P-COUNSEL, Esq. Dewey, Cheatem & How 1234 Main Street Philadelphia, PA 23456

Attorney for Plaintiff, eBOOK, Inc.

IN THE UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

eBOOKS, Inc., a California corporation,

Plaintiff,

vs. GIOTTO MULTIMEDIA, a California corporation, and MARIANNE LABELLE, an individual,

Defendants

And related Cross-Complaint

Case No. 08-23456-JJ

Answer to Cross-Complaint

Now come the cross-defendants eBOOKS, Inc., and John le Stud, and responding to the allegations of the Cross-Complaint filed herein by defendant and cross-complainant Marianne Labelle, admit, deny, and allege as follows:

Pursuant to the provisions of Calif. Code of Civil Procedure Sec. 431.30, these answering defendants DENY, generally and specifically, each and every allegation of the said cross-complaint, and furthermore specifically deny that they are liable to Marianne Labelle either in the sums alleged, or in any sums at all.

Affirmative Defenses

1. **Statute of Limitations**. Labelle's claims are barred by the statute of limitations.

2. Failure to Exhaust Remedies provided by the employer. Cross-complainant failed to avail herself of eBOOKS' internal complaint procedures and is therefore barred from pursuing this remedy in court.

3. **Estoppel**. Cross-complainant agreed to and invited any conduct by John le Stud which she now claims she found objectionable. 4. **Unclean Hands.** Labelle's theft of eBOOKS' trade secrets gives her unclean hands in the premises so that she is barred from seeking relief here.

5. **Setoff.** Any recovery by Labelle must be reduced by the value of her stock options.

WHEREFORE THESE ANSWERING CROSS-DEFENDANTS PRAY:

1. That cross-complainant take nothing by her cross-complaint herein.

2. For its costs of suit and reasonable attorney's fees incurred.

3. For such other and further or different relief as the court may deem equitable and just.

Dated: June 20, 2008

Dewey, Cheatem & How Attorneys for plaintiffs,

By_____

P-Counsel