UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND

FEDERAL TRADE COMMISSION, Plaintiff, v. RagingBull.com, LLC, *et al*., Defendants.	Case No. 20 Civ. 3538-GLR

DECLARATION OF KYLE W. DENNIS

I, KYLE W. DENNIS, declare as follows:

1. I was born in 1990 in Los Angeles, California. I graduated from the University of California, Los Angeles, in 2012 with a Bachelor of Science in Biology. After college, I worked as a real estate analyst, where I conducted financial analysis of potential investments in multi-family properties.

2. During my senior year of college, I began teaching myself how to trade on the stock market with the money I had saved working as a campus security guard. I initially lost money when I began trading, but I stuck with it, improved, and eventually started making money.

Employment With Raging Bull

3. In 2013, I saw an advertisement for Jason Bond's swing trading program called Jason Bond Picks, which later became a Raging Bull program, on the internet and I decided to subscribe. I later subscribed to Millionaire Roadmap, as well, before it became a Raging Bull product. Mr. Bond's products helped me learn his trading techniques and improve my own trading. I devoted a significant amount of time to learning Mr. Bond's techniques and applying them to my own trading, using the educational materials that came with Mr. Bond's products. One skill I

learned from Mr. Bond was "charting," or reading patterns in a stock's technical price chart, which is a way to analyze market trends and to predict a security's price movement.

4. By 2015, I was able to quit my job as a real estate analyst and began trading full time. Using what I learned from Mr. Bond as a baseline for developing my own strategies, I have become a successful trader. For example, I earned over $2 million in short-term capital gains from trading in 2018, over $1 million in short-term capital gains from trading in 2019, and over $5 million in short-term capital gains from trading in 2020.

5. In 2016, I met Mr. Bond in Las Vegas after I won a contest he held among all of his subscribers. I told Mr. Bond that I wanted to teach others about trading and to publish a newsletter. Mr. Bond agreed and Lighthouse Media, LLC (the former name of RagingBull.com, LLC, which I refer to in this declaration as "Raging Bull") entered into a letter agreement with Winston Corp., a California S Corporation that I formed and that was owned by me, by which Winston Corp. was to provide newsletter services to Lighthouse Media, LLC. A true and correct copy of the September 26, 2016, agreement between Winston Corp. and Lighthouse Media, LLC, is attached hereto as Exhibit A.

6. In effect, through Winston Corp., I became an independent contractor with Raging Bull in 2016. In 2017, I moved from California to Tennessee, dissolved Winston Corp., and became an independent contractor of Raging Bull through Winston Research Inc., a Delaware S Corporation with a principal place of business in Tennessee that I formed and owned.

7. In December 2018, Raging Bull offered me a position as an at-will employee, which I accepted, effective January 1, 2019. My official title, according to Raging Bull's offer letter, is "Biotech Breakouts Guru." A true and correct copy of my offer of employment is attached hereto as Exhibit B.

8. My job at Raging Bull is to provide content to subscribers who have paid for Raging Bull's products under the "Biotech Breakouts" brand.

9. I am not an officer or executive of Raging Bull and I am not involved in making or approving Raging Bull's corporate policies. I do not manage any Raging Bull employees.

10. I do not own any equity in Raging Bull, nor have I ever owned any equity in Raging Bull. I do not otherwise have any right to participate in the profits of Raging Bull.

11. I do not have any control over any of Raging Bull's corporate policymaking.

Raging Bull Products Under The Biotech Breakouts Brand

12. Raging Bull currently offers five products under the Biotech Breakouts brand: Fast 5 Trades, Dollar Ace, Sniper Report, Trade With Kyle, and Mobile Closer. Trade With Kyle was formerly called FDA Insider Alerts and Biotech Breakouts. Raging Bull also previously provided a product under the Biotech Breakouts brand called Option Rocket, but that product was discontinued and subscribers to Option Rocket became subscribers of Mobile Closer.

13. When consumers subscribe to Dollar Ace, Sniper Report, Trade With Kyle, or Mobile Closer, they get access to a Trading Academy, which consists of approximately thirty hours of videos narrated by me, in which I explain trading fundamentals. Exhibit C attached hereto is a true and correct list of the videos offered as part of a Trading Academy on the Raging Bull website. Subscribers to Fast 5 Trades, Dollar Ace, and Sniper Report also receive three e-book training guides that explain various trading strategies: Biotech Trading, 7 Deadly Trading Sins, and Middle-Class Millionaire. Each product also comes with additional educational and onboarding materials, such as additional video training, unique to the product.

14. In addition, each Raging Bull product under the Biotech Breakouts brand provides subscribers with some combination of newsletters, watch lists, trade alerts, and additional educational video content, depending on the product.

15. Raging Bull products under the Biotech Breakouts brand also have "Get Started" or "Introduction" pages on the Raging Bull website, which I approved, that include educational onboarding materials to ensure subscribers understand the purpose of the products and how to properly use them. For example, Exhibit D attached hereto is a true and correct screenshot of the Trade With Kyle "Get Started" page.

16. Raging Bull products under the Biotech Breakouts brand also come with "Welcome" emails, which I approved, that further explain the purpose of the products. For example, Attachment VVV to PX27 (p.2377–78) contains a copy of the "Welcome" email sent to Fast 5 Trades subscribers and Exhibit E attached hereto is a true and correct copy of the "Welcome" email sent to Dollar Ace subscribers. As the Welcome emails explain to subscribers, "It's also important to note that I am NOT a financial advisor or broker, and I do NOT make stock recommendations. **The goal of this service is to EDUCATE you on my personal trading tactics by showing you which stocks *I'm* stalking and why, so you can hopefully apply those principles in your own trading**." (This text is from the Fast 5 Trades Welcome email, with all capitalization, boldface, and italics in the original; substantially identical language is in the Dollar Ace Welcome email).

17. The main skills I try to teach subscribers are charting, as well as spotting and analyzing catalysts. Charting is the trading strategy of analyzing and tracking patterns in a stock's price chart, which shows a stock's price plotted over a given time frame, and using those patterns to predict future price movement. A catalyst is an event that may cause the price of a security to rise or fall; thus, spotting upcoming catalysts for a given security may help predict future price movement.

18. The educational materials that come with the Raging Bull products under the Biotech Breakouts brand explain charting and catalyst strategies. Further, I teach subscribers how to use charting and catalysts in choosing trades by providing examples from my own trading activity to help subscribers learn how to apply the strategies. This is consistent with Raging Bull's overarching "teach by doing" philosophy.

19. Certain Raging Bull products under the Biotech Breakouts brand come with a watch list, and the frequency of the watch lists depends on the product. The watch lists provide subscribers with a list of securities that I am monitoring and my reasons for including the securities on the watch list. The watch lists also typically include a link to a video explaining the reasons why I included the chosen securities on the watch list.

20. The watch lists for Trade With Kyle also typically provide a "buy zone" (which tells subscribers at what price I would consider purchasing shares), a "profit zone" (which tells subscribers where I think the stock price might move), and a "stop zone" (which tells subscribers at what price I would consider acting to limit losses if the trade moves against me). Exhibit F and Exhibit G attached hereto are true and correct copies of weekly watch lists provided to Trade With Kyle subscribers.

21. The Fast 5 Trades program does not include a watch list, but instead provides subscribers with one trade idea that I am monitoring per week. The trade ideas I send to subscribers to Fast 5 Trades contain a buy zone, profit zone, and stop zone. Exhibit H attached hereto is a true and correct copy of a trade idea sent out as part of the Fast 5 Trades program.

22. Sniper Report does not include a watch list, but instead provides subscribers with one or two of my long-term trade ideas per month along with a report explaining why I bought the

security, why I think it is a good long-term pick, and the price at which I think it is a good buy. Exhibit I attached hereto is a true and correct copy of a Sniper Report buy report.

23. All of the Raging Bull products under the Biotech Breakouts brand come with trade alerts. The purpose of trade alerts is to be transparent with subscribers about the trades I make off of the watch lists and to share my own experiences in applying the trading strategies I teach. I always encourage subscribers to learn the strategy I am teaching by using the trade alerts as examples of how to execute that strategy, and to make their own trades rather than copying what I do. The purpose of trade alerts is not for subscribers to mirror my trades. For example, Exhibit J attached hereto is a true and correct screenshot of the FAQs page for Fast 5 Trades, which explains: "The goal should be to use the education and ideas to form your own trade plans, rather than waiting to follow along with Kyle's (which will be impossible to match, given how fast the market moves)." As another example, all of the Mobile Closer trade alerts, a true and correct example of which is attached hereto as Exhibit K, state: "Remember, be responsible for where YOU want to buy and sell. I'll be holding overnight, but you can always sell whenever you want - even before the day's close if you see a gain you like."

24. Although the trade alerts themselves do not always contain a buy zone, profit zone, and stop zone for the trade at hand, the vast majority of my trade alerts notify subscribers when I trade a security that I previously provided to subscribers on a watch list or via some other prior communication. Thus, subscribers typically have access to a buy zone, profit zone, and stop zone for the security via the corresponding watch list or prior communication. For example, I reviewed Figure 4 of Russel R. Wermer's report (located at PX26 p.42), which cites to a trade alert I sent out on September 22, 2017, in which I told subscribers that I had purchased shares of EARS. Earlier that day, I sent out a watch list to subscribers to my FDA Insider Watch List (the former

name of Trade With Kyle) providing a buy zone, profit zone, and stop zone for EARS. Exhibit L attached hereto is a true and correct copy of the September 22, 2017, FDA Insider Watch List.[1]

25. All of my emails, including emails containing watch lists and trade alerts, contain a disclaimer, which I understand was subject to Raging Bull's compliance policies, explaining that the information I provide subscribers is "solely for informational purposes," is "not intended to be used as a personalized investment recommendation" and that subscribers "bear responsibility for his/her own investment research and decisions." Page 2 of Exhibit F attached hereto contains an example of the disclaimer included in trading alerts, watch lists, and other emails to subscribers.

26. I am transparent as possible with subscribers when I do not have any trade ideas that I feel comfortable providing to them. I do not provide subscribers with trade ideas that I have not researched. When I do not have trade ideas that I have sufficiently researched and feel comfortable passing on to subscribers, or when I expect that my own trading will be slow, I tell subscribers so. Composite Exhibit M attached hereto contains true and correct copies of emails I sent to subscribers when I did not have many ideas or updates to provide.

27. When I send a trade alert telling subscribers that I plan on executing a certain trade or have already executed a certain trade, I always use my own money to execute the trade.

28. I also follow up with subscribers to update them on the results of the trades I have made, and explain whether I profited or lost money and why. For example, Composite Exhibit N attached hereto are true and correct copies of emails I sent subscribers providing commentary on my portfolio and explaining that certain trades had resulted in losses for me. I reiterate to

[1] I downloaded this copy of the September 22, 2017 FDA Insider Watch List on December 24, 2020. It is identical to the Watch List that went to subscribers on September 22, 2017, except for the addition of the "Important Notice" language at the bottom of each page, which I understand was inserted by the company and/or the court-appointed receiver following the filing of this lawsuit.

subscribers that I am not always correct about my stock picks and predictions, and that the stock market is inherently unpredictable. I also use losses as an opportunity to remind subscribers about the importance of the "stop zone" for a trade.

My Role as a Raging Bull Employee

29. In general, I write or approve the content of emails and alerts sent to paid subscribers of the Biotech Breakouts brand.

30. One notable exception is paid fulfillment articles, which I do not write or create, although they purport to be from me. Raging Bull employs a paid fulfillment writer who writes one such email per week for each product under the Biotech Breakouts brand. I rarely see or approve paid fulfillment articles before they are distributed. Paid fulfillment articles typically provide a recap of the trades I executed during the prior week, summarize information about the markets, or provide links to educational resources that come with the product. Paid fulfillment articles do not contain new trading ideas that were not explained in a prior watch list or trade alert. A true and correct example of a paid fulfillment article is attached hereto as Exhibit O.

31. I have no input into or control over the content that any other Raging Bull gurus, including but not limited to Jason Bond and Jeffrey Bishop, provide to paid subscribers.

32. I do not write, create, or approve any free articles on the Raging Bull website or free Raging Bull emails, even if they purport to be "signed" by me or contain my picture. I only write and create content that I provide to paid subscribers.

33. I do not write or create advertising or marketing materials for any of Raging Bull's products, including those under the Biotech Breakouts brand. When I began working for Raging Bull as an independent contractor in 2016, I wrote a limited number of marketing emails because the company was very small. Now that Raging Bull has more employees and a large marketing

department, I do not write any marketing emails or see them before they are distributed. My primary focus is on trading and providing paid content to my subscribers.

34. Although I provide content to paid subscribers from kyle@biotechbreakouts.com, Raging Bull has full control over that email account. Raging Bull's marketing department often sends marketing emails to promote Raging Bull products under the Biotech Breakouts brand and other gurus' brands from that email account. I do not receive such marketing emails before they are distributed, even if they purport to be "signed" by me or contain my picture.

35. Raging Bull's marketing department also sends marketing emails that purport to be "signed" by me from other email addresses, but I do not receive such marketing emails before they are distributed. For example, I reviewed the emails in Attachment A to PX1 (p. 12) and Attachment I to PX16 (p. 1284) and can confirm that I did not write, approve, review, or send those emails.

36. Further, if a potential customer or paid subscriber sends an email to kyle@biotechbreakouts.com, the message goes directly to Raging Bull's customer service representatives, not to me.

37. Raging Bull's marketing department also has control over the Kyle W. Dennis Facebook page and markets Raging Bull's products through that page. I do not receive such Facebook posts before they are posted. Further, if a consumer or subscriber sends a message to that Facebook account via Facebook Messenger, the message goes directly to Raging Bull's customer services representatives, not to me. For example, I reviewed the Facebook Messenger conversation in Attachment O to PX7 (p. 484), and can confirm that I did not write, approve, review, or send those messages from the Kyle W. Dennis Facebook account.

38. The various video sales letters ("VSLs") that Raging Bull uses to promote its products under the Biotech Breakouts brand are scripted by Raging Bull's marketing department and I understand that they are also approved by Raging Bull's compliance department post-production. I do not write the scripts for VSLs for the Biotech Breakouts products, aside from inserting the trade examples to present. For example, I reviewed the transcripts of the Fast 5 Trades and Dollar Ace VSLs in Attachment EE to PX27 (p.1997) and Attachment DD to PX27 (p.1990) and can confirm that those VSLs were scripted by Raging Bull's marketing department, likely approved by Raging Bull's compliance department post-production, and that I did not write those scripts.

39. In addition to VSLs, in which gurus talk directly into the camera about a Raging Bull product, Raging Bull sometimes promotes its products through live webinars in which gurus present a PowerPoint presentation on a given product. Those webinars are not scripted, but the PowerPoint presentations are prepared by Raging Bull's marketing department. For example, I reviewed the transcript of the Trade With Kyle webinar at Attachment LL to PX27 (p.2088) and can confirm that Raging Bull's marketing department provided me with a PowerPoint slideshow to present. I did not write or create that PowerPoint slideshow, aside from inserting the trade examples to present. It was my understanding that, like all Raging Bull marketing materials, the PowerPoint slideshow was approved by Raging Bull's compliance department.

40. I have no role in choosing which subscriber testimonials are included in marketing materials promoting Raging Bull's products under the Biotech Breakouts brand. I also have no role in Raging Bull's practices regarding verifying testimonials included in marketing materials. I did, however, review the transcript of the Dollar Ace VSL at Attachment DD to PX27 (p.1991)

and can confirm that Vidashara Fernanda, Dimitri Deychakiwsky, and Paolo Garcia are all real subscribers who I have met in person.

41. I did not design the websites associated with Raging Bull's products under the Biotech Breakouts brand or the sales pages that consumers navigate in order to subscribe to those products. I also did not design the order forms or check out pages for Raging Bull's products under the Biotech Breakouts brand.

42. I have no role in handling subscribers' requests to cancel subscriptions to Raging Bull's products, including those under the Biotech Breakouts brand. Such requests are handled directly by Raging Bull's customer service team. I have no managerial responsibilities, authority, or control over any of Raging Bull's customer service employees, and I am not kept informed about how the customer service team resolves subscriber requests for cancellation.

43. I have no role in handling subscribers' requests for refunds or credit card chargebacks. Such requests are handled directly by Raging Bull's customer service team. Again, I have no managerial responsibilities, authority, or control over any of Raging Bull's customer service employees, and I am not kept informed about how the customer service team resolves subscriber requests for refunds.

44. I have no role in billing subscribers for any Raging Bull products, including those under the Biotech Breakouts brand.

45. I do not have any control over Raging Bull's automatic renewal policy and had no role in making that policy.

The Winston Entities

46. Winston Corp. was a California S Corporation, which was dissolved on September 19, 2017. I was the sole shareholder of Winston Corp. As set out above, Winston Corp. contracted with Raging Bull during the period of time before I was an employee of the company. Other than

acting as a contracting entity, it had no operations. Winston Corp. has no assets and no bank accounts.

47. Winston Research Inc. is a Delaware S Corporation with its principal place of business in Tennessee. I am the sole shareholder of Winston Research Inc. As set out above, I was an independent contractor with Raging Bull through Winston Research Inc. before I was an employee of the company. Other than acting as a contracting entity, it had no operations. Winston Research Inc. has no assets and no bank accounts.

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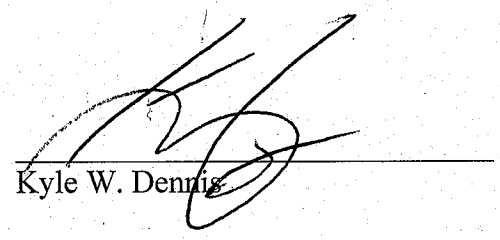
Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed: January 13, 2021



Kyle W. Dennis