

**IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OKLAHOMA**

ARENA FOOTBALL ONE, LLC, a)
Louisiana limited liability company,)
)
Plaintiff,)
)
v.)
)
ARENA2 OF ARKANSAS, LLC, an)
Arkansas limited liability company,)
)
Defendant.)

Case No: 10-CV-118-GKF-TLW

ANSWER TO DEFENDANT’S FIRST AMENDED COUNTERCLAIM

COMES NOW, Plaintiff, Arena Football One, LLC (“Plaintiff”) and for its Answer to Defendant’s First Amended Counterclaim (Dkt. # 18) would state as follows:

1. Plaintiff admits the allegations set forth in paragraph 1 of Defendant’s First Amended Counterclaim.
2. Plaintiff admits that the discussions included the possibility of two tiers of teams. Plaintiff denies all other allegations set forth in paragraph 2 of Defendant’s First Amended Counterclaim.
3. Plaintiff admits that there were discussions relating to the reduced cost structure of a second tier team. Plaintiff denies all other allegations set forth in paragraph 3 of Defendant’s First Amended Counterclaim.
4. Plaintiff denies the allegations set forth in paragraph 4 of Defendant’s First Amended Counterclaim.
5. Plaintiff denies the allegations set forth in paragraph 5 of Defendant’s First Amended Counterclaim.

6. Plaintiff admits the allegations set forth in paragraph 6 of Defendant's First Amended Counterclaim.
7. Plaintiff admits the allegations set forth in paragraph 7 of Defendant's First Amended Counterclaim.
8. Plaintiff denies the allegations set forth in paragraph 8 of Defendant's First Amended Counterclaim.
9. Plaintiff denies the allegations set forth in paragraph 9 of Defendant's First Amended Counterclaim.
10. Plaintiff denies the allegations set forth in paragraph 10 of Defendant's First Amended Counterclaim.
11. Plaintiff admits that Defendant agreed to purchase an ownership interest in Plaintiff; all other allegations contained in paragraph 11 of Defendant's First Amended Counterclaim are denied.
12. Plaintiff admits that Defendant paid \$5,000.00 to Plaintiff; all other allegations contained in paragraph 12 of Defendant's First Amended Counterclaim are denied.
13. Plaintiff admits that Defendants delivered a letter of credit in the amount of \$100,000.00 to Plaintiff; all other allegations contained in paragraph 13 of Defendant's First Amended Counterclaim are denied.
14. Plaintiff denies the allegations set forth in paragraph 14 of Defendant's First Amended Counterclaim.
15. Plaintiff denies the allegations set forth in paragraph 15 of Defendant's First Amended Counterclaim.

16. Plaintiff denies the allegations set forth in paragraph 16 of Defendant's First Amended Counterclaim.
17. Plaintiff denies the allegations set forth in paragraph 17 of Defendant's First Amended Counterclaim.
18. Plaintiff denies the allegations set forth in paragraph 18 of Defendant's First Amended Counterclaim.
19. Plaintiff denies the allegations set forth in paragraph 19 of Defendant's First Amended Counterclaim.
20. Plaintiff denies the allegations set forth in paragraph 20 of Defendant's First Amended Counterclaim.
21. Plaintiff denies the allegations set forth in paragraph 21 of Defendant's First Amended Counterclaim.
22. Plaintiff denies the allegations set forth in paragraph 22 of Defendant's First Amended Counterclaim.

FIRST CAUSE OF ACTION
(Rescission)

23. No response is necessary to paragraph 23 of Defendant's First Amended Counterclaim.
24. Plaintiff denies the allegations set forth in paragraph 24 of Defendant's First Amended Counterclaim.
25. Plaintiff denies the allegations set forth in paragraph 25 of Defendant's First Amended Counterclaim.
26. Plaintiff denies the allegations set forth in paragraph 26 of Defendant's First Amended Counterclaim.

27. Plaintiff denies the allegations set forth in paragraph 27 of Defendant's First Amended Counterclaim.
28. Plaintiff denies the allegations set forth in paragraph 28 of Defendant's First Amended Counterclaim
29. Plaintiff denies the allegations set forth in paragraph 29 of Defendant's First Amended Counterclaim.
30. Plaintiff denies the allegations set forth in paragraph 30 of Defendant's First Amended Counterclaim.
31. Plaintiff denies the allegations set forth in paragraph 31 of Defendant's First Amended Counterclaim.
32. Plaintiff denies the allegations set forth in paragraph 32 of Defendant's First Amended Counterclaim.
33. Plaintiff denies the allegations set forth in paragraph 33 of Defendant's First Amended Counterclaim
34. Plaintiff denies the allegations set forth in paragraph 34 of Defendant's First Amended Counterclaim.
35. Plaintiff denies the allegations set forth in paragraph 35 of Defendant's First Amended Counterclaim.
36. Plaintiff denies the allegations set forth in paragraph 36 of Defendant's First Amended Counterclaim.
37. Plaintiff denies the allegations set forth in paragraph 37 of Defendant's First Amended Counterclaim.

38. Plaintiff denies the allegations set forth in paragraph 38 of Defendant's First Amended Counterclaim.
39. Plaintiff denies the allegations set forth in paragraph 39 of Defendant's First Amended Counterclaim.
40. Plaintiff denies the allegations set forth in paragraph 40 of Defendant's First Amended Counterclaim.
41. Plaintiff denies the allegations set forth in paragraph 41 of Defendant's First Amended Counterclaim.
42. Plaintiff denies the allegations set forth in paragraph 42 of Defendant's First Amended Counterclaim.

**Second Cause of Action
(Breach of Agreement)**

43. No response is necessary to paragraph 43 of Defendant's First Amended Counterclaim.
44. Plaintiff denies the allegations set forth in paragraph 44 of Defendant's First Amended Counterclaim.
45. Plaintiff denies the allegations set forth in paragraph 45 of Defendant's First Amended Counterclaim.

**Third Cause of Action
(Indemnification)**

46. No response is necessary to paragraph 46 of Defendant's First Amended Counterclaim.
47. Plaintiff denies the allegations set forth in paragraph 47 of Defendant's First Amended Counterclaim.
48. Plaintiff denies the allegations set forth in paragraph 48 of Defendant's First Amended Counterclaim.

Fourth Cause of Action
(Violation of the Oklahoma Uniform Securities Act of 2004)

49. No response is necessary to paragraph 49 of Defendant's First Amended Counterclaim.
50. Plaintiff denies the allegations set forth in paragraph 50 of Defendant's First Amended Counterclaim.
51. Plaintiff denies the allegations set forth in paragraph 51 of Defendant's First Amended Counterclaim.
52. Plaintiff denies the allegations set forth in paragraph 52 of Defendant's First Amended Counterclaim.
53. Plaintiff denies the allegations set forth in paragraph 53 of Defendant's First Amended Counterclaim.
54. Plaintiff denies the allegations set forth in paragraph 54 of Defendant's First Amended Counterclaim.
55. Plaintiff denies the allegations set forth in paragraph 55 of Defendant's First Amended Counterclaim.
56. Plaintiff denies that it made any untrue statements as alleged in paragraph 56 of Defendant's First Amended Counterclaim.
57. Plaintiff admits that Defendant does not have membership in the league and denies any additional allegations as set forth in paragraph 57 of Defendant's First Amended Counterclaim.
58. No response is necessary to paragraph 58 of Defendant's First Amended Counterclaim.
59. Plaintiff denies the allegations set forth in paragraph 59 of Defendant's First Amended Counterclaim.

60. Plaintiff denies the allegations set forth in paragraph 60 of Defendant's First Amended Counterclaim.
61. Plaintiff denies each and every allegation in Defendant's First Amended Counterclaim not specifically addressed above.

AFFIRMATIVE DEFENSES

62. Defendant has failed to state a claim upon which relief can be granted.
63. Defendant has failed to plead fraud with the required specificity.
64. Defendant's claims are barred in whole or part by unclean hands.
65. Defendant's claims are barred in whole or part by estoppel.
66. Defendant's claims are barred in whole or part by waiver.
67. Defendant's claims are barred in whole or part by the statute of frauds.
68. Defendant's claims are barred in whole or part by failure of consideration.

WHEREFORE, PREMISES CONSIDERED, Plaintiff, Arena Football One, LLC, requests that this Court grant judgment in Plaintiff's favor and against Defendant on Defendant's First Amended Counterclaim, award Plaintiff's its attorney fees and costs incurred in this matter and grant any additional relief this Court deems just and equitable.

Respectfully Submitted,

s/ Adam J. Strange
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CERTIFICATE OF SERVICE

I hereby certify on the 18th Day of June, 2010, I electronically transmitted the foregoing document to the Clerk of Court using the ECF system for filing and transmittal of a Notice of Electronic Filing to the following ECF registrants:

Patrick D. O'Connor
John R. Rooney, Jr.
Michael E. Esmond
Moyers, Martin, Santee & Imel, LLP
Attorneys for Defendant

s Adam J. Strange
Adam J. Strange