

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

B E T W E E N:

EQUIBIT GROUP LTD., CHRISTOPHER ERIC HORLACHER and  
MARC GODARD

Plaintiffs

and

CHRISTIAN SAUCIER, DAVID MCFADZEAN, BART DE GROOT,  
ABDELAZIZ OULAD HADJ, VALENTIN GANEV,  
JOHN DOE NO. 1, also known as ZEEMOBYDICK,  
JOHN DOE NO. 2, also known as THELOSTBOY@THETWISTEDDIGIT  
and JOHN DOE NO. 3, also known as SATOSHI JIMENEZ

Defendants

**REPLY AND DEFENCE TO COUNTERCLAIM OF  
ABDELAZIZ OULAD HADJ and BART DE GROOT**

1. Except as admitted herein, the Plaintiffs, Equibit Group Ltd. (“Equibit”), Christopher Eric Horlacher (“Horlacher”) and Marc Godard (“Godard”), deny the allegations against them in the Statement of Defence and put the Defendants, Abdelaziz Oulad Hadj (“Hadj”) and Bart De Groot (“De Groot”) to the strict proof thereof.

2. The terms of De Groot’s and Hadj’s relationship with Equibit are set out in the Simple Agreement of Future Tokens (“SAFT”). As set out in the SAFT, De Groot and Hadj are not shareholders of Equibit and do not have the same rights as an Equibit shareholder. Further, the SAFT expressly sets out the nature of participating in the Equibit project and the risks associated with such participation and/or investment. Each of De Groot and Hadj acknowledged in writing that they understood the risks and agreed to assume such risks.

3. With respect to paragraph 10 of the Defence, the Plaintiffs deny that De. Groot's investment in Equibit comprised "more or less all of his life savings".

4. Contrary to paragraph 14 of the Defence, Horlacher denies that he made any representation to De Groot or Hadj concerning the identities of other investors lined up for Equibit. Horlacher further denies that he or anyone else at Equibit made any misrepresentations to De Groot and Hadj concerning the sale of bitcoin during the 2017 cycle.

5. In November 2018, Horlacher wrote to De Groot and Hadj proposing a meeting in Amsterdam. Contrary to the assertion in paragraph 15 of the Defence, Horlacher did not want to meet with them because many Equibit investors were from Holland. The purpose of the meeting was to inform De Groot and Hadj of the difficulties that Equibit had encountered in the preceding months and to ask for their assistance. De Groot proposed meeting with Horlacher at the DoubleTree SkyLounge in Amsterdam.

6. Horlacher met with De Groot and Hadj in November 2018. Horlacher denies advising De Groot or Hadj that everything was going according to plan and that Equibit had plenty of funds from other investors. As set out above, the purpose of the meeting was to inform De Groot and Hadj of difficulties Equibit had encountered including the difficulty in raising funds as set out in paragraph 18 of the Defence.

7. After disclosing the difficulty Equibit was having in raising funds, Horlacher asked whether De Groot or Hadj would inject additional funds in Equibit. Both De Groot and Hadj declined to inject further funds into Equibit.

8. The Plaintiffs deny that the false and defamatory statements made by De Groot and Hadj particularized in the Statement of Claim relate to matters of public interest. If the false and defamatory statements do relate to matters of public interest, which is not admitted but expressly denied, the proceeding has substantial merit, De Groot and Hadj have no valid defence, and the harm suffered by the Plaintiffs as a result of the statements outweighs any public interest in protecting the statements.

9. The Plaintiffs further deny that the social media forums where De Groot and Hadj made the false and defamatory statements constitute a “broadcast” within the meaning of section 5(1) of the *Libel and Slander Act*, R.S.O. 1990, c. L. 12 (“*LSA*”).

10. The Plaintiffs also deny that the false and defamatory statements made by De Groot and Hadj are protected by section 2(a) or 2(b) of the *Canadian Charter of Rights and Freedoms*.

## **DEFENCE TO COUNTERCLAIM**

11. The Defendants to the Counterclaim, Equibit Group Ltd. (“Equibit”), Christopher Eric Horlacher (“Horlacher”) and Marc Godard (“Godard”), deny the allegations contained in the Counterclaim of Abdelaziz Oulad Hadj (“Hadj”) and Bart De Groot (“De Groot”), and put these plaintiffs by counterclaim to the strict proof thereof.

12. In defence to the allegations contained in the Counterclaim, Equibit, Horlacher and Godard repeat and rely upon the allegations contained in the Statement of Claim and Reply to the Statement of Defence of De Groot and Hadj.

13. De Groot and Hadj have failed to plead the material facts and particulars to support a claim for fraudulent misrepresentation and/or fraud against the Equibit, Horlacher and Godard, and the claim ought to be struck on this basis alone.

14. The terms of De Groot’s and Hadj’s relationship with Equibit are set out in the Simple Agreement of Future Tokens (“SAFT”). Equibit, Horlacher and Godard deny that they or anyone else at Equibit ever promised or guaranteed a rate of return on funds invested in Equibit or that the investment would never decline. Each of De Groot and Hadj were aware of and accepted the risks associated with an investment in Equibit, a technology start-up.

15. Horlacher and Godard further deny that they, or anyone else at Equibit, made any misrepresentations to De Groot or Hadj concerning the number of Equibit investors or amounts raised by Equibit. As at late 2017, Equibit had raised approximately USD2.6 million through an angel investment in 2016 and crowdfunding in 2017.

16. Equibit, Horlacher and Godard deny that they have perpetrated a fraudulent scheme and/or defrauded De Groot and Hadj by misrepresenting the nature and purpose of Equibit's business or management, or the use their investment funds were put.

17. Horlacher and Godard deny that they ever used funds from De Groot and Hadj that were intended for the purposes of the development of EQB Tokens for personal use. Further, Horlacher and Godard deny that they purchased or renovated any real estate in the years before, during or after Equibit's operations.

18. Horlacher and Godard deny that they created false and/or grossly exaggerated statements of account with respect to the earnings of Equibit so as to entice De Groot and Hadj to believe that Equibit would be profitable. The annual financial statements of Equibit were reviewed by an independent Chartered Accounting firm, M&P Group, before they were issued. Equibit's financial statement were also extensively audited by the Canada Revenue Agency and regulatory bodies.

19. Horlacher and Godard deny that they made misrepresentations to "third partis" that Equibit was performing well throughout 2015 to 2020.

20. Horlacher denies that he lied to De Groot and Hadj when he informed them that Equibit needed additional funds when he met them in November 2018. He further denies that intended to use any additional funds for personal use. At no time have Horlacher or Godard used Equibit funds or funds raised from investors for personal use.

21. Equibit, Horlacher and Godard deny that De Groot and Hadj have suffered the damages alleged in the Counterclaim and put them to the strict proof thereof. In the alternative, if they have suffered any damages, which are not admitted but expressly denied, Equibit, Horlacher and Godard

plead that their damages are caused or contributed by their own conduct as alleged in the Statement of Claim and Reply to the Statement of Defence.

22. Equibit, Horlacher and Godard plead and rely on the *Negligence Act*, R.S.O. 1990, C. N.1 as amended.

23. In the further alternative, if they have suffered any damages, which are not admitted but expressly denied, Equibit, Horlacher and Godard plead that they have failed to mitigate their damages and the damages claimed are excessive, remote and not recoverable at law.

24. Equibit, Horlacher and Godard plead that they have not engaged in any fraud, or conduct that was malicious, oppressive or reprehensible which would attract aggravated and/or punitive damages.

25. Equibit, Horlacher and Godard plead, asks that the Counterclaim be dismissed with substantial indemnity costs.

August 6, 2021

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Defendant

AND TO: **JOHN DOE NO. 1, ALSO KNOWN AS ZEEMOBYDICK**

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