

THE HONORABLE _____

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

Matthew Adkisson, an individual,

Plaintiff,

No. 2:23-cv-495

COMPLAINT
WITH JURY DEMAND

v.

Epik Holdings, Inc., a Washington
Corporation; Epik Inc., a Washington
Corporation; Masterbucks LLC, a
Wyoming company; Robert W. Monster,
an individual; and Brian Royce, an
individual,

Defendants.

In and for his Complaint, plaintiff Matthew Adkisson alleges as follows:

1. This lawsuit is about a widespread and illegal fraudulent scheme—replete with misrepresentations, embezzlement, and misappropriation—being perpetrated by Defendants Epik Holdings, Inc. (“Epik Holdings”), Epik Inc., and Masterbucks LLC (“Masterbucks”) (collectively, “Epik”), as well as Epik’s founder Rob Monster (“Monster”), and Epik’s current chief executive officer (CEO) Brian Royce (“Royce”) (all collectively referred to as “Defendants”). Epik and its executive officers misappropriated funds from numerous consumers, hiding their illicit activity by securing payments from new victims to pay down old

1 debts, and transferring money between the various Epik companies to further obfuscate their
2 fraud.
3

4
5 2. Matthew Adkisson (“Adkisson” or “Plaintiff”) is one of the many individuals that
6 were subject to Defendants’ illegal fraud. In May 2022, Adkisson contacted Epik for what
7 should have been a simple, straightforward domain name purchase. During the transaction,
8 Defendants made several misrepresentations, embezzled or misappropriated Adkisson’s funds,
9 and strung Adkisson along for months with false and empty promises of repayment. Defendants
10 have admitted liability but refuse to make Adkisson whole. Adkisson brings this Complaint to
11 recover what he is owed, and to ensure that this ongoing fraud against consumers is finally put to
12 an end.
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21 **PARTIES**

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23 3. Adkisson is an individual residing in New York, New York.
24

25 4. Defendants Epik Holdings and Epik Inc. are both Washington corporations with
26 the same principal place of business in Sammamish, Washington. On information and belief,
27 Epik Holdings and Epik Inc. together offer domain name registrar, hosting, sales and related
28 services.
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32
33 5. Defendant Masterbucks is a Wyoming company, with a principal place of
34 business in Spokane, Washington. On information and belief, Masterbucks’ sole governing
35 member is Epik Holdings, of which Monster is the majority owner. Masterbucks claims to offer
36 services relating to domain name transactions.
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40
41 6. Monster is an individual residing in King County, Washington, and is the founder
42 and majority owner of Epik. On information and belief, Monster served as the Chief Executive
43 Officer of Epik since its formation through September 2022, is currently the Chair of the Board
44 for Epik, and his principal residence is the same location as the principal place of business for
45 Epik Holdings and Epik Inc.
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1 based in this District and a fully owned subsidiary, their CEO, and the majority owner who is
2 also a resident of this District.
3

4
5 **FACTS AND BACKGROUND**

6 **Epik’s Widespread Fraud**

7
8
9 14. Epik operates what it calls the “Epikverse” which involves a mix of services
10 offered by various companies owned by Monster, including Epik Holdings, Epik Inc. and
11 Masterbucks.
12

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15 15. The so-called “Epikverse” purports to offer a suite of services related to domain
16 names, including registrar services (i.e., the registration of domain names), website hosting,
17 escrow services relating to the purchase and sale of domain names, and privacy protection
18 services (hiding registrant information).
19
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22
23 16. One of the primary services offered by Epik is the sale of domain names.
24 Consumers can list domain names they own for sale through Epik. Then, if a party wants to buy
25 the domain name, they are instructed to contact Epik to purchase that domain name. Epik claims
26 to safely handle all components of this sale.
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30
31 17. When brokering the sale and purchase of a domain name, Epik claims to act as an
32 escrow agent.
33

34
35 18. When payment is held in escrow, it must be kept separate and strictly segregated
36 from other funds and cannot be commingled. Escrow payments do not belong to the agent
37 holding the payment, and they are only allowed to be paid out to a specified entity, for a
38 specified purpose, or returned to the payor.
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42
43 19. The way the process is supposed to work is simple. In acting as an escrow agent
44 for domain purchases, the purchaser sends payment to Epik to be held in escrow and the seller
45 transfers the domain to be held in escrow by Epik. Then, when Epik has both the domain name
46 and payment in escrow, it should release the domain name to the purchaser and the payment to
47 the seller. That’s how it is *supposed* to work. But through various disclosures, admissions, and
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1 actions, it is now clear that Epik has been illegally misappropriating escrow funds to fund its
 2 own operations and its officers.
 3

4
 5 20. In recent months, consumers started noticing the proceeds from their domain sales
 6 weren't being paid out.
 7



8
 9 21. Apparently, that was because Epik had mounting debts from escrow payments or
 10 domain sales that it had misappropriated, and it was hoping it could hide those losses by using a
 11 potential new investment to repay the stolen escrow funds. To be clear, there should have been
 12 no need to replace the escrow funds *because escrow funds should not have been touched by Epik*,
 13 except to transfer the funds to the seller or reimburse the payor. That's how escrow accounts
 14 work.
 15
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20
 21 22. Epik's last hope at hiding their fraudulent scheme vanished when, according to
 22 Epik's recent court filing, the potential investment fell through, and the investor sought to divest
 23 their investment from Epik.
 24

25
 26 23. When the monetary issues began popping up, consumers also began withdrawing
 27 their money from Epik. But Epik no longer had their money.
 28

29
 30 24. Consumers came out in droves to complain about their missing money.
 31 Consumer reviews of their recent experiences with Epik are replete with stories with the same
 32 theme: they used Epik's escrow services, and Epik stole their money. Some examples of such
 33 reviews--*collected from just the last few months*--are shown below.
 34
 35
 36
 37



 **Sujan**
2 reviews  BD



Jan 20, 2023

Pending \$9300 withdrawal requested from 13th Oct 2022

03(three) month go i requested a withdrawal of my funds and Masterbucks still has not paid any amount.

I sold-out my site for medical treatment and re-invest another website. I was job less from corona 1st time.

They have my ID , bank details, and confirmed this is OK for a payout.

It's really disappointing with your process, so many date problems with masterbucks under maintenance now approval problems. here attached my pending report

Date of experience: October 14, 2022

 **Akalonu Emmanuel**
1 review  NG



Jan 10, 2023

Sincerely this company are full of liars

Sincerely this company are full of liars. I have been owned some money by epik since last month December and little did I know that a lot of other customers are facing the same issue since August. When ever you contact support the tell you that "they are working with first come first serve" if it's truly how you are paying, how come there are so many persons complaining that you owe them, here and even in other platforms. This is really appalling and it's a shame. I really regret why I sold my domain with epik when there are other companies that does it better. Please stop lying and do the needful.

Date of experience: December 12, 2022

 **John**
3 reviews  US




2 days ago

30 days after we sold a Domain Name via...

30 days after we sold a Domain Name via Epik.com they still have not sent us our money. Still giving us the run around game. The escrow money was not for Epik.com to hold and use. We will take legal actions to protect ourselves and others against this abuse of the escrow business model. They have not paid us and continue to screw others in the same way. Seems to be a Ponzi scheme our kicking the can down the road BS. We may seek a Class Action as well. Contact us if you are a victim of Epik.com as well. If your are an employee of Epik and are a part of this scam, you are part of a crime and will be held accountable.

Date of experience: March 03, 2023

 Useful  Share



1 25. There are dozens of similar complaints over just the last few months. And at least
2
3 one customer, DomainEmpire.com, claims that they have an unpaid balance of \$1,500,000,
4
5 which has apparently also gone missing.

6
7 26. As these debts and consumer complaints quickly piled up, Epik started using
8
9 payments from new consumers—which, again, were meant to be held in escrow—to pay down
10
11 old debts.

12
13 27. In other words, Epik and its executives including Monster and Royce tried to hide
14
15 this illegal conduct with yet more illegal conduct.

16
17 28. On information and belief, Epik has been using this method of comingling funds
18
19 and using a newly received escrow funds to replace escrow funds that were previously
20
21 misappropriated for years.

22
23 29. In addition, in an attempt to buy themselves more time in paying their numerous
24
25 debts, Epik began transferring money and payments between the various Epik companies.

26
27 30. For instance, according to one consumer, she used Epik’s purported “escrow”
28
29 services through Epik’s website, www.Epik.com, to sell a domain name for \$100,000. Again,
30
31 the process should have been simple: the domain name would be put in escrow, and so would
32
33 the payment. Then, when both were secured in escrow, the domain and payment would be
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35 released to the entitled parties. Instead, according to this consumer, her domain name was sold,
36
37 but she never received her payment (a total of \$91,000 after Epik’s fees). And, after requesting
38
39 her payments, Epik informed her it was transferred to Masterbucks (which is owned and
40
41 operated by Epik Holdings). But apparently, Masterbucks did not have the funds either, and the
42
43 funds were reportedly stuck in “processing” unable to be released.

44
45 31. This hiding of money between the various Epik entities is but another example of
46
47 Epik’s continued obfuscation to hide their fraud.

48
49 32. Epik’s fraud is widespread and has likely been ongoing for years.
50
51

1 33. As one news article notes, “Epik was using money from both [Masterbucks and
2 Epik’s in-house escrow service] to fund its operations rather than keeping the funds in separate
3 bank accounts.” The article further claims that, despite claiming to offer escrow services, “[t]he
4 company ... didn’t have an escrow license.” See [https://domainnamewire.com/2022/12/01/epik-
5 continues-to-dig-out-from-financial-mess/](https://domainnamewire.com/2022/12/01/epik-continues-to-dig-out-from-financial-mess/).
6
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10 34. Indeed, Royce confirmed this misuse of escrow funds. In an October 2022
11 podcast, Royce was asked whether escrow funds were commingled. Royce confirmed this
12 illegal activity, admitting publicly that “when [Royce] came on board, everything was, as of
13 September 2--there was kind of a lot of comingling and the separation of operations wasn’t
14 there.”
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20 35. Monster has been at the heart of this fraud. He has been the controlling party
21 throughout the time Epik effectuated their fraudulent scheme. Monster owned all of the relevant
22 business entities, and personally interacted with many of the consumers that Epik scammed.
23
24
25

26 36. As the fraud perpetrated by Monster and Epik began to come to light, Epik placed
27 Royce at the helm as CEO. But Royce, too, was complicit. On information and belief, after
28 becoming CEO, Royce continued the practice of moving money around from new customers’
29 escrow funds to pay down old debt from other consumers’ missing escrow funds and accounts.
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35 37. Indeed, after Royce took over as CEO, Epik sent customers an email
36 acknowledging that “[w]hen new management took over Masterbucks, the balance was
37 approximately 4.5 million dollars” but, moving funds around, they claimed to have paid off all
38 but \$800,000 of that debt.
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42 38. That claim turned out to be false too. Soon after, Royce admitted that they
43 continued to discover additional debts, now amounting to at least \$1.1 million.
44
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46

47 **Adkisson’s Purchase of the Domain Name**

48 39. Before this massive web of fraud came to light, Adkisson contacted Epik to
49 complete a simple domain name purchase.
50
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1 40. On May 11, 2022, Adkisson e-mailed Monster seeking to purchase the domain
2 name <nourish.com> which was listed for sale through Epik.
3

4 41. Monster responded that Epik was authorized to sell the domain name for “\$300K
5 net to seller, which means \$327K gross at our 9% commission.” Monster further claimed that he
6 could complete the sale that day.
7
8

9 42. Monster informed Adkisson that to complete the sale, Adkisson would need to
10 use Epik’s escrow services.
11

12 43. Adkisson agreed to pay the requested \$327,000 and asked Monster to set up the
13 escrow account.
14

15 44. In response, Monster assured Adkisson that Epik’s “escrow service is #1 in the
16 industry” and that they further protect the buyer and seller of domain names because Epik is also
17 “an accredited registrar” and so “take[s] actual delivery of the domain” during sales. Adkisson
18 relied on Monster’s representation as to the protections offered by Epik’s purported escrow
19 services. But for these representations, Adkisson would not have proceeded with the transaction
20 with Epik.
21

22 45. Monster also claimed that the domain name seller wanted to be paid in crypto
23 currency. Monster instructed Adkisson that after Adkisson funded the escrow account, Epik
24 would handle converting the payment to crypto currency to pay the seller.
25

26 46. At the time, Epik Inc. and Epik Holdings provided an in-house escrow service
27 named “Epik Escrow.” Monster directed Adkisson to use the Epik Escrow service in connection
28 with Adkisson’s domain name purchase.
29

30 47. That day, May 11, 2022, Adkisson followed the directions provided by Monster
31 and transferred \$327,000 to Epik using the Epik Escrow service, to be held in escrow as Monster
32 represented it would be (the “Escrow Funds”).
33

34 48. On its website, Epik explained how its escrow services worked: “Epik will
35 receive and hold funds from the Buyer, then receive and hold domain(s) from the Seller. Upon
36

1 consent of both parties, Epik will deliver domain(s) to the Buyer and distribute the funds to the
2 Seller's account.” Further, Epik represented that both the seller and buyer “have the right to
3 cancel the transaction without penalties until the escrow is concluded. If the Buyer has already
4 submitted payment, Epik will reimburse.”
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9 49. However, on information and belief, Defendants were not licensed to act as an
10 escrow agent or to perform escrow services as required under Washington law (RCW
11 18.44.021).
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15 50. Despite Monster’s claim that the transaction could be completed the same day
16 payment was transferred, Adkisson did not receive the domain name that day. Indeed, Adkisson
17 never received the domain name.
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21 51. On June 1, 2022, Monster informed Adkisson that there were some issues with the
22 seller of the domain name, but that Epik was “working to get this done asap.”
23
24

25 52. Defendants continued to string Adkisson along for months, repeatedly promising
26 that they would deliver the domain name.
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29 53. On November 14, 2022, and because the domain name had still not been
30 transferred to Adkisson, Adkisson requested the return of his Escrow Funds. Royce promised to
31 continue to try to secure the domain name but further promised “if [that] does not work then we
32 of course will return the funds.” On information and belief, when Royce made this promise to
33 “return the funds,” he knew it to be false, that Epik had already spent Adkisson’s Escrow Funds,
34 and that Epik did not intend to return the Escrow Funds to Adkisson.
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41 54. Nearly three weeks later, Defendants had still not secured the domain name nor
42 returned Adkisson’s Escrow Funds. On December 2, 2022, Adkisson explicitly stated that he
43 would be ending the domain name purchase transaction and again requested that the Escrow
44 Funds be returned.
45
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49 55. Adkisson soon discovered that the Escrow Funds he had transferred to be held by
50 Epik in escrow had not, as they were required to be, kept in a separate account pending the sale
51

1 of the domain name. Instead, Defendants apparently used the Escrow Funds as their personal
2 piggybank and misappropriated the entirety of Adkisson’s \$327,000 escrow payment.
3

4
5 **Misappropriation of Adkisson’s Escrow Funds**
6

7 56. In September 2022, Royce replaced Monster as the CEO of Epik. On information
8 and belief, Royce was made aware of the Adkisson’s pending escrow transaction and Epik’s
9 outstanding debt to Adkisson by no later than September 4, 2022.
10

11 57. On October 18, 2022, Royce informed Adkisson that they “need[ed] to talk,” but
12 Royce claimed to be unavailable at that time.
13

14 58. For the next six weeks, Adkisson continued to follow up with Defendants
15 attempting to get either the domain transferred to him or his Escrow Funds returned. During that
16 time, he did not receive a substantive response.
17

18 59. On December 2, 2022, Adkisson explicitly stated that he would be ending the
19 domain name purchase transaction and again requested that the Escrow Funds be returned.
20

21 60. Finally, on December 6, 2022, Royce responded to Adkisson’s repeated messages
22 about his Escrow Funds stating that “we are getting things sorted out and your funds will be
23 returned [in] short order[.]” Still, no payment was forthcoming.
24

25 61. On information and belief, despite Monster’s and Epik’s representations that
26 Adkisson’s funds would be held in escrow, the Escrow Funds were instead comingled with
27 Defendants’ business and/or personal funds, and were used by Defendants for matters unrelated
28 to Adkisson or the sale of the <nourish.com> domain name, including covering Epik’s
29 misappropriation of other consumers’ escrow funds.
30

31 62. On December 28, 2022, counsel for Adkisson sent Defendants a letter regarding
32 the misappropriated funds. In the letter, Adkisson informed Defendants that, based on
33 conversations with Royce, “it appears that Epik has stolen the money, or embezzled the funds”
34 and that the parties involved in this conduct “may be guilty of a criminal offense.”
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1 63. On December 31, 2022, counsel for Epik responded to the letter. Epik’s counsel
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3 noted that they did not represent Monster, and that they advised Monster to retain his own
4
5 counsel claiming that “Monster has no authority to act as an officer, employee, or agent of the
6
7 company; he is merely a non-executive director and the majority stockholder.” Epik’s counsel
8
9 also requested “a deadline for payment so we can marshal resources” to resolve the matter.

10
11 64. In a subsequent phone call, Epik, through its counsel, admitted that it owed
12
13 Adkisson the \$327,000 it had promised to hold in escrow, and that sometime after Adkisson
14
15 wired the funds to Epik, it was misappropriated, embezzled or both. In any case, Epik conceded
16
17 that the Escrow Funds were no longer available. Epik further claimed that the company was
18
19 “cash strapped” and that Adkisson’s Escrow Funds were used to pay other debts.

20
21 65. In response, Adkisson requested repayment of his funds by January 6, 2023. Epik
22
23 did not refund Adkisson. Instead, Epik claimed that it had begun discussions with Monster’s
24
25 counsel regarding “how to structurally remove Mr. Monster from having any voting power while
26
27 still bearing the economic risk of his past acts and omissions” and “the possible source(s) of cash
28
29 an[d] timing to fund the payment due your client.” They further claimed that “Epik and
30
31 Mr. Royce are working on this in good faith with the intention of making your client whole.”

32
33 66. On January 11, 2023, Epik, through counsel, sent Adkisson a letter promising to
34
35 repay Adkisson his escrow funds. Specifically, the letter stated: “On behalf of Epik Holdings,
36
37 Inc., Epik shall pay the debt owed to Mr. Adkisson in two installments, one on January 12, 2023,
38
39 in the amount of \$20,000, and the other no later than January 31, 2023, in the amount of
40
41 \$307,000.” Adkisson accepted the proposal.

42
43 67. On January 12, 2023, Monster paid Adkisson \$20,000. However, no further
44
45 payments were made.

46
47 68. On January 30, 2023—the day before Epik had promised to repay the remaining
48
49 balance of the Escrow Fund to Adkisson—Epik informed Adkisson that Monster’s counsel
50
51 would be in touch regarding “[Monster’s] plan for satisfying the claim.” This was directly

1 contradictory to Epik’s January 11 letter which “[o]n behalf of Epik Holdings, Inc.” promised
2 that Epik would repay the full debt by January 31, 2023. Adkisson reminded Epik of its binding
3 agreement that *Epik* would repay the funds, and do so within the next day. Epik did not respond
4 and did not complete its promised repayment. On information and belief, Epik knew, at the time
5 it made this representation, that it did not intend to repay Adkisson. Instead, it was just another
6 example of the fraudulent misrepresentations being made to consumers like Adkisson and a ploy
7 to delay Adkisson’s recovery of his funds.
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15 69. On January 31, 2023, Monster contacted Adkisson. He confirmed that the
16 amount owed to Adkisson—\$327,000—was not in dispute. Further, Monster stated that since
17 Royce became CEO of Epik, Monster “believe[d] the company has had ample opportunity to
18 fund a refund to Mr. Adkisson.” Monster identified several sources of funds available to Epik to
19 repay Adkisson including a \$1,000,000 loan, a \$1,000,000 divestiture received by Epik in
20 October 2022, and other assets “amount[ing to] more than \$600,000 in cash.” Based on these
21 claims, it appears that Epik’s representations that it was “cash strapped” and so unable to repay
22 Adkisson were false, and Epik knew they were false when they made those representations.
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31 70. Monster further represented that “in the event that the Company does not, or will
32 not settle the balance due of \$307,000, I am committed to covering this personally, and doing so
33 asap.”
34
35

36
37 71. No further payments have been made to Adkisson.
38

39 **FIRST CAUSE OF ACTION**
40 ***Breach of Contract (Epik and Monster)***
41

42 72. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
43 allegations in the forgoing paragraphs as if fully set forth herein.
44

45
46 73. In connection with the sale of the <nourish.com> domain name, Epik and
47 Monster entered into a valid, enforceable and binding contract with Adkisson.
48
49
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1 74. Based on Epik’s and Monster’s representations, Adkisson wired \$327,000 to Epik
2
3 to be held in escrow. In exchange, Epik and Monster promised to transfer the <nourish.com>
4
5 domain name to Adkisson, and, in the event the domain could not be transferred, Epik was to
6
7 return the funds to Adkisson.

8
9 75. Epik and Monster represented that Adkisson’s funds would be held in escrow. As
10
11 such, Epik was required to keep those funds separate from Defendants’ business and personal
12
13 accounts. Those funds could not be used for any matter other than the transfer of the
14
15 <nourish.com> domain name, or were required to be returned to Adkisson.

16
17 76. 75.76. Epik, Royce, and Monster also each separately agreed that Adkisson was
18
19 entitled to his Escrow Funds and each promised to return Adkisson’s funds.

20
21 77. Epik, Royce and Monster breached these agreements. Epik did not transfer the
22
23 <nourish.com> domain name to Adkisson. Nor did Epik return Adkisson’s Escrow Funds. Epik
24
25 also failed to keep Adkisson’s funds in escrow, and instead either misappropriated and/or
26
27 embezzled those funds.

28
29 78. As a direct and proximate result of Epik’s and Monster’s breaches, Adkisson has
30
31 been harmed and is entitled to an amount to be proven at trial, and in an amount no less than
32
33 \$307,000 plus interest.

34
35 **SECOND CAUSE OF ACTION--**
36 ***Fraudulent Misrepresentation (All Defendants)***

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38 79. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
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40 allegations in the forgoing paragraphs as if fully set forth herein.

41
42 80. In connection with the purchase of the <nourish.com> domain name, Epik
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44 requested payment in the amount of \$327,000 from Adkisson. Monster and Epik represented
45
46 that Epik would serve as an escrow agent and maintain those funds in an escrow account, to be
47
48 used only if the domain name was transferred to Adkisson, or to be returned to Adkisson.

49
50 81. Monster and Epik intended Adkisson to rely on those representations.
51

1 82. Based on those representations, Adkisson paid \$327,000 to the purported Epik
2 escrow account. Adkisson was harmed by such reliance: he did not receive the <nourish.com>
3 domain name and did not receive repayment of escrow funds.
4

5
6 83. Those representations were false, and, at the time they were made, Monster and
7 Epik knew those representations were false.
8

9
10 84. Adkisson's funds were never placed in and were not maintained in, an escrow
11 account. Instead, Adkisson's funds were used by Monster and/or Epik to settle separate debts or
12 for other personal reasons, unrelated to Adkisson's purchase of the <nourish.com> domain name.
13

14
15 85. Additionally, despite representing that they offered escrow services, Epik was not
16 licensed to perform escrow services or act as an escrow agent as required by law.
17

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19 86. Adkisson relied on Monster's and Epik's representations regarding their ability to
20 offer escrow services and was damaged by such reliance.
21

22
23 87. After Adkisson's funds were misappropriated, Royce, Monster and Epik each
24 represented that they would repay Adkisson the amounts owed. These representations were also
25 false, and Defendants knew they were false when they made them.
26

27
28 88. Indeed, according to Monster, Royce and Epik had the funds available to repay
29 Adkisson since at least September 2022, and knew of the debt to Adkisson, but chose not to do
30 so. Defendants never intended to repay Adkisson and instead continued to string him along for
31 months promising repayment.
32

33
34 89. Adkisson relied on the representations that he would be repaid, and suffered
35 losses in doing so, including but not limited to lost interest and by paying legal counsel to
36 continue to work with Defendants in securing the repayment.
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39 90. Adkisson's reliance on Defendants' false representations has damaged Adkisson
40 in an amount to be proven at trial.
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THIRD CAUSE OF ACTION
Breach of Fiduciary Duty (All Defendants)

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4 91. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
5 allegations in the forgoing paragraphs as if fully set forth herein.
6

7
8 92. An escrow agent owes a fiduciary duty to the parties to the escrow to conduct the
9 transaction with scrupulous honesty, skill and diligence, and must comply strictly with the
10 provisions of the escrow agreement.
11

12
13 93. By promising to provide escrow services, to act as an escrow agent for Adkisson,
14 and to hold Adkisson's funds in escrow, Epik had a fiduciary duty to Adkisson to exercise a high
15 degree of care to conserve the money placed in escrow and pay it only to those parties entitled to
16 receive the funds. Specifically, Epik had a duty to properly perform its escrow services
17 including by (a) maintaining Adkisson's escrow funds separately from all other funds; (b) using
18 Adkisson's escrow funds only for the accepted purpose of purchasing the <nourish.com> domain
19 name or returning such funds to Adkisson; and (c) not misappropriating, embezzling or
20 otherwise using Adkisson's Escrow Funds for any other purpose.
21

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23 94. At Epik's direction, Adkisson followed all of Epik's instructions regarding use of
24 their Epik Escrow service and placed \$327,000 in the Epik Escrow account.
25

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27 95. On information and belief, Adkisson's funds were never placed in and were not
28 maintained in, an escrow account. Instead, Adkisson's funds were used by Monster and/or Epik
29 to settle separate debts or for other personal reasons, unrelated to Adkisson's purchase of the
30 <nourish.com> domain name.
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33 96. By Epik's conduct, Adkisson has been damaged in an amount to be fully
34 determined at trial.
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FOURTH CAUSE OF ACTION
Violation of the Washington Consumer Protections Act, RCW 19.86.020
(All Defendants)

97. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the allegations in the forgoing paragraphs as if fully set forth herein.

98. The foregoing acts of Defendants constitute unfair methods of competition and unfair or deceptive acts or practices in the conduct of trade or commerce in violation of RCW 19.86.020.

99. Defendants' conduct affects and is contrary to the public interest, tends to mislead a substantial portion of the public, and has injured Adkisson. Defendants' conduct is also likely to be repeated and to injure other members of the public and Washington residents.

100. Specifically, and in addition to the conduct described above, Defendants claimed to offer escrow services in connection with its services in brokering domain name transfers and sales. However, instead of providing those escrow services, Defendants misappropriated the funds they promised to hold in escrow.

101. Defendants also acted unfairly and deceptively in purporting to offer escrow services when, on information and belief, Epik was not licensed to offer such services or to act as an escrow agent.

102. Additionally, after the sale of the domain name fell through, Defendants represented that they would return Adkisson's Escrow Funds to Adkisson, and had the funds and ability to do so. Instead, Defendants misled Adkisson to string him along while they used his funds to settle other debts or for other improper purposes.

103. Defendants are likely to repeat their actions, and likely have and will continue to harm other members of the public in a similar fashion.

104. As a result of Defendants' conduct, Adkisson is entitled to actual damages, treble damages, costs of litigation and attorneys' fees.

FIFTH CAUSE OF ACTION

Violations of Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. § 1962(c)
(All Defendants)

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5 105. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
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7 allegations in the forgoing paragraphs as if fully set forth herein.
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9 106. Defendants Monster and Royce are “persons” within the definition of 18 U.S.C. §
10
11 1961(3). Monster is the founder of Epik Holdings, Epik Inc., and Masterbucks. Royce has
12
13 served as the CEO for Epik since September 2, 2022.
14

15 107. Epik is an “enterprise” as defined by 18 U.S.C. § 1961(4) and engaged in, and had
16
17 activities affecting, interstate and foreign commerce.
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19 108. Royce and Monster wrongfully conducted or participated, directly or indirectly, in
20
21 the conduct of the affairs of Epik through a pattern of racketeering activity. In connection
22
23 therewith, Defendants committed at least the following racketeering acts within the meaning of
24
25 18 U.S.C. § 1961(1):
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- 27 a. Fraud by wire, radio or television. Defendants devised a scheme or artifice to
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29 defraud by means of wire communication in interstate or foreign commerce in
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31 violation of 18 U.S.C. § 1343, in that, as described above and under false and/or
32
33 fraudulent pretenses, representations, or promises, purported to act as an escrow
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35 service in the sale and purchase of domain names, while in fact, Defendants
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37 comingled funds entitled for escrow, misappropriated those funds, and used
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39 consumers’ escrow funds to obfuscate Defendants’ fraudulent activities.
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41 Defendants used wire transmissions to transmit false or fraudulent representations
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43 regarding its escrow services to obtain money that was also transferred by means
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45 of wire transmission.
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47 109. On information and belief, Defendants racketeering acts have been on-going for
48
49 years, and began at least as early as May 11, 2022 and continuing through the present.
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1 110. Defendants racketeering acts are part of an on-going and continuous pattern,
2 involving defrauding numerous consumers through the same or similar methods. This pattern of
3 racketeering acts is likely to be repeated and is, on information and belief, Defendants' regular
4 way of conducting business.
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9 111. As a proximate result of Defendants' violation of 18 U.S.C. § 1962(c), Adkisson
10 has sustained damage in an amount to be proved at trial, and is entitled to recover treble
11 damages, costs of litigation and attorneys' fees.
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15 **SIXTH CAUSE OF ACTION**
16 ***Violations of Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. § 1962(d)***
17 **(All Defendants)**
18

19 112. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
20 allegations in the forgoing paragraphs as if fully set forth herein.
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23 113. Defendants Monster and Royce are "persons" within the definition of 18 U.S.C. §
24 1961(3). Monster is the founder of Epik Holdings, Epik Inc., and Masterbucks. Royce has
25 served as the CEO for Epik since September 2, 2022.
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28 114. Epik is an "enterprise" as defined by 18 U.S.C. § 1961(4) and engaged in, and had
29 activities affecting, interstate and foreign commerce.
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32 115. Royce and Monster wrongfully conspired to conduct or participate, directly or
33 indirectly, in the conduct of the affairs of Epik through a pattern of racketeering activity. In
34 connection therewith, Defendants committed, and conspired to commit, the following
35 racketeering acts within the meaning of 18 U.S.C. § 1961(1):
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- 39 a. Fraud by wire, radio or television. Defendants devised a scheme or artifice to
40 defraud by means of wire communication in interstate or foreign commerce in
41 violation of 18 U.S.C. § 1343, in that, as described above and under false and/or
42 fraudulent pretenses, representations, or promises, purported to act as an escrow
43 service in the sale and purchase of domain names, while in fact, Defendants
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1 comingled funds entitled for escrow, misappropriated those funds, and used
2 consumers' escrow funds to obfuscate Defendants' fraudulent activities.
3
4 Defendants used wire transmissions to transmit false or fraudulent representations
5 regarding its escrow services to obtain money that was also transferred by means
6 of wire transmission.
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11 116. On information and belief, Defendants racketeering acts have been on-going for
12 years, and began at least as early as May 11, 2022 and continuing through the present.
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14
15 117. Defendants racketeering acts are part of an on-going and continuous pattern,
16 involving defrauding numerous consumers through the same or similar methods. This pattern of
17 racketeering acts is likely to be repeated and is, on information and belief, Defendants' regular
18 way of conducting business.
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23 118. As a proximate result of Defendants' violation of 18 U.S.C. § 1962(d), Adkisson
24 has sustained damage in an amount to be proved at trial, and is entitled to recover treble
25 damages, costs of litigation and attorneys' fees.
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29 **SEVENTH CAUSE OF ACTION**
30 ***Unjust Enrichment (All Defendants)***
31

32 119. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
33 allegations in the forgoing paragraphs as if fully set forth herein.
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36 120. Defendants have unjustly retained and benefitted from retaining Adkisson's
37 Escrow Funds, at the expense of Adkisson.
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40 121. Under the circumstances, it is unjust for Defendants to retain Adkisson's Escrow
41 Funds.
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44 **EIGHTH CAUSE OF ACTION**
45 ***Conversion (All Defendants)***
46

47 122. Plaintiff realleges and incorporates by reference, as if fully set forth herein, the
48 allegations in the forgoing paragraphs as if fully set forth herein.
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1 123. Defendants have willfully interfered with and converted Adkisson’s Escrow
2 Funds, as a result of which Adkisson has been deprived of possession and use of its property.
3

4 124. Defendants had no lawful justification to retain Adkisson’s Escrow Funds.
5

6 125. As a result of Defendants’ actions, Adkisson has been damaged in an amount to
7 be proven at trial but in an amount no less than \$307,000.
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9

10 **JURY DEMAND**

11 Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff demands a trial by jury as to
12 all issues so triable in this action.
13
14

15 **PRAYER FOR RELIEF**

16 WHEREFORE, Plaintiff Matthew Adkisson prays for the following relief:
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18 A. For judgment in favor of Plaintiff, and against Defendants on all claims;
19

20 B. For Plaintiff’s actual damages, recovery of unjust enrichment, and treble
21 damages, and punitive damages, in such amounts as may be proven at trial;
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24 C. For judgment against Defendants for Plaintiff’s costs of suit, including Plaintiff’s
25 reasonable attorneys’ fees;
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28 D. For pre- and post-judgment interest as allowed by law;
29

30 E. For such other relief as the Court may deem just and proper.
31
32

33 DATED this 31st day of March, 2023.
34
35

36 s/ David A. Perez
37

38 David A. Perez, WSBA No. 43959

39 s/ Christian W. Marcelo

40 Christian W. Marcelo, WSBA No. 51193

41 **Perkins Coie LLP**

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49 Attorneys for Plaintiff Matthew Adkisson
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