of wrongdoing.

JURISDICTION AND VENUE

5. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

6. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

PARTIES

A. NACA

7. Gemini admits that NACA holds itself out as a nonprofit advocacy organization committed to representing consumers' interests. Gemini lacks information or knowledge sufficient to form a belief as to the remaining allegations and therefore denies the same.

8. Gemini admits that NACA holds itself out as a nonprofit association of consumer advocates that pursues the goals and activities alleged in this Paragraph. Gemini lacks independent knowledge or information regarding the remaining allegations and therefore denies the same.

9. The allegations in Paragraph 9 refer to documents that speak for themselves. To the extent the allegations are contrary to the documents, they are denied. Gemini denies the remaining allegations.

10. Gemini admits that NACA brings this suit for alleged violations of the DC CPPA. The allegations regarding Gemini records refer to documents that speak for themselves. To the

extent they are contrary to the documents, they are denied. Gemini denies the remaining allegations and any allegations of wrongdoing.

B. Gemini

11. Gemini admits the allegations in this Paragraph.

12. Gemini admits that some of its users reside in the District of Columbia. The remaining allegations are legal conclusions to which no response is required. To the extent they are contrary to the law, they are denied.

FACTUAL BACKGROUND

A. Gemini's cryptocurrency platform garners large market share.

13. Gemini admits the allegations in this Paragraph.

14. Gemini admits that certain cryptocurrencies have increased in value since Gemini's inception. Gemini lacks independent knowledge or information regarding the remaining allegations in this Paragraph and therefore denies the same.

15. The allegations concerning statements on Gemini's website refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies the remaining allegations.

16. Gemini admits that it has always focused on compliance with the law and safety standards. The allegations concerning statements on Gemini's website refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied.

17. Gemini denies the allegations in this Paragraph.

B. Scammers repeatedly target cryptocurrency purchasers.

18. Gemini lacks knowledge or information regarding the allegations in this Paragraph and therefore denies the same.

19. The allegations in this Paragraph refer to documents that speak for themselves. To

the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

20. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied.

21. Gemini lacks independent knowledge or information regarding the allegations in this Paragraph and therefore denies the same. Gemini denies any allegations of wrongdoing.

22. Gemini lacks independent knowledge or information regarding the allegations in this Paragraph and therefore denies the same. Gemini denies any allegations of wrongdoing.

23. Gemini admits that it may freeze customer accounts or limit a customer's access to their account while performing a review of that account due to compliance, BSA/AML, regulatory, account safety, or other similar concerns. Gemini further admits that it may not share the progress of that review with the user or may limit the customer's access to their funds during the review due to compliance, BSA/AML, regulatory, account safety, or other similar concerns. Gemini denies the remaining allegations and any allegations of wrongdoing.

24. The allegations concerning statements on Gemini's website refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies the remaining allegations and any allegations of wrongdoing.

25. The allegations in this Paragraph refer to documents that speak for themselves and/or are legal conclusions to which no response is required. To the extent they are contrary to the documents or the law, they are denied. Gemini denies any allegations of wrongdoing.

C. Gemini's UA violates the EFTA and leaves consumers with nothing.

26. Gemini denies the allegations in this Paragraph.

27. Gemini admits that Gemini customers must agree to the terms of the operative Gemini User Agreement as a condition of opening an account on Gemini and that the operative

Gemini User Agreement was last modified February 16, 2024. Gemini denies the remaining allegations.

28. This Paragraph sets forth legal conclusions to which no response is required. To the extent they are contrary to the law, they are denied. Gemini denies any allegations of wrongdoing.

29. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

30. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

31. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

32. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

33. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

34. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

35. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

36. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

37. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

38. The allegations in this Paragraph refer to documents that speak for themselves. To the extent they are contrary to the documents, they are denied. Gemini denies any allegations of wrongdoing.

39. The allegations in this Paragraph refer to documents that speak for themselves and/or are legal conclusions to which no response is required. To the extent they are contrary to the documents or the law, they are denied.

40. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

41. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied. Gemini denies any allegations of wrongdoing.

42. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

43. This Paragraph sets forth legal conclusions to which no response is required. To

the extent these conclusions are contrary to the law, they are denied.

44. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

45. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

46. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

47. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

48. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

49. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

50. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

51. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

52. The allegations in this Paragraph refer to documents that speak for themselves and/or are legal conclusions to which no response is required. To the extent they are contrary to the documents or the law, they are denied. Gemini denies any allegations of wrongdoing.

THE DISTRICT'S CONSUMER PROTECTION PROCEDURES ACT

53. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

54. This Paragraph sets forth legal conclusions to which no response is required. To

the extent these conclusions are contrary to the law, they are denied.

55. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

56. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

57. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

58. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

COUNT ONE

**Violation of the Consumer Protection Procedures Act,
D.C. Code §§ 28–3901 *et seq.***

59. Gemini incorporates its answers to each preceding Paragraph as though fully set forth herein.

60. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

61. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

62. Gemini avers that, upon information and belief, NACA is a public interest organization that does advocacy work on behalf of consumers. Gemini lacks information or knowledge sufficient to form a belief as to the remaining allegations and therefore denies the same.

63. Gemini avers that, upon information and belief, NACA brings this action on behalf of District of Columbia's Gemini customers. The remaining allegations set forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are

denied. Gemini denies any allegations of wrongdoing.

64. This Paragraph sets forth legal conclusions to which no response is required. To the extent these conclusions are contrary to the law, they are denied.

65. Gemini denies the allegations in this Paragraph.

66. Gemini denies the allegations in this Paragraph.

67. Gemini denies the allegations in this Paragraph.

68. Gemini denies the allegations in this Paragraph.

69. Gemini denies the allegations in this Paragraph.

70. This Paragraph sets forth Plaintiff's Prayer for Relief. Gemini denies that it has engaged in any wrongdoing and denies that NACA is entitled to any relief under any theory whatsoever.

JURY DEMAND

71. This Paragraph sets forth Plaintiff's Jury Demand. To the extent that NACA's request is contrary to the law, it is denied. Gemini denies that NACA is entitled to a jury.

DEFENSES

Gemini alleges, asserts, and states the following defenses as separate and distinct defenses to the Complaint. By virtue of alleging these further defenses, Gemini does not assume any burden of proof, persuasion, or production not otherwise legally assigned to it.

FIRST DEFENSE: THIS DISPUTE MUST BE ARBITRATED

NACA's claims are subject to a valid and enforceable arbitration agreement. Gemini reserves the right to move to compel arbitration.

SECOND DEFENSE: THE COMPLAINT FAILS TO STATE A CLAIM FOR WHICH RELIEF MAY BE GRANTED

The Complaint fails to state a claim for which relief may be granted.

THIRD DEFENSE: WAIVER AND RELEASE

NACA's action is barred by waivers and releases contained within the applicable contracts.

FOURTH DEFENSE: OBJECTION TO VENUE

There is a valid and enforceable forum selection agreement requiring that venue lie in the state and federal courts of New York County, New York. Therefore, this action was filed in an improper forum.

FIFTH DEFENSE: OBJECTION TO SUBJECT MATTER JURISDICTION

This Court lacks subject matter jurisdiction over this proceeding.

SIXTH DEFENSE: NON-JOINDER

The action is subject to dismissal for failure to join one or more absent parties.

RESERVATION OF RIGHTS

Gemini presently has insufficient knowledge and information upon which to form a belief as to whether there may be other, as yet unstated, defenses available to Gemini, and therefore expressly reserves, in accordance with applicable law, the right to amend or supplement its Answer, defenses, and all other pleadings, and the right to assert any and all other additional and further defenses as appropriate, including defenses that may be revealed by arbitration, discovery, or otherwise.

Dated: January 21, 2025

BAUGHMAN KROUP BOSSE PLLC

By /s/ Andrew C. Bosse

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*Counsel for Defendant Gemini Trust
Company, LLC*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on January 21, 2025, a copy of the foregoing was served via EFile DC to all counsel of record.

By /s/ Andrew C. Bosse
Andrew C. Bosse