	1	IN THE SUPREME COURT OF THE STATE OF NEVADA			
	2				
	3	MMAWC, LLC, a Nevada limited			
	4	liability company; BRUCE DEIFIK, an Electronically Filed			
	5	individual; and NANCY AND BRUCE DEIFIK FAMILY PARTNERSHIP LLL D. a Calarada limited liability			
	6	LLLP, a Colorado limited liability			
	7	partnership,			
	8	Appellantsv.Eighth Judicial District Court			
	9	Case No. A-17-764118-C			
	10	ZION WOOD OBI WAN TRUST and SHAWN WRIGHT as trustee of ZION			
	11	WOOD OBI WAN TRUST; WSOF			
	12	GLOBAL, LLC, a Wyoming limited liability company,			
	13	naomty company,			
-	14	Respondents.			
	15				
	16				
~~~~	17				
	18				
	19	<b>APPELLANTS' APPENDIX</b>			
	20	Volume 1 (part 1) of 2			
	21	Attorney For Appellants:			
	22	Maximiliano D. Couvillier III, Esq.			
	23	Nevada Bar No. 7661 KENNEDY & COUVILLIER, PLLC			
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Motion to Dismiss And To Compel Arbitration	1/8/2018	AA024 - AA115	1	
Motion to Dismiss And To	3/23/2018	AA211 – AA225	1	
Compel Arbitration By Defendants Bruce Deifik and Nancy And Bruce Deifik Family Partnership, LLLP		AA-226 - AA337	2	
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A A A A A A A A A A A A A A A A A A A	Electronically 12/7/2017 2:3		
1 2 3 4 5	BYRON E. THOMAS, ESQ. Nevada Bar No. 8906 3275 S. Jones Blvd. Ste. 104 Las Vegas, Nevada 89146 Phone: 702 747-3103 byronthomaslaw@gmail.com Attorney for Plaintiffs DISTRI	<u>CT COURT</u>	
6	CLARK COL	UNTY, NEVADA	
7 8	ZION WOOD OBI WAN TRUST and SHAWN WRIGHT as trustee of ZION WOOD OBI WAN TRUST; WSOF GLOBAL LLC, a Wyoming limited liability	Case No.: A-17-764118-C Dept. No.: 27	
9	company		
10	Plaintiffs,		
11	vs.		
12	MMAWC, LLC d/b/a WORLD SERIES OF FIGHTING a Nevada limited liability		
13	company; MMAX INVESTMENT PARTNERS INC. dba PROFESSIONAL		
14	FIGHTERS LEAGUE, a Delaware corporation; BRUCE DEIFIK, an individual;		
15	CARLOS SILVA, an individual; NANCY AND BRUCE DEIFIK FAMILY		
16 17	PARTNERSHIP LLLP, Colorado limited liability limited partnership; KEITH REDMOND, an individual; DOES I through		
18	X, inclusive; and ROE Corporations XX through XXX, inclusive,		
19	Definidante		
20	Defendants.	]	
21			
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23			
24	///		
25	///		
26	///		
27	///		
28	1081992v.1 Pag	e 1 of 2	
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	Case Number: A-17	-/04118-G	<i>,</i> v

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2 2 -	
1	SUMMONS - CIVIL
2	NOTICE! YOU HAVE BEEN SUED. THE COURT MAY DECIDE AGAINST YOU
3	WITHOUT YOUR BEING HEARD UNLESS YOU RESPOND WITHIN 20 DAYS. READ THE INFORMATION BELOW.
4	<b>TO THE DEFENDANT(S):</b> A civil Complaint has been filed by the Plaintiff(s) against you for the
5	relief set forth in the Complaint.
6	
7	MMAWC, LLC d/b/a WORLD SERIES OF FIGHTING
8	
9	1. If you intend to defend this lawsuit, within 20 days after this Summons is served on you, exclusive of the day of service, you must do the following:
10	(a) File with the Clerk of this Court, whose address is shown below, a formal written response to the Complaint in accordance with the rules of the Court, with the appropriate filing fee.
11	(b) Serve a copy of your response upon the attorney whose name and address is shown below.
12	2. Unless you respond, your default will be entered upon application of the Plaintiff(s) and
13	failure to so respond will result in a judgment of default against you for the relief demanded in the Complaint, which could result in the taking of money or property or other relief requested in the
14	Complaint. 3. If you intend to seek the advice of an attorney in this matter, you should do so promptly so
15	<ul> <li>that your response may be filed on time.</li> <li>4. The State of Nevada, its political subdivisions, agencies, officers, employees, board</li> </ul>
16	members, commission members and legislators each have 45 days after service of this Summons within which to file an Answer or other responsive pleading to the Complaint.
17	
18	STEVEN D. GRIERSON CLERK OF COURT
19	Submitted by: By: Josefina San Juan 12/7/2017
20	/s/ BYRON E. THOMAS
21	
22	Regional Justice Center 200 Lewis Avenue
23	Las Vegas, NV 89155
24	NOTE: When service is by publication, add a brief statement of the object of the action. See Nevada
25	Rules of Civil Procedure 4(b
26	
27	1081992v.1
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1 2 3 4	BYRON E. THOMAS, ESQ. Nevada Bar No. 8906 3275 S. Jones Blvd. Ste. 104 Las Vegas, Nevada 89146 Phone: 702 747-3103 byronthomaslaw@gmail.com Attorney for Plaintiffs		Otimes, Anno
5	DISTRI	CT COURT	
6	CLARK COU	JNTY, NEVADA	
7 8 9	ZION WOOD OBI WAN TRUST and SHAWN WRIGHT as trustee of ZION WOOD OBI WAN TRUST; WSOF GLOBAL LLC, a Wyoming limited liability company	Case No.: A-17-7641 Dept. No.: Departmen	
10	Plaintiffs,		
11	vs.		
12	MMAWC, LLC d/b/a WORLD SERIES OF FIGHTING a Nevada limited liability		
13	company; MMAX INVESTMENT PARTNERS INC. dba PROFESSIONAL		
14 15	FIGHTERS LEAGUE, a Delaware corporation; BRUCE DEIFIK, an individual; CARLOS SILVA, an individual; NANCY		
16	AND BRUCE DEIFIK FAMILY PARTNERSHIP LLLP, Colorado limited liability limited partnership; KEITH		
17 18	REDMOND, an individual; DOES I through X, inclusive; and ROE Corporations XX through XXX, inclusive.		
19			
20	Defendants.		
21	COM	IPLAINT	
22	Plaintiffs, SHAWN WRIGHT, trustee	of ZION WOOD OBI W	AN TRUST and WSOF
23	GLOBAL LLC (hereinafter "Plaintiffs" by and	through his undersigned c	ounsel of record, Law
24	Offices of Byron Thomas complains and alleges	against: MMAWC, LLC	d/b/a WORLD SERIES
25	OF FIGHTING ("WSOF"), MMAX INVEST	MENT PARTNERS INC	C dba PROFESSIONAL
26	FIGHTERS LEAGUE ("PFL"), BRUCE DEI	FIK ("DEIFIK"), CARL	LOS SILVA ("SILVA"),
27 28	NANCY AND BRUCE DEIFIK FAMILY PA	RTNERSHIP LLLP ("D	FP"), and KEITH
20	REDMOND ("REDMOND") (collectively "De	efendants") as follows:	
		e 1 of 21	AA003
	Case Number: A-17	/-/04118-0	,

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1	PARTIES
2	SHAWN WRIGHT, as trustee of ZION WOOD OBI WAN TRUST, is a Utah resident
3	whose principal place of business is located in Clark County, Nevada.
4	ZION WOOD OBI WAN TRUST, a trust organized under the laws of the State of Nevada.
5	WSOF GLOBAL LLC, is a limited liability company organized pursuant to the laws of the
6	state of Wyoming and conducting business in Clark County, Nevada.
7	Defendant MMAWC, LLC., is a limited liability company organized pursuant to the laws of
8 9	the state of Nevada and conducting business in Clark County, Nevada.
10	Defendant MMAX INVESTMENT PARTNERS INC., is a corporation organized pursuant to
11	the laws of the State of Delaware and conducting business in Clark County, Nevada.
12	Defendant BRUCE DEIFIK is an individual believed to reside in the State of Colorado and
13	conducting business in Clark County, Nevada.
14	Defendant NANCY AND BRUCE DEIFIK FAMILY PARTNERSHIP LLLP, is a limited
15	liability company organized pursuant to the laws of the state of Colorado and conducting business in
16 17	Clark County, Nevada.
18	Defendant CARLOS SILVA is an individual believed to reside in the State of Maryland and
19	conducting business in Clark County, Nevada.
20	Defendant KEITH REDMOND is an individual believed to reside in the State of Nevada and
21	conducting business in Clark County, Nevada.
22	
23	GENERAL ALLEGATIONS
24	1. Plaintiff Zion Wood Obi Wan Trust ("Zion") is a member of MMAWC, LLC d/b/a World Series
25	of Fighting ("WSOF" or "MMAWC"). WSOF is a promoter of mixed martial arts events on
26	NBC Sports.
27	2. WSOF experienced several financial shortfalls during 2012 to 2015.
28	3. Zion had made extensive loans to WSOF to allow for the continued operation and management of
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WSOF. DEFENDANTS refused to repay the loans.

2 4. Zion had arranged to allow WSOF personnel to sublet its cooperative office space when WSOF
3 was forcibly evicted from its office space for non-payment of rent in 2013. DEFENDANTS
4 refused to pay any rent after they moved in.

5 5. Zion's control persons, Shawn Wright and Vince Hesser, had written agreements with WSOF for
other contractual payments and worldwide licensing. DEFENDANTS refused to honor the terms
of those agreements as well.

8 6. Zion's membership interest was 10.5% and WSOF executed agreements that it was non-dilutable.
9 DEFENDANTS refused to honor the terms and diluted Zion's interest.

10 7. Zion filed suit against WSOF, WSOF responded and filed counterclaims against Zion.

- 8. On or about February 19, 2016. The parties resolved their disputes pursuant to a settlement agreement (the "Settlement Agreement"). Pursuant to the Settlement Agreement the parties also agreed to amend the WSOF Operating Agreement (the "Amended Operating Agreement").
- 14 9. As part of the Settlement Agreement, Zion agreed to reduce its 10.5 % non-dilutable interest in
- 15 WSOF to "<u>4.50% of the total outstanding ownership units in WSOF (and any of its current</u>
- 16 or future subsidiaries, parents, successors or assigns), which interest shall remain non 17 dilutable..."
- 18 10. The Amended Operating Agreement was attached to the Settlement Agreement as an Exhibit and
  19 fully incorporated into the Settlement Agreement.
- 20 11. In fact, Paragraph 5.5(b) of the Operating Agreement specifically states: "<u>Notwithstanding</u>
   21 anything contained in this Agreement, the Members agree that Zion's interest in the Company
- 22 shall be deemed non-dilutable (unless Zion agrees in writing that such interest may be diluted).
- 23 Accordingly, if at any time after the Effective Date additional Units of the Company are issued.
- 24 Units of the Company shall also be issued to Zion so that Zion at all times holds four and one half
- 25 percent (4.5%) of the issued and outstanding Units of the Company. Zion will have no obligation

26 <u>to make any future capital calls.</u>"

27 12. Zion is informed and believes that DEIFIK subsequently created a new entity and put all of the
 28 WSOF assets into the entity named MMAX INVESTMENT PARTNERS dba PROFESSIONAL
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FIGHTERS LEAGUE, or PFL (the "Successor Company").

2 13. Zion is informed and believes WSOF received a certain sum of money for the asset transfer but
3 still holds an interest in the Successor Company.

4 14. According to a press releases by DEFENDANTS, the Successor Company continued to put on
5 events and operate under the "World Series of Fighting" brand for several months, utilized the
6 same offices, employees, fighters, social media accounts, website, operating contracts, NBC
7 platform, etc., but then announced to change its name, but still continues its existing business to
8 promote MMA events on NBC Sports.

9 15. The Successor Company is a either "subsidiary, parent, successor, or assign" of WSOF as
10 contemplated in the Settlement Agreement.

- 11 16. Carlos Silva and Ray Sefo were the principal management team of WSOF, and Sefo will serve as
   President of fighting operations for the Successor Company, while Silva is the President of event
   production and business operations for the Successor Company.
- 14 17. According to statements by DEFENDANTS, WSOF still exists today, and WSOF is apparently a
  roughly 40% member of the Successor Company PFL.
- 16 18. DEFENDANTS claim in press releases that 60% of the company "was sold" for \$15M
  17 (amounting to \$250,000 per 1%), but have produced no evidence of that to Zion.

18 [19. Zion was also not provided the opportunity to participate in the sale of these interests.

19 20. DEFENDANTS refused to disclose to Zion who the other 60+% assignment of WSOF went to.

20 21. DEFENDANTS then stated to Plaintiffs that they do not own a 4.5% interest in the Successor

21 Company, and are therefore being diluted in breach of the Settlement Agreement.

22 22. DEIFIK had mentioned to Plaintiffs that he was still making capital calls, which supports the fact

- that this was not a true arms-length sale, but an insider transaction intended to dilute and defraudPlaintiffs of their ownership.
- 25 23. This appears to merely be another DEIFIK orchestrated asset transfer by DEFENDANTS to
   26 circumvent the Settlement Agreement and to deprive Plaintiffs of their rights and dilute their
   27 ownership interests.
- 28 24. Zion is entitled to a 4.5% non-dilutable direct stake in the Successor Company.
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25. Further, on January 20, 2017, DEFENDANTS then filed a Form D with the SEC stating they
were selling \$25M of securities to 31 investors.
26. On October 5, 2017, DEFENDANTS then filed another Form D with the SEC stating they are
now selling \$10M of preferred stock to 27 investors which is convertible into more common
shares.
27. DEFENDANTS refuse to produce the offering documents, and the financial projections to Zion
under these stock offerings.
28. Zion is under information and belief that DEIFIK has purchased some of those securities directly
diluting Zion's interest.
29. In an effort to deceive and defraud Zion after attempting to dilute Zion, DEFENDANTS then
offered only \$350,000 for Zion's non-dilutable interests while conducting these stock offerings.
30. DEFENDANTS know that Zion's interests would be valued at a minimum of \$1,125,000 based
on their own internal documents and SEC filings (if true), and what is being "sold" to other
investors.
31. Zion is also concerned that DEFENDANTS are not being forthcoming to these purported
investors as to Zion's non-dilutable position (and other licensing issues disclosed below), and
therefore could be deceiving the investment public and/or opening up the company for investment
fraud claims.
32. In addition, Zion does not have the final asset transfer agreements between WSOF and the
Successor Company and DEFENDANTS refuse to produce those documents as well.
33. Zion has been relying on press statements to glean details of the final deals.
34. Therefore, Zion also requested a review of the books and records of WSOF so as to ascertain
whether its interests had been protected.
35. Zion has the right to inspect the books and records in accordance with the Settlement Agreement
and Operating Agreement of WSOF.
36. DEFENDANTS have refused to allow Zion to inspect the books and records of WSOF in direct
contravention of NRS 86.241.

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1	interest.
2	38. The Successor Company knew or should have known about the Settlement Agreement and the
3	obligations that it would incur to protect Zion's interest.
4	39. The actions of WSOF, the Successor Company, and all DEFENDANTS constitute a breach of the
5	Settlement Agreement and Zion has been damaged because of these breaches.
6	40. In addition, several other issues have been brought to Zion's attention that implicate
7	DEFENDANTS in schemes or artifice to defraud.
8	<u>NYC EVENT</u>
9	41. DEFENDANTS promoted an MMA event in New York City on December 31, 2016.
10	42. DEFENDANTS then filed a required New York State Department of Taxation and Finance form
11	to report all income from the event.
12	43. DEFENDANTS reported \$0 income from broadcasting rights to New York State.
13	44. DEFENDANTS then sent Zion an internal financial report for the event.
14	45. DEFENDANTS reported to Zion that they had \$190,000 in broadcasting revenue from NBC for
15	the NYC event.
16	46. Zion is under the belief that DEFENDANTS are either manipulating the financial statements to
17	deceive Zion and the investment public.
18	47. DEFENDANTS continue to refuse to allow Zion an inspection of the books and records.
19	LICENSING RIGHTS
20	48. On or about October 15, 2012 Vince Hesser had entered into a master licensed agreement with
21	WSOF.
22	49. The Master License Agreement gave Mr. Hesser the exclusive right to license the WSOF brand
23	outside of the United States.
24	50. Subsequently, Vince Hesser assigned the Master License Agreement to WSOF GLOBAL
25	LIMITED and its successor WSOF Global LLC ("GLOBAL").
26	51. DEFENDANTS previously attempted to falsely deny the Master License Agreement existed and
27	attempted to tortuously interfere in the rights and business of GLOBAL.
28	52. A dispute arose over the terms of the license agreement and parties instituted litigation. The
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1	parties were able to reach a resolution of their disputes, and GLOBAL also became a party to the
2	Settlement Agreement.
3	53. As a part of the Settlement Agreement the parties amended the Master License Agreement.
4	
5	The Settlement Agreement and Amended License Agreement read as follows:
6	Paragraph 2 of the Settlement Agreement: The 10/15/12 Hesser License shall be reaffirmed and remain infull force and effect as of the date of this Agreement, as amended by
7	the execution of the Amendment to Consulting and Master Licensing Agreement in the form attached hereto and incorporated herein as Exhibit B. <u>The license is a material part of</u>
8	settlement on behalf of Hesser and Wright and is not subject to any modification, cancellation, assignment, pledge, lien, or encumbrance by WSOF or any of its creditors
9	and shall survive any restructure, sale, receivership or bankruptcy of WSOF.
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54. 1 The Amended License Agreement paragraph 1 also states: "[t]his Agreement shall 2 be binding upon and shall survive any successors of MMA, or its ownership, tradenames or 3 trademarks." 55. Therefore, the Successor Company is obligated to comply with the terms and 4 5 conditions of the Amended License Agreement and the Settlement Agreement. 56. 6 Over the following several months after settlement, GLOBAL executed 7 agreements for media content sharing rights from several MMA organizations from all over 8 the world on six continents based on the WSOF license branding. 9 57. GLOBAL's rights consist of over 100 international events per year, at a cost to 10 produce of tens of millions of dollars, which dwarf the mere 8-10 events per year organized 11 by DEFENDANTS. 12 58. WSOF initially complied with the Settlement Agreement and as documented in 13 a phone conversation, DEIFIK told DEFENDANTS to let GLOBAL do what they want to 14 and leave them alone. 59. 15 GLOBAL attempted to keep WSOF informed of its upcoming events, but would receive childish email responses from the chief officers of WSOF such as: "Hey idiot don't 16 17 send me your stupid emails again!!", or phone calls threatening violence against GLOBAL 18 employees. These same officers continue to operate the PFL brand. 19 60. GLOBAL continued to operate its business unfettered under this "naked" 20 license arrangement which helped promote the overall brand name. 61. 21 Upon disclosure by DEFENDANTS that an asset transfer was about to take 22 place, Zion's principals received an email on December 16, 2016 from Chris Childs, 23 purported legal counsel for DEFENDANTS, representing and affirming that the apparent 24 Successor Company will be honoring the license 62. 25 The Successor Company obviously knew or should have known it was bound by 26 the Agreements. 27 28 1081992v.1

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1 63. To then add insult to injury, after the asset transfer, DEFENDANTS changed the 2 name of the company from "World Series of Fighting" to "Professional Fighters League" 3 without any prior notice to its licensee GLOBAL, and reported such in a formal email to all 4 fighters from Mr. Ray Sefo. 5 64. DEFENDANTS publicly stated in press releases they have discontinued and abandoned the license name ("World Series of Fighting") agreed to in the Settlement 6 7 Agreement, and will now use the PFL name exclusively. 65. 8 At no point did the Successor Company notify GLOBAL about any changes in 9 name or changes in business operation. 10 66. For a period of time, the Successor Company appeared to continue to operate as 11 in the past, even after the name change to PFL. 67. 12 In a documented phone conversation, DEIFIK spoke with Mr. Vince Hesser of 13 GLOBAL and stated that he didn't make the decision, but Russ Ramsey, a PFL board 14 member, made the sole decision to change the company name which damaged GLOBAL. 15 DEIFIK further stated "Ramsey has a f\*\*\*ing ego the size of Texas and Ramsey was a 16 moron for changing the name." 17 68. Upon information and belief, and based on DEIFIK's past egregious behavior, 18 GLOBAL believes DEIFIK made the ultimate decision to change the name to purposefully 19 damage GLOBAL. 20 69. DEFENDANTS then improperly removed GLOBAL's required website link 21 from their homepage (and refused to comply with other terms) as required under the 22 Settlement Agreement. 23 70. DEFENDANTS actions were oppressive and made to directly damage 24 GLOBAL and its business. 25 71. Further, the Amended License states GLOBAL's rights to the Licensed Marks 26 are defined as follows: 27 "Licensed Marks" means, without limitation, any and all trademarks, service marks, logos, insignias, designs, and all other commercial symbols which MMA now uses or hereafter 28 adopts to identify the source and origin of its goods and services, including but not limited to, 1081992v.1 Page 9 of 21

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4	-	
	1 2	WSOF, World Series of Fighting, and any other marks owned or registered by MMA as of the Effective Date or in the future, in the form and format and with the designs or logos indicated by MMA from time to time.
	2	72. GLOBAL has the right to use "Professional Fighters League" ("PFL") and its marks in
	4	accordance with the Settlement Agreement and the Amended License Agreement.
	5	73. An email was sent to SILVA (whom continued to act as an officer and/or director of both
	6	WSOF and the Successor Company) on April 20, 2017 with my clients' expectation that the
	7	Agreement would be honored.
	8	74. SILVA emailed back and denied the rights afforded my clients and has thus breached said
	9	Settlement Agreement.
	10 11	75. DEFENDANTS' decision to disband the WSOF brand and refusal to honor the Settlement
	12	Agreement and allow GLOBAL to license to the Successor Company Brand has caused
	13	severe and significant damage to GLOBAL.
	14	76. Several media agreements are in jeopardy due to the direct oppressive and harmful actions of
	15	DEFENDANTS, which would cost GLOBAL tens of millions of dollars to replace.
	16	77. GLOBAL is also concerned that DEFENDANTS are not disclosing properly that GLOBAL
	17	holds the licensing rights for "Professional Fighters League" to unsuspecting investors being
	18	lured in under their SEC filings.
	19 20	DEIFIK, SILVA AND ABDELAZIZ
	21	78. Ali Abdelaziz ("ABDELAZIZ") was employed at WSOF as Vice President of
	22	Matchmaking.
	23	79. At some point in time, serious concerns arose as to the illegality of his employment as an
	24	officer of the promotion, and concurrently as the matchmaker for the WSOF under Nevada
	25	law.
	26	
	27	80. Upon information and belief, ABDELAZIZ was in the US illegally, which was why he was
	28	never seen or could never go to any of the WSOF Canada events. He would never be
		Page 10 of 21 AA012

1	allowed back in the country through US customs.
2	81. Upon information and belief, ABDELAZIZ past was riddled with allegations of deceit,
3	fraud, misrepresentation, and connections to Islamic terrorism against US citizens.
4	82. ABDELAZIZ had tried to conceal his management of fighters by leaving the manager name
5	blank on internal fighter reports, and placing his management company ("Dominance")
6	under his wife's name.
7	83. Upon information and belief, ABDELAZIZ lured many fighters away from their current
8 9	managers by offering them fights with higher purses at WSOF if (and only if) they signed
10	under his company Dominance so he could get the management fees on inflated purses at the
11	expense of the investors.
12	84. Upon information and belief ABDELAZIZ always attempted to match his fighters against far
13	inferior fighters, so his fighters would win a high majority of the time.
14	85. Upon information and belief, this insured heavy increasing payments to ABDELAZIZ
15	personally.
16 17	86. Other employees stated ABDELAZIZ was also skimming money from certain sponsor
18	payments (Auto Shopper, etc.) where he would receive the funds personally and remit partial
19	funds to WSOF, and by accepting unreported gifts (such as a new car).
20	87. Zion inferred his actions to be illegal under Nevada law, and upon finding these facts, Zion
21	brought all of these issues to DEIFIK and SILVA's attention to remediate.
22	88. DEIFIK agreed he would terminate ABDELAZIZ, but failed to do so for unknown reasons,
23	and instead started defaming Zion and its principals.
24 25	89. Internal employees at WSOF overheard conversations with SILVA and ABDELAZIZ on the
26	phone with their attorney, and began texting the conversation to GLOBAL employees.
27	90. SILVA being aware of all the above facts but nonetheless stated: "We need to do anything we
28	have to, to keep Ali in power because I rely on him so much". He went on to discuss "how
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1	Ali transferred his management company to his wife, but they aren't sure if Nevada is a		
2	community property state."		
3	91. SILVA then went on, "Bruce ("DEIFIK"), Barry and I are already addressing this Ali thing.		
4	We recognize there are some things to tighten up."		
5	92. SILVA continued, "We need to discover it, dot the I's and cross the T's before someone else		
6	does it."		
7 8	93. All of these were screen captured by text message. Zion was shocked by the conversation to		
8 9	conceal the illegal behavior.		
10	94. Zion demanded DEIFIK do the right thing for company and its investors and remove		
11	ABDELAZIZ immediately.		
12	95. A dispute arose over the issues and parties instituted litigation. The parties were able to reach a		
13	resolution of their disputes.		
14	96. Unfortunately for the members of WSOF (including Zion), DEFIK and SILVA continued to work		
15 16	closely with ABDELAZIZ, which created more severe operating losses.		
10	97. DEIFIK and SILVA continued to allow ABDELAZIZ to be matchmaker even after settlement,		
18	but enlisted Ray Sefo to publicly state falsely that he had always been the WSOF matchmaker.		
19	98. Eventually, DEIFIK and SILVA terminated ABDELAZIZ after they were forced to go		
20	before the Nevada Athletic Commission over the issue.		
21	99. DEIFIK and SILVA continued to use ABDELAZIZ throughout 2016 after termination and		
22	have knowingly damaged the WSOF license brand by their actions, thereby causing further		
23 24	irreparable damage to GLOBAL.		
24 25	GLOBAL CHINA OPERATIONS		
26	100. GLOBAL has MMA event content all over the world including from Philippines, Japan,		
27	China, Australia, Malaysia, Italy, Spain, UK, Sweden, South Africa, and more.		
28	101. GLOBAL had entered the China market and had its world press conference in the Great		
	1081992v.1 Page 12 of 21 ΔΔΟ1		

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# AA014

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1	People's Hall in Tiananmen Square in Beijing, China. This was an extremely rare	
2	accomplishment for a sports league, with several Chinese government officials in attendance.	
3	and was also announced on CCTV5 which airs to over 1 billion people.	
4	102. GLOBAL was also working on a sports partnership to bring MMA content to several	
5	cities in China with a State owned agency and sponsor partners.	
6	103. GLOBAL had received an offer to invest over 100M rmb (about \$16M USD) to further	
7	the promotion of WSOF in China and to promote foreign fighters in their events alongside	
	8 Chinese fighters	
9 10	104. Before the deal was consummated, DEFENDANTS then announced the name change to	
11	"PFL" without notice to GLOBAL, and the discontinuance of WSOF.	
12	105. DEFENDANTS further unilaterally refused to allow GLOBAL its contractual rights to	
13	use the PFL name, and PFL has attempted to abandon its own contractual obligations in	
14		
15	breach of the Settlement Agreement.	
16	106. Due to DEFENDANTS oppressive actions, the partnership is now at risk of loss.	
17	107. GLOBAL has been damaged by the malicious actions, tortious business interference,	
18	and breach of contract by DEFENDANTS.	
19	CLAIMS FOR RELIEF	
20 21	FIRST CLAIM FOR RELIEF Breach of Contract - Settlement Agreement (As against Defendants MMAWC, Deifik, DFP, PFL and Silva; hereinafter the "Settlement Defendants")	
22	108. Plaintiffs repeat, re-allege and incorporate by reference all preceding paragraphs of the	
23		
24	Complaint as though fully set-forth herein. 109. Plaintiffs entered into the Settlement Agreement with the Settlement Defendants.	
25	110. The Settlement Defendants have breached the terms of the Settlement Agreement, by	
	attempting to dilute the terms of the settlement agreement concerning the non-dilution of	
27 28	interest and transfer of the assets of MMAWC to another entity PFL.	
28	1081992v.1 Page 13 of 21 AA01	

111. The Settlement Defendants breached the Settlement Agreement as to WSOF Global by breaching the terms of Licensing Agreement and diluting all economic value from the Licensing Agreement. 112. The Settlement Defendants have asserted an apparent repudiation or abandonment of its duties to perform pursuant to said agreement and have otherwise breached the terms of said agreement. 113. Therefore the Settlement Defendants have breached their contractual obligations, as stated herein causing damage to Plaintiffs' damages. 114. As a result of the breaches described herein, Plaintiffs have suffered damages in excess of \$10,000 and is entitled to an award as and for their damages incurred herein. 115. It has been necessary for Plaintiffs to retain the services of attorneys to prosecute this action and therefore Plaintiffs are entitled to recover reasonable attorney's fees and costs incurred in accordance with the law, including, without limitation, as special damages. SECOND CLAIM FOR RELIEF Breach of the Implied Covenant of Good Faith and Fair Dealing (As against all Defendants) 116. The Plaintiffs repeat, re-allege and incorporate by reference all proceeding paragraphs of the Complaint as though fully set-forth herein. 117. Implied in every contract in Nevada is the implied covenant of good faith and fair dealing. 118. The Defendants have breached the implied covenant of good faith and fair dealing. 119. The Defendants have deprived Plaintiffs of the benefit of their bargain for the above outlined reasons. 120. The Plaintiffs have been injured in an amount in excess of \$10,000 as a direct and proximate cause of the actions of Defendants, Plaintiffs have performed all obligations due and owing under the Licensing Agreement. 121. The Plaintiffs have been required to retain the services of an attorney to prosecute this action 26 and therefore, are entitled to an award of reasonable attorney's fees and costs incurred herein. 27 THIRD CLAIM FOR RELIEF 28 1081992v.1 Page 14 of 21

# AA016

# **Declaratory Relief**

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]	(As against all Defendants)	
2	122. The Plaintiffs repeat, re-allege and incorporate by reference all proceeding paragraphs of the	
3	Complaint as though fully set-forth herein.	
4	123. A justiciable controversy exists as Plaintiffs have asserted a claim of right as to the Property	
5	Interest in the Settlement Agreement.	
6	124. Under N.R.S. § 30.010 et seq., the Uniform Declaratory Judgment Act, any person interested	
7	under a written contract or other writings constituting a contract, or whose rights, status or other	
8	legal relations are affected by a contract, may have determined any question of construction or	
9	validity arising under the contract and obtain a declaration of rights, status or other legal relations	
10	thereunder.	
11	125. The Settlement Defendants have thus far failed to demonstrate that they intend to continue to	
12	honor their obligations pursuant to the Settlement Agreement.	
13	126. Accordingly, the controversy is between persons whose interests are adverse.	
14	127. Note Plaintiffs have legally protectable interests in the controversy, i.e., their rights or interest in	
15	the property under Nevada law.	
16	128. The issues involved in the controversy are ripe for judicial determination because there is a	
17	substantial controversy, among parties having adverse legal interests, of sufficient immediacy and	
18	reality to warrant the issuance of a declaratory judgment.	
19	129. Plaintiffs therefore seek declaration(s) from this Court with respect to their interests in the	
20	property as contemplated by the Settlement Agreement.	
21	130. Plaintiffs have been required to retain the services of counsel to prosecute this matter and, as	
22	such, are entitled to an award of their costs and reasonable attorneys' fees incurred herein.	
23	FOURTH CLAIM FOR RELIEF	
24 25	Intentional Interference with Prospective Economic Advantage (As against all Defendants)	
25 26	131. Plaintiffs repeat and reallege each and every previous allegation contained herein as though set	
26 27	forth fully herein at length.	
27	132. A prospective contractual relationship exists or existed between Plaintiffs and numerous third	
20	1081997 v 1	
	Page 15 of 21 AA017	7

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1	parties including promotion companies, fighters and managers.	
2	133. Defendants knew of these prospective relationships.	
3	134. Defendants intended to harm Plaintiffs by preventing the relationships.	
4	135. The interference was improper and/or unlawful.	
5	136. Defendants had no privilege or justification.	
6	137. Defendants' conduct resulted in actual harm to Plaintiff.	
7	138. Plaintiffs have been required to retain the services of an attorney to prosecute this action and are	
8	entitled to an award of attorney's fees and costs incurred herein.	
9	FIFTH CLAIM FOR RELIEF Tortious Interference with Contract	
10	(As against all Defendants)	
11	139. Plaintiffs repeat and reallege each and every previous allegation contained herein as though set	
12	forth fully herein at length.	
13	140. A contract existed between Plaintiffs and Defendants, as well as numerous third parties	
14	including promotion companies, fighters and managers.	
15	141. MMAX knew of these contractual relationships.	
16	16 142. The actions of MMAX, as outlined above, were intentional and intended to interfere with these	
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20	144. MMAX had no privilege or justification.	
21	145. Defendants' conduct resulted in actual harm to Plaintiff.	
22	146. Plaintiffs have been required to retain the services of an attorney to prosecute this action and are	
23	entitled to an award of attorney's fees and costs incurred herein.	
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27	27 ///	
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	1081992v.1 Page 16 of 21	
	AA018	

#### SIXTH CLAIM FOR RELIEF Alter Ego Claim (As against MMAWC and Deifik Defendants)

147. Plaintiffs repeats, re-allege, and incorporate by reference all proceedings paragraphs of the Complaint as though fully set-forth herein.

148. There is a unity of interest between Defendant Deifik and Defendant Nancy and Bruce Deifik Family Partnership LLLP to the extent that Mr. Deifik is inseparable from said Partnership.

149. Since Deifik's usurpation of control over MMAWC, there has existed, a unity of interest and ownership such that any separateness between Defendant Deifik and Defendant Nancy and Bruce Deifik Family Partnership LLLP and MMAWC has ceased to exist in that Deifik has completely controlled, dominated, manipulated, managed and operated MMAWC since his usurpation for his own personal benefit.

12 150. Defendants Deifik and Nancy and Bruce Deifik Family Partnership LLLP and MMAWC are,
and at all times mentioned here were, a mere shell, instrumentality and conduit through which
Defendant Deifik carried his own activities in the corporate name, exercising such complete
control and dominance over the activities of MMAWC and the Partnership to such an extent that
any individuality or separateness of said parties does not, and at all relevant times did not, exist.

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151. Adherence to the fiction of the separate existence of Defendants Deifik and Nancy and Bruce
Deifik Family Partnership LLLP and MMAWC as entities distinct and apart from Defendant
Deifik would permit an abuse of the corporate privilege and would promote and sanction fraud,
injustice and an inequitable result in that Deifik has used MMAWC for the purpose of defrauding,
misleading and injuring Plaintiffs as set forth here.

- 152. The use of Defendants Nancy and Bruce Deifik Family Partnership LLLP and MMAWC by
   Defendant Deifik for the purposes of defrauding, misleading and injuring Counter-claimant is the
   proximate cause of Plaintiffs' damages as stated here.
- Is3. The Court should enter a judgment and declaration piercing the corporate veil of Bruce Deifik
   Family Partnership LLLP and MMAWC as the alter ego of Deifik and MMAWC and personally
   responsible for their actions complained of here.
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1	SEVENTH CLAIM FOR RELIEF Breach of Fiduciary Duty (As against Deifik, Silva and Redmond)		
2	154. Plaintiffs repeats, re-allege, and incorporate by reference all proceedings paragraphs of the		
Complaint as though fully set-forth herein.			
4	155. As alleged above Defendant Deifik, Silva, and Redmond are managers, directors, office		
5	and/or control persons of MMAWC and/or PFL.		
6	156. As managers, directors, officers and/or control persons, Defendants Deifik, Silva, a		
7	Redmond owed a fiduciary duty to Plaintiffs.		
8	157. Plaintiffs alerted Defendants Deifik, Silva, Redmond, and other Defendants to the breach		
9	of the Settlement Agreement, and the existence of valid claims against the other Defendan		
10	Plaintiffs demanded that Defendants Deifik, Silva, and Redmond cause the board of directors th		
11	dominated to take action. However, Defendants dominated the board of directors and prevent		
12	MMAWC from taking actions in breach of their fiduciary duties.		
13	158. Defendants Deifik, Silva, and Redmond's actions were the direct and proximate cause		
14	Plaintiffs' injuries.		
15	159. Plaintiff has been required to retain the services of an attorney to prosecute this matter		
16 17	and therefore, is entitled to an award of reasonable attorney's fees and costs incurred herein.		
18	EIGHTH CLAIM FOR RELIEF		
19	Civil RICO (As against all Defendants)		
20	160. Plaintiffs repeats, re-alleges and incorporate by reference all preceding paragraphs of the		
21	Complaint as though fully set-forth herein.		
22	161. The conduct of Defendants as outlined above was a part of a fraudulent scheme designed		
23	to defraud Plaintiffs of money and property.		
24	162. The conduct of Defendants constitutes a "crime related to racketeering," the taking of		
25	property from another under circumstance not amounting to robbery pursuant to NRS 207.360(9)		
26	163. The conduct of Defendants constitutes a "crime related to racketeering" namely obtaining		
27	possession of property valued at \$250.00.		
28	164. Defendants engaged in at least two crimes related to racketeering they have engaged in		
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	AA02		

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1	racketeering activity as defined by NRS 207.390.	
2	165. The racketeering activity of Defendants constitutes as criminal syndicate or enterprise	
3	pursuant to NRS 207.370 and NRS 207.380.	
4	166. Defendants participated in racketeering activity in violation of NRS 207.400.	
5	167. Defendants with criminal intent, received proceeds derived from racketeering activity in	
6	violation of NRS 207.400(1)(a).	
7	168. Defendants acquired and maintained interest and/or control of the enterprise in violation	
8	of NRS 207.400(1)(b).	
9	169. Defendants were associated with the enterprise to participate both directly and indirectly	
10	in the affairs of the enterprise through racketeering activity and or through the affairs of the	
11	1 enterprise in violation of NRS 207.400(1)(c).	
12	170. Defendants intentionally organized, managed, directed, supervised, and or financed a	
13	criminal syndicate in violation of NRS 207.400(1)(d).	
14	171. Defendants furnished assistance in the conduct of the affairs of the criminal syndicate	
15	with the intent to promote or further the criminal objectives of the syndicate in violation of NRS	
16	207.400(1)(f).	
17	172. Defendants actions as averred in this claim for relief were done either in conscious	
18	disregard for the rights of others, or in reckless disregard of the consequences of their actions, and	
19	were therefore done with either express or implied malice.	
20	173. Defendants' actions were the direct and proximate cause of Plaintiffs' injuries.	
21	174. Plaintiffs have been required to retain the services of an attorney to prosecute this matter	
22	and therefore, is entitled to an award of reasonable attorney's fees and costs incurred herein.	
23	3 NINTH CAUSE OF ACTION	
24	4 Specific Performance	
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28	8 183. At the time Plaintiffs and Defendants entered into the settlement agreement and license	
	1081992v.1 Page 19 of 21 AA021	
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1	agreement, the consideration Plaintiffs did proffer and perform under the agreements was adequate	
2	and the agreement is just and reasonable as to Defendants.	
3	184. Plaintiffs have demanded that Defendants full perform and oblige their duties under the	
4	settlement and license agreements.	
5	185. Defendants have refused and continue to refuse to perform as required by the terms of the	
6	agreements.	
7	186. Plaintiff has no adequate remedy at law to enforce the provisions of the agreements other	
8	than specific enforcement of the agreements.	
9	187. Plaintiff is entitled to specific performance of the terms, conditions, and provisions of the	
10	agreements by court decree.	
11	188. Plaintiff is entitled to compensation incidental to a decree of specific performance.	
12	189. Plaintiffs have been required to retain the services of an attorney to prosecute this matter and	
13	therefore, is entitled to an award of reasonable attorney's fees and costs incurred herein	
14	TENTH CAUSE OF ACTION	
15	Unjust Enrichment	
16	(As against all Defendants)	
17	190. Plaintiffs repeat, re-allege and incorporate by reference all proceeding paragraphs of the	
18	Complaint as though fully set-forth herein.	
19	191. These Defendants have knowingly obtained substantial benefits from their actions as	
20	described above.	
21	192. It would be unjust for the Defendants to accept and retain such benefits without	
22	compensating Plaintiffs for the value of the benefits which they received.	
23	193. As a direct and proximate result of Defendants' actions, it has become necessary for Plaintiffs	
24	to retain the services of an attorney to protect their rights and prosecute this Claim.	
25	194. Plaintiff reserves the right to amend this Complaint under the Nevada Rules of Civil	
26	Procedure as further facts become known.	
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28	///	
	1081992v.1 Page 20 of 21 AA022	

AA022

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2	PRAYER FOR RELIEF	
3	WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them,	
4	as follows:	
5	1. For damages in an amount to be proven at the time of trial;	
6	2. For prejudgment interest;	
7	3. For punitive damages as may be applicable; without limitation, as special and/or	
8	punitive damages incurred;	
9	4. For the costs of suit herein incurred, including Plaintiffs' costs and attorneys' fees	
10	herein, as allowed by law;	
11	5. For an Order granting declaratory and equitable relief including a determination by	
12	the Court that a valid and binding contract exits; that Plaintiffs performed in full;	
13	that Defendants are obliged to perform or otherwise as the Court deems proper; and	
14	6. For such other and further relief as the Court deems proper and prudent.	
15	Dated this2nd_ day of November, 2017.	
16		
17	LAW OFFICES OF BYRON THOMAS	
18	<u>/s/ Byron E. Thomas</u> BYRON E. THOMAS, ESQ.	
19	Nevada Bar No. 8906 3275 S. Jones Blvd. Ste. 104	
20	Las Vegas, Nevada 89146 Phone: 702 747-3103	
21	Facsimile: (702) 543-4855 Byronthomaslaw@gmail.com	
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1	MOT BLACK & LOBELLO	Alun S. atumon
2	Maximiliano D. Couvillier III, Esq. Nevada Bar No. 7661	
3	10777 West Twain Avenue, Third Floor	
4	Las Vegas, Nevada 89135 Ph. (702) 869-8801	
5	Fax (702) 869-2669 mcouvillier@blacklobello.law	
6	Attorneys for Defendant MMAWC L.L.C.	
7	DISTRICT	COURT
8		TV NEVADA
9	CLARK COUN	IY, NEVADA
10	ZION WOOD OBI WAN TRUST and SHAWN	CASE NO.: A-17-764118-C
11	WRIGHT as trustee of ZION WOOD OBI WAN TRUST; WSOF GLOBAL, LLC, a Wyoming	DISTRICT COURT DEPT: 27
12	limited liability company,	MOTION TO DISMISS COMPLAINT
13	Plaintiffs,	AND TO COMPEL ARBITRATION
14	v.	Date:
15	MMAWC, LLC d/b/a WORLD SERIES OF	Time:
16	FIGHTING a Nevada limited liability company; MMAX INVESTMENT PARTNERS, INC. dba	
17	PROFESSIONAL FIGHTERS LEAGUE, a Delaware corporation; BRUCE DEIFIK, an	
18	individual; CARLOS SILVA, an individual;	
19	NANCY AND BRUCE DEIFIK FAMILY PARTNERSHIP LLLP, a Colorado limited	
20	liability partnership; KEITH REDMOND, an individual; DOES I through X, inclusive; and	
20	ROE Corporations XX through XXX, inclusive,	
22		
22	Defendants.	
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Pursuant to NRCP 12(b) Defendant MMAWC L.L.C. moves to dismiss the Complaint for three reasons. First, Plaintiff WSOF Global, LLC is a foreign entity that is not registered in Nevada and thus, prohibited by NRS 86.548(2) from filing and maintaining the action. Second, Plaintiffs' claims are subject to private arbitration and therefore, this Court lacks jurisdiction over the action. To that end, MMAWC also moves to compel arbitration. Finally, the Court should dismiss the Complaint for failure to state a claim.

This Motion is made and based upon the Memorandum of Points and Authorities below, the papers and pleadings on file in this matter, and any oral argument that this Court may consider.

### **BLACK & LOBELLO**

Iniliano D. Coutfillier III, Esq.

Nevada Bar No. 7661 mcouvillier@blacklobello.law Attorneys for Defendant MMAWC L.L.C.

#### **NOTICE OF MOTION**

To: All parties and their counsel of record:

Please take notice that the undersigned will bring the foregoing Defendant MMAWC L.L.C.'s Motion to Dismiss on for hearing on the **21** day of **Feb.** 2018, at **10:00** a.m./p.m., or as soon thereafter as counsel maybe heard, in the above-captioned Judicial Department.

Dated: January 8, 2018

**BLACK & LOBELLO** 

Maximiliano D. Couvillier III, Esq. Nevada Bar No. 7661 mcouvillier@blacklobello.law Attorneys for Defendant MMAWC, L.L.C.

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I.

## **MEMORANDUNM OF POINTS AND AUTHORITIES**

## FACTS RELEVANT TO DISMISSAL

Although the "factual allegations of [Plaintiffs'] complaint must be accepted as true." "the filing of a motion to dismiss is not the same as an admission by Defendant that Plaintiff's allegations in the complaint are true."<sup>2</sup>

MMAWC's previous primary asset and business was operating and promoting mixed martial arts ("MMA") events under the marks and monikers "World Series of Fighting" and "WSOF," which intellectual property MMWAC owned. See e.g. 11/3/17 Complaint at ¶1. In 2016, MMAWC sold substantially all of its assets, including the "World Series of Fighting" and "WSOF" marks and monikers, to MMAX Investment Partners, Inc. ("MMAX"). MMAWC refocused its business from operating and promoting its own MMA events and became an investor in MMAX, and MMAX began operating and promoting its own MMA events under MMAX's marks and monikers "WSOF", "World Series of Fighting", and "Professional Fighter's League." Thus, MMAWC's current primary asset and operation is being an investor in MMAX.

This is an action whereby Plaintiffs are attempting to usurp certain interests they simply do not have. First, Plaintiffs allege that they somehow have certain licensing rights to the intellectual property of MMAX. Second, Plaintiffs allege that their interest in MMAWC have somehow been diluted because MMAWC became an investor and part owner in MMAX, and they are entitled to their own, individual interest in MMAX (as opposed to what they have now: an indirect interest in MMAX via their undiluted interest in MMAWC). Of course, this only a summary of Plaintiffs' claims and the Court is not being asked to determine the factual merits at this juncture but to dismiss the Complaint as matter of law, as demonstrated below.

Important here is that Plaintiff WSFO Global, LLC ("Global") is a Wyoming limited

Bratcher v. City of Las Vegas, 113 Nev. 502, 507, 937 P.2d 485, 489 (1997). 27

<sup>2</sup> McNeil v. United States, 78 Fed. Cl. 211, 238 (Fed. Cl. 2007) aff'd, 293 F. App'x 758 (Fed. Cir. 2008). "Federal cases interpreting the Federal Rules of Civil Procedure are 'strong persuasive authority, because 28

10777 West Twain Avenue, Suite 300 Las Vegas, Nevada 89135 (702) 869-8801 FAX: (702) 869-2669 13 **BLACK & LOBELLO** 14 15 16 17

liability company. *See 11/3/17 Complaint at 2:5-6.* And, according to the records of the Nevada Secretary of State attached here as Exhibit 1<sup>3</sup>, Global is not registered in Nevada.

Also important here is that Plaintiffs' claims are contract-based, arising out of and concerning several written agreements. See e.g., 11/3/17 Complaint at ¶¶8, 10 & 53. At the top of the hierarchy of the agreements is a Confidential Settlement Agreement dated February 19, 2016 ("Settlement Agreement"). Id. at ¶8. A true and correct copy of the Settlement Agreement is attached here as Exhibit 2. Flowing underneath the Settlement Agreement are several other agreements that are part of and incorporated into the Settlement Agreement, which include a Fourth Amended And Restated Operating Agreement Of MMAWC, L.L.C. ("4th Operating Agreement") and Amendment to Consulting And Master Licensing Agreement ("Licensing Agreement"). See 11/3/17 Complaint ¶¶8, 10 & 53. A true and correct copy of the 4th Operating Agreement is attached here as Exhibit 3. A true and correct copy of the Licensing Agreement is attached here as Exhibit 4.

Plaintiffs' first, second, third, fourth, fifth, seventh and ninth claims arise out of and concern the foregoing written agreements. Thus, Plaintiffs first claim is for breach of the Settlement Agreement and associated and incorporated Licensing Agreement. See 11/3/17 Complaint ¶¶109-115. As their second claim, Plaintiffs allege the related breach of the implied covenant of good faith and fair dealing. Id. at ¶116-121. Plaintiffs' third claim seeks declaratory relief as to the parties' rights and obligations under the Settlement Agreement. Id. at ¶¶122-130. Plaintiffs' fourth and fifth claims for "Intentional Interference with Prospective Economic Advantage" and "Tortious Interference with Contract" concern Plaintiffs' alleged rights under the Licensing Agreement. See e.g., id. at ¶¶49, 76, 77, 104-107, 139-146, and 147-153. Plaintiffs' seventh claim for breach of fiduciary duty concerns the Settlement Agreement (id. at ¶157), and necessarily arises from the MMAWC relationships via the 4th Operating

the Nevada Rules of Civil Procedure are based in large part upon their federal counterpart." *Las Vegas Novelty v. Fernandez*, 106 Nev. 113, 119, 787 P.2d 772, 776 (1990)).

 <sup>&</sup>lt;sup>3</sup> Trial courts may consider judicially noticeable matters of public record in considering a motion to dismiss. See NRS 47.130; *Breliant v. Preferred Equities Corp.*, 109 Nev. 842, 847, 858 P.2d 1258, 1261 (1993).

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Agreement. Finally, Plaintiffs' ninth claim for relief seeks specific performance of the

agreements. *Id. at* ¶¶*182-189*.

The Licensing Agreement provides the following broad arbitration provision:

18. Arbitration. MMA and Consultant agree that any dispute. controversy, claim or any other causes of action whether based on contract, tort, misrepresentation, or any other legal theory, related directly or indirectly to the Master License (as amended hereby), which cannot be amicably resolved by the parties, shall be resolved by binding arbitration in accordance with the provisions of this Section 18. Unless the parties agree to use other rules, or the arbitrator deems other rules to be applicable, the arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") in effect at the time the demand for arbitration is filed, and either the Federal Arbitration Act (Title 9, U.S. Code) or the applicable State of Nevada arbitration statute. The arbitration award or decision may be confirmed, entered and enforced as a judgment in a court having jurisdiction, subject to appeal only in the event of the arbitrator's misapplication of the law, no evidence to support the award, or such other grounds for appeal of arbitration awards that exist by statute. common law or the applicable rules. If any party commences litigation in violation of this Section 18, or refuses or neglects to timely submit to arbitration in accordance with this Section, then such party shall reimburse the other party(s) for costs and expenses, including reasonable attorney's fees: (1) incurred in seeking abatement or dismissal of such litigation; and/or (2) incurred in judicially compelling arbitration. However, the foregoing does not preclude a party from seeking emergency relief, including injunctive relief, from a court of competent jurisdiction and the prosecution of a request for such emergency relief will not be deemed a breach or waiver of the provisions contained herein.

See Exhibit 4 at p.10.

The broad arbitration provision not only applies to all claims concerning Plaintiffs alleged licensing rights under the Licensing Agreement, but to all claims concerning or arising from the Settlement Agreement and 4th Operating Agreement. As Plaintiffs admit, the terms and conditions of the underlying and associated Licensing Agreement and 4th Operating Agreement apply to the Settlement Agreement. *See 11/3/17 Complaint* ¶*10* ("The Amended Operating Agreement was attached to the Settlement Agreement as an Exhibit and fully incorporated into the Settlement Agreement"), ¶*110* (alleging that the Defendants "breached the Settlement

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Agreement....by breaching the terms of the Licensing Agreement..."). And thus, Plaintiffs' first, second, third, fourth, fifth, seventh and ninth claims are all subject to mandatory arbitration.

Plaintiffs' remaining claims for alter ego (6th claim); RICO (8th claim); and unjust enrichment (10th claim) fail for the reasons set forth in the argument below.

#### II. LEGAL ARUGMENT

#### Α. The Standard for a Motion to Dismiss.

A party may move for dismissal of claims when a pleading fails to state a claim upon which relief may be granted. NRCP 12(b)(5). While courts consider "all factual assertions in the complaint to be true and draws all reasonable inferences in favor of the plaintiff," Shoen v. SAC Holding Corp., 122 Nev. 621, 634-35, 137 P.3d 1171, 1180 (2006), to survive dismissal, a complaint must contain some "set of facts, which, if true, would entitle [the plaintiff] to relief." In re Amerco Derivative Litig., 127 Nev. Adv. Op. 17, 252 P.3d 681, 692 (2011). An NRCP 12(b)(5) motion must be granted if the Plaintiff would be entitled to no relief under the facts set forth in the Complaint. See Morris v Bank of America, 110 Nev. 1274, 1277, 886 P. 2d 454, 457 (1994) (citing Edgar v Wagner, 101 Nev. 226, 227-228, 699 P.2d 110, 111-112 91985)); Cohen v Mirage Resorts, Inc., 119 Nev. 1, 62 P.3d 720, 734 (2003).

The review of a motion to dismiss is normally limited to the complaint itself, however, there are three exceptions to this rule:

> 1) a court may consider documents properly submitted as part of the complaint on a motion to dismiss;

2) if documents are not physically attached to the complaint, incorporation by reference is proper if the document's authenticity ... is not contested and the plaintiff's complaint necessarily relies on them; and

3) a court may take judicial notice of "matters of public record."

Lee v. Los Angeles, 250 F.3d 668, 688–89 (9th Cir.2001)<sup>4</sup>; Nevada ex rel. Hager v. Countrywide 24

Home Loans Servicing, LP, 812 F. Supp. 2d 1211, 1214 (D. Nev. 2011); Goodwin v. Executive

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<sup>&</sup>lt;sup>4</sup> "Federal cases interpreting the Federal Rules of Civil Procedure are 'strong persuasive authority, because the Nevada Rules of Civil Procedure are based in large part upon their federal counterpart." Las Vegas 27 Novelty v. Fernandez, 106 Nev. 113, 119, 787 P.2d 772, 776 (1990)). 28

Tr. Servs., LLC, 680 F. Supp. 2d 1244, 1250 (D. Nev. 2010). Documents are incorporated by 2 reference when a complaint "refers extensively to the document or the document forms the basis of the Plaintiff's claim." United States v. Ritchie, 342 F.3d 903, 907 (9th Cir.2003); see also Rosales-Martinez v. Palmer, ---F.3d---, 2014 WL 2462557 (9th Cir. June 3, 2014); Davis v. 4 HSBC Bank Nevada, N.A., 691 F.3d 1152, 1160 (9th Cir. 2012). Trial courts may also consider judicially noticeable matters in addition to the allegations appearing on the face of the pleading. Nevada Revised Statute ("NRS") 47.130; Breliant v. Preferred Equities Corp., 109 Nev. 842, 847, 858 P.2d 1258, 1261 (1993).

"While the court is required, in ruling on a 12(b)([5]) motion to dismiss, to accept as true all material allegations in the complaint, the court may disregard factual allegations that are contradicted by facts that may be judicially noticed by the court, such as facts established by reference to documents attached as exhibits to the complaint." In re Metricom Sec. Litig., C 01-4085 PJH, 2004 WL 966291 (N.D. Cal. Apr. 29, 2004) aff'd sub nom. Young v. Dreisbach, 182 F. App'x 714 (9th Cir. 2006) (citing Sprewell v. Golden State Warriors, 266 F.3d 979, 988 (9th Cir.2001); Schwarz v. United States, 234 F.3d 428, 435 (9th Cir.2000); Durning v. First Boston Corp., 815 F.2d 1265, 1267 (9th Cir.1987)); see also, Bogie v. Rosenberg, 705 F.3d 603, 609 (7th Cir. 2013) ("When an exhibit incontrovertibly contradicts the allegations in the complaint, the exhibit ordinarily controls, even when considering a motion to dismiss."). "Where an exhibit and the complaint conflict, the exhibit typically controls." Bogie, 705 F.3d at 609; Hunt-Golliday v. Metro. Water Reclamation Dist. of Greater Chicago, 02 C 9199, 2004 WL 407012 (N.D. III. Mar. 4, 2004) aff'd, 390 F.3d 1032 (7th Cir. 2004).

22 While the Court must assume that the facts as alleged in the counterclaim are true, the 23 Court cannot "assume the truth of legal conclusions merely because they are cast in the form of 24 factual allegations." Comm. for Reasonable Regulation of Lake Tahoe v. Tahoe Reg'l Planning Agency, 311 F. Supp. 2d 972, 984 (D. Nev. 2004) (quoting W. Mining Council v. Watt, 643 F.2d 25 26 618, 624 (9th Cir.), cert. denied, 454 U.S. 1031 (1981); see also Mirch v. Frank, 295 F. Supp. 2d 27 1180, 1183 (D. Nev. 2003). Furthermore, "conclusory allegations and unwarranted inferences

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1 are insufficient to defeat a motion to dismiss." Comm. for Reasonable Regulation of Lake 2 Tahoe, 311 F. Supp. 2d at 984. 3 B. The Court Should Dismiss The Complaint Because Plaintiff Is Not **Registered In Nevada** 4 NRS 86.548(2) provides that a foreign entity may not commence or maintain any action 5 if it is not registered with the Nevada Secretary of State: 6 Every foreign limited-liability company transacting business in this 7 State which fails or neglects to register with the Secretary of State in accordance with the provisions of NRS 86.544 may not 8 commence or maintain any action, suit or proceeding in any court 9 of this State until it has registered with the Secretary of State. Id. 10 Here, Global is a Wyoming entity that is not registered with the Nevada Secretary of 11 State<sup>5</sup> and is therefore prohibited from maintaining the instant action per NRS 86.548(2). While 12 the Court could stay the action to give Global an opportunity to cure and register<sup>6</sup>, such stay is 13 futile as the Complaint must be dismissed because Plaintiffs' claims are subject to arbitration 14 and/or fail as a matter of law, as further demonstrated below. 15 C. Plaintiffs' Claims Are Subject To Arbitration 16 Under Nevada law, this Court has the power to compel Plaintiffs to arbitrate their claims 17 against moving Defendants by granting the instant motion to compel arbitration. NRS 38.221 18 states, in relevant part: 19 NRS 38.221 Motion to compel or stay arbitration. 20 1. On motion of a person showing an agreement to arbitrate and alleging another person's refusal to arbitrate pursuant to the 21 agreement: (a) If the refusing party does not appear or does not oppose 22 the motion, the court shall order the parties to arbitrate; and 23 (b) If the refusing party opposes the motion, the court shall proceed summarily to decide the issue and order the parties to 24 arbitrate unless it finds that there is no enforceable agreement to arbitrate. 25 \*\*\* 5. If a proceeding involving a claim referable to arbitration under 2.6 27 <sup>5</sup> See 11/3/17 Complaint at 2:5-6 and Exhibit 1 (Nevada Secretary of State records). <sup>6</sup> See AA Primo Builders, LLC v. Washington, 126 Nev. 578, 590, 245 P.3d 1190, 1198 (2010). 28

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1 an alleged agreement to arbitrate is pending in court. A motion under this section must be made in that court. Otherwise, a motion 2 under this section may be made in any court as provided in NRS 38.246. 3 *Id.* (emphasis in original). 4 As stated above, the Licensing Agreement provides a broad mandatory arbitration clause, 5 which agreement and arbitration requirement Plaintiffs admit and allege are incorporated and are 6 part and parcel of the related Settlement Agreement, which also ultimately governs the 4th 7 Operating Agreement. Again, the relevant language of the arbitration provision states: 8 18. Arbitration. MMA and Consultant agree that any dispute, 9 controversy, claim or any other causes of action whether based on 10 contract, tort, misrepresentation, or any other legal theory, related directly or indirectly to the Master License (as amended hereby)... 11 See Exhibit 4 at p. 10. 12 "Strong public policy favors arbitration because arbitration generally avoids the higher 13 costs and longer time periods associated with traditional litigation." D.R. Horton, Inc. v. Green, 14 120 Nev. 549, 553 96 P.3d 1159 (2004). The Nevada Supreme Court has further held: 15 Nevada courts resolve all doubts concerning the arbitrability of the 16 subject matter of a dispute in favor of arbitration. Disputes are presumptively arbitrable, and courts should order arbitration of 17 particular grievances unless it may be said with positive assurance 18 that the arbitration clause is not susceptible of an interpretation that covers the asserted dispute. 19 20 Clark County Public Employees Ass'n v. Pearson, 106 Nev. 587, 591 798 P.2d 136 21 (1990)(internal citations and quotations omitted). Finally, the Nevada Supreme Court directs 22 that arbitration clauses should be broadly construed in favor of compelling arbitration of claims: 23 Moreover, the U.S. Supreme Court has stated that, in cases involving broadly worded arbitration clauses, 'in the absence of 24 any express provision excluding a particular grievance from arbitration, we think only the most forceful evidence of a purpose 25 to exclude the claim from arbitration can prevail.' 26 27 Id. (quoting AT&T Technologies v. Communications Workers of America, 475 U.S. 643, 106 28 9

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S.Ct. 1415 89 L.Ed.2d 648 (1986). See also State ex rel. Masto v. Second Judicial Dist. Court ex 2 rel., 125 Nev. 37, 45 n. 5 199 P.3d 828 (2009)("an arbitration clause containing the phrase 3 'relating to' 'constitute[d] the broadest language the parties could reasonably use to subject their disputes to [arbitration].")(quoting Fleet Tire Serv. V. Oliver Rubber, 118 F.3d 619, 621 (8th 4 5 Cir. 1997). The Court should therefore dismiss the Complaint, enforce the parties' agreement and compel the mandatory arbitration that the parties agreed to. 6

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#### D. Plaintiffs' Tenth Claim for Unjust Enrichment Is Barred By The Written Agreements

It is elemental that "an action based on a theory of unjust enrichment is not available when there is an express, written contract, because no agreement can be implied when there is an express agreement." Leasepartners Corp. v. Robert L. Brooks Tr. Dated Nov. 12, 1975, 113 Nev. 747, 755, 942 P.2d 182, 187 (1997). Therefore, Plaintiffs cannot state a claim for unjust enrichment.

#### E. Plaintiffs Did Not State A Claim For Alter Ego

The elements of alter ego are well-settled.

In order to apply the alter ego doctrine, the following requirements must be met: (1) the corporation must be influenced and governed by the person asserted to be its alter ego; (2) there must be such unity of interest and ownership that one is inseparable from the other; and (3) the facts must be such that adherence to the fiction of a separate entity would, under the circumstances, sanction a fraud or promote injustice.

Rowland v. Lepire, 99 Nev. 308, 316-17, 662 P.2d 1332, 1337 (1983). However, merely parroting the elements of alter ego, as Plaintiffs have done here at Paragraphs 148-153 of the Complaint, does not state a claim for alter ego liability. While there is generally deference to the facts asserted in a complaint when considering motions to dismiss, courts do not "assume the truth of legal conclusions merely because they are cast in the form of factual allegations." Comm. for Reasonable Regulation of Lake Tahoe, 311 F. Supp. 2d at 984. "While specificity may not be required to plead an alter ego theory, one must allege more than ownership, shareholder, or partnership status." Leykis v. NYP Holdings, Inc., 899 F.Supp. 986, 992

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(E.D.N.Y. 1995)(dismissing alter ego claims based on conclusory allegations). "Factual allegations in a complaint are assumed to be true when a court is passing upon a motion to dismiss, but this tolerance does not extend to legal conclusions . . . or to 'bald assertions." *Resolution Trust Corp. v. Driscoll*, 985 F.2d 44, 48 (1st Cir. 1993) (naked assertion of alter ego, without allegations of facts to undergird it, does not state an alter ego claim)(citations omitted). "Conclusory allegations of 'alter ego' status are insufficient to state a claim. Rather, a Plaintiff must allege specifically both of the elements of alter ego liability, as well as facts supporting each." *Neilson v. Union Bank of California*, N.A., 290 F. Supp. 2d 1101, 1115 (C.D. Cal. 2003)(*citing In re Currency Conversion Fee Antitrust Litigation*, 265 F.Supp. 2d 385, 426 (S.D.N.Y. 2003)).

Courts routinely dismiss alter ego claims that are based on conclusory allegations, like the ones parroted by Plaintiff here. *See e.g., Neilson*, 290 F.Supp. 2d at 1117; *In re Currency Conversion Fee Antitrust Litigation*, 265 F. Supp. 2d at 426 (granting motion to dismiss based upon allegation that alter ego "exercised such dominion and control over its subsidiaries ... that it is liable according to the law for the acts of such subsidiaries under the facts alleged in this Complaint....These purely conclusory allegations cannot suffice to state a claim based on veilpiercing or alter-ego liability, even under the liberal notice pleading standard.").

## F. Plaintiffs' Allegations Do Not Support Their Claim for RICO Violations

To state a claim under Nevada's RICO statutes, a Plaintiff must allege that Defendants engaged in "at least two 'not isolated' predicate acts 'that have the same or similar pattern, intents, results, accomplices, victims or methods of commission." *Siragusa v. Brown*, 114 Nev. 1384, 1400, 971 P.2d 801, 811 (1998) *quoting* NRS 207.390. Predicate acts are defined in NRS 207.360, which expressly enumerates 35 specific crimes "related to racketeering." Neither breach of contract, breach of fiduciary duties, interference with contract, interference with economic advantage, nor unjust enrichment appear anywhere on that NRS 207.360 list. Plaintiffs have not alleged any conduct that constitutes a RICO predicate act.

Plaintiffs' entire RICO claim rests upon the conclusory, single sentence allegation that

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the Defendants purportedly engaged in a "fraudulent scheme designed to defraud Plaintiffs of 2 money or property." See 11/3/17 Complaint at ¶161. Foremost, Plaintiffs did not allege a claim for fraud. But more importantly, it is well settled that any allegations of fraud must be plead with particularity. See NRCP 9(b). See also Rush v. Nevada Industrial Commission, 94 Nev. 403, 580 P.2d 952 (1978) (affirming dismissal of causes of action for fraud where allegations of fraud not stated with particularity).

The circumstances of fraud that must be pled in detail include averments to: (i) the time of the alleged fraud; (ii) the place of the alleged fraud; (iii) the identity of all the parties involved; and (iv) the nature of the fraud. Brown v. Kellar, 97 Nev. 582, 584, 636 P.2d 874 (1981). NRCP 9(b) requires fraud to be pled with such detail and particularity in order to afford adequate notice to the opposing party. Among others, a purpose of such particularity requirement is:

> [T]o give defendants adequate notice in order to defend against the charge [of fraud] and to deter the filing of complaints as a pretext for the discovery of unknown wrongs, to protect defendants from damages arising out of being subjected to fraud charges, and to prohibit[] plaintiff[s] from unilaterally imposing upon the court, the parties and society enormous social and economic costs absent some factual basis.

In re Stratosphere Corp. Sec. Litig., No. CV-S-96-708-PMP, 1997 WL 581032, at \*7 (D. Nev. July 18, 1997)(internal quotations omitted)(quoting In re Stac Elecs. Sec. Litig., 89 F.3d 1399, 1405 (9th Cir. 1996)).

20 Fraud allegations "must specify such facts as the times, dates, places, benefits received and other details of the alleged fraudulent activity," Neubronner v. Milken, 6 F.3d 666, 672 (9th 21 22 Cir. 1993), "so that the Defendant can prepare an adequate answer." Gottreich v. San Francisco 23 Investment Corp, 552 F.2d 866, 866 (9th Cir. 1977). Thus, a proper pleading of fraud must: "(1) 24 specify the statements, oral or written, that the Plaintiff contends were fraudulent, either as 25 misrepresentations or containing fraudulent omissions; (2) identify the speaker or the writer; (3) 26 state where, when and to whom the statements were made; and (4) explain why the statements 27 were fraudulent." Acito v. Imcera Group, Inc., 47 F.3d 47, 51 (2nd Cir. 1995); see also Arroyo

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*v. Wheat*, 591 F. Supp. 136, 139 (D. Nev. 1984) (stating that "plaintiffs should have to detail the misrepresentations of which they complain, explain in what way they were false, and designate the facts that support an inference by each Defendant"). The Nevada Supreme Court views the matter similarly, affirming the dismissal of a fraud claims when the complaint sets forth only "vague charges" of fraudulent conduct and "references unspecified 'wrongful and fraudulent conduct," without ever identifying the actual false representations made by the Defendant. *Morris v. Bank of Am. of Nev.*, 110 Nev. 1274, 1276

To be sure, Nevada law specifically requires that RICO claims and claims involving alleged fraud be pled with particularity. The Nevada Supreme Court cautions trial courts that RICO claims should be carefully analyzed at the pleading stage "in order to prevent the 'overenthusiastic' use of RICO." *See, e.g. Hale v. Burkhardt*, 104 Nev. 632, 637, 764 P.2d 866 (1988). To inhibit the "overenthusiastic" use of RICO civil claims, the Nevada Supreme Court demands specificity of pleading: "[The Court] ha[s] a present concern that that civil RICO actions be pleaded with sufficient specificity because of the very serious consequences attached to the allegations of criminal conduct that are the essence of this kind of lawsuit." *Hale* at 637.

This heightened pleading standard requires a complaint to describe the criminal acts that the Defendant is charged to have committed in "a sufficiently plain, concise, and definite statement of the essential facts such that it would provide a person of ordinary understanding with notice of the charges." *Id.* at 638. "This means the complaint should provide information as to when, where and how the underlying criminal acts occurred." *Cummings v. Charter Hosp. of Las Vegas, Inc.*, 111 Nev. 639, 646 (1995).

Plaintiffs' single sentence allegation that the Defendants purportedly engaged in a "fraudulent scheme designed to defraud Plaintiffs of money or property" (*see 11/3/17 Complaint at*  $\P161$ ) does not sufficiently plead the requisite predicate acts or an overall claim for RICO.

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# III. CONCLUSION

For the foregoing reasons, the Court should grant MMAWC's Motion and dismiss the Complaint.

DATED this 8<sup>th</sup> day of January 2018.

**BLACK & LOBELLO** 

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Maximiliano D. Couvillien III./Esq., Bar #7661 mcouvillier@blacklobeHo.law Attorneys for Defendant MMAWC, L.L.C.

AA037

1	CERTIFICATE OF SERVICE
2	I certify that on January 8, 2018, I electronically filed the foregoing MOTION TO
3	DISMISS AND TO COMPEL ARBITRATION with the Court's electronic filing and service
4	system, which provides electronic service to the following registered users:
5	
6	Byron Thomas, Esq. (Bar 8906)
7	3275 S. Jones Blvd., Ste. 104 Las Vegas, NV 89146
8	Byronthomaslaw@gmail.com
9	
10	UTRALE.
11	An Employee of Black & LoBello
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# **EXHIBIT 1**

AA039

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# EXHIBIT 2

AA041

#### CONFIDENTIAL SETTLEMENT AGREEMENT

("Agreement")

#### <u>The Parties</u> (collectively the "Parties" / singular "Party")

This Confidential Settlement Agreement and Mutual Release of all Claims (the "Agreement") is entered into as of February  $19^{16}$ , 2016, among the following parties:

MMAWC L.L.C. d/b/a World Series of Fighting ("WSOF"); Bruce Deifik ("Deifik"); Nancy and Bruce Deifik Family Partnership, LLLP ("DFP"); Carlos Silva ("Silva"); Barry Pincus ("Pincus"); Keith Evans ("Evans"); Ali Abdel Aziz ("Aziz"); Shawn Wright ("Wright"); Vince Hesser ("Hesser"); Michael Hesser ("M. Hesser"); Tropyx Corp. ("Tropyx"); United Bamboo, L.L.C. ("Bamboo"); Zion Wood OB Wan Trust ("Zion"); WSOF Asia Holdings Limited ("Global I"); WSOF Asia, Limited ("Global II"); Royal Union, LLC ("Royal LLC"); Royal Union Nevada, LLC ("Royal Nevada"); Royal Union Nevada Corp. ("Royal NV Corp."); Royal Union Trust ("Royal Trust"); and Royal Union Properties, LLC ("Royal Properties").

#### Recitals

A. <u>WSOF</u> is a Las Vegas-based company promoting professional events in the sport mixed martial arts ("MMA"). WSOF is dedicated to fans and fighters to create the ultimate entertainment experience.

B. <u>Silva and Evans</u> are current employees of WSOF. <u>Pincus</u> and <u>Aziz</u> are former employees of WSOF.

C. <u>Deifik</u> is the Chairman of the Board of Managers of WSOF and an investor in WSOF through DFP.

D. <u>DFP</u> is a Colorado family partnership. Deifik is the General Partner of DFP.

E. <u>Wright and Hesser</u> are former employees, officers and/or directors of WSOF.

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F. <u>Bamboo</u> is a Nevada limited liability company. Wright is the Manager of Bamboo.

G. <u>Tropyx</u> is a Nevada corporation. Wright is the President and Director of Tropyx.

H. <u>Zion</u> is a Nevada trust. Wright is the Trustee of Zion.

I. <u>Global I</u> and <u>Global II</u> are limited liability companies formed and organized pursuant to the laws of the Hong Kong Special Administrative Region of the People's Republic of China. Global I and Global II are in the business of promoting professional MMA events. Wright is the Director of Global and the Director of Global II.

J. <u>Royal LLC</u> is a Delaware limited liability company. Royal Union Trust is the Managing Member of Royal LLC.

K. <u>Royal Nevada</u> is a Nevada limited liability company. <u>Royal NV Corp</u>. is a Nevada Corporation and the Manager of Royal Nevada. Wright is the Secretary of Royal NV Corp.

L. <u>Royal Trust</u> is a Nevada trust. Marlon Steele Jr. is the Trustee of Royal Trust.

M. <u>Royal Properties</u> is a Nevada limited liability company. Wright is a Manager of Royal Properties.

N. On November 1, 2012, the members of WSOF executed that certain *Third Amended* and *Restated Operating Agreement of MMAWC*, *L.L.C.* (<u>"11/01/12 Operating Agreement</u>").

O. ACAK Revocable Trust executed a Promissory Note dated October 15, 2012 ("<u>ACAK 10/12/12 Note</u>"), promising to pay Tropyx \$150,000 and, among other things, transferring two (2) ownership units of WSOF from ACAK to Tropyx.

P. WSOF and Hesser entered into a Consulting and Master Licensing Agreement dated October 15, 2012 ("<u>10/15/12 Hesser License</u>") whereby, among other things, WSOF granted Hesser an "exclusive master license for the WSOF brand to be used or licensed outside the US territory for mixed martial arts events, or any other related business."

Q. WSOF and Royal Trust entered into a WSOF Licensing Agreement dated October 23, 2012 ("<u>10/23/12 Royal Trust License</u>") whereby, among other things, WSOF granted Royal Trust an "exclusive License to market hold and conduct WSOF Asia MMA [mixed martial arts] events and to operate a WSOF branded company" in "the entire continent of Asia and all countries within."

R. WSOF and Royal Trust are parties to an agreement dated December 11, 2012 ("<u>12/11/12 Technology Agreement</u>"), whereby WSOF retained Royal Trust to create, develop, maintain, sell and distribute certain applications, games and internet subscription services, among other things.

S. WSOF (as sublessee) and M. Hesser (as sub-landlord/lessee) are parties to a Sublease Agreement dated October 1, 2014 ("<u>10/1/14 Sublease</u>") regarding a portion of the premises located at 3275 South Jones Blvd., Suite 104, Las Vegas, Nevada 89146.

T. WSOF and Royal Trust, together with Real Deal Interactive, LLC, are parties to that Letter of Intent-License dated March 11, 2015 ("<u>Real Deal 3/11/15 LOI</u>").

U. Bamboo Notes. WSOF executed the following Promissory Notes to Bamboo (collectively, the "Bamboo Notes"):

- WSOF executed a Promissory Note dated November
   7, 2014, promising to pay Bamboo \$320,412.88
   ("<u>11/7/14 Bamboo Note</u>");
- WSOF executed a Promissory Note dated November 14, 2014, promising to pay Bamboo \$250,000 ("<u>11/14/14 Bamboo Note</u>"); and
- (3). WSOF executed a Promissory Note dated December
   23, 2014, promising to pay Bamboo \$75,000
   ("12/23/14 Bamboo Note").

V. Zion Notes. WSOF executed the following Promissory Notes to Zion (collectively, the "Zion Notes"):

 WSOF executed a Promissory Note dated March 17, 2013, promising to pay Zion \$250,000 ("<u>3/17/13 Zion Note</u>");

(2) WSOF executed a Promissory Note dated June 24,
2013, promising to pay Zion \$75,000 ("<u>06/24/13 Zion Note</u>");

WSOF executed a Promissory Note dated December 3,
 2013, promising to pay Zion \$41,968.31 ("<u>12/3/13 Zion Note</u>");

WSOF executed a Promissory Note dated February 19, 2014, promising to pay Zion \$33,994.33 ("<u>2/19/14 Zion Note</u>"); and

(5) WSOF executed a Promissory Note dated March 24,
2014, promising to pay Zion \$43,563.57 ("3/24/14 Zion Note").

W. WSOF executed a Security Agreement dated November 14, 2014 ("<u>11/14/14</u> <u>Security Agreement</u>") in favor of Bamboo and/or Zion or their assignees securing the 11/14/14 Bamboo Note and, among other things, "all debts, liabilities, obligations, monies advanced, covenants and duties...arising under the [11/14/14 Bamboo Note], previous promissory notes or moneys advanced to ACAK Revocable Trust...." X. On May 6, 2015, the members of WSOF executed that certain *First Amendment To Third Amended and Restated Operating Agreement of MMAWC, LLC and Membership Interest Assignment Agreement* (<u>"05/06/15 Operating Agreement"</u>).

Y. Certain disputes ("Disputes") have developed among the Parties regarding, among other things, the foregoing agreements and notes and the operations of WSOF. The parties' Disputes are pending in the following actions (collectively sometimes referred as "<u>Actions</u>"):

(1) *MMAWC L.L.C. d/b/a World Series of Fighting v. Shawn Wright et al.*, Case No. A-15-724474-B, pending in the Eighth Judicial District Court;

(2) MMAWC L.L.C. d/b/a World Series of Fighting v. Vincent Hesser et al., Case No. 2:15-cv-02399-RFB-GWF, pending in the U.S. District Court for the District of Nevada (removed from the Eighth Judicial District Court, Case No. A-15-725225-B);

(3) Michael Hesser v. MMAWC L.L.C. d/b/a World Series of Fighting and Bruce Deifik, Case No. A-15-725975-C, pending in the Eighth Judicial District Court; and

(4) WSOF Asia, Limited v. MMAWC L.L.C. d/b/a World Series of Fighting et al., Case No. 2:15-cv-02065-JAD-VCF, pending in the U.S. District Court for the District of Nevada.

Z. The Parties want to resolve, compromise and settle their Disputes and the Actions on the terms and conditions expressed in this Agreement.

AA. WSOF executed an agreement with OneCap Japan ("<u>OneCap</u>") dated December 4, 2013 ("<u>12/04/13 OneCap Agreement</u>"), for OneCap Japan to act as WSOF's exclusive Japanese and Asia management representative.

BB. WSOF executed a *Business Collaboration Agreement* with Smash KK ("<u>Smash KK</u>") dated October 19, 2013 ("<u>10/19/13 Smash KK Collaboration</u>").

CC. WSOF executed a *WSOF Licensing Agreement* with Smash KK dated October 19, 2013 ("10/19/13 Smash KK License").

DD. Hesser executed a *World Series of Fighting (WSOF) Confidential Term Sheet* with W. International China Co. Limited dated February 17, 2015 ("<u>02/17/15 China Term Sheet</u>").

## **Representations & Warranties**

I. Bamboo represents and warrants that it has not assigned any of the Promissory Notes identified at Paragraph U in the Recitals (*i.e.*, 11/7/14 Bamboo Note, 11/14/14 Bamboo Note and 12/23/14 Bamboo Note) or any of its rights thereunder to any third-parties. Bamboo further

represents and warrants that: (a) there are no other Promissory Notes or similar debt instruments between Bamboo and WSOF; and (b) that WSOF does not owe Bamboo any money other than those amounts stated in the Promissory Notes identified at Paragraph U in the Recitals (*i.e.*, 11/7/14 Bamboo Note, 11/14/14 Bamboo Note and 12/23/14 Bamboo Note).

II. Zion represents and warrants that it has not assigned any of the Promissory Notes identified in Paragraph V in the Recitals (*i.e.*, 3/17/13 Zion Note, 06/24/13 Zion Note, 12/3/13 Zion Note, 2/19/14 Zion Note and 3/24/14 Zion Note) or any of its rights thereunder to any third-parties. Zion further represents and warrants that: (a) there are no other Promissory Notes or similar debt instruments between Zion and WSOF; and (b) that WSOF does not owe Zion any money other than those amounts stated in the Recitals (*i.e.*, 3/17/13 Zion Note, 06/24/13 Zion Note, 12/3/13 Zion Note, 2/19/14 Zion Note and 3/24/14 Zion Note)

III. Tropyx represents and warrants that it has not assigned the ACAK 10/12/12 Note or any of its rights thereunder to any third-parties. Tropyx further represents and warrants that: (a) there are no promissory notes or other similar debt agreements, directly or indirectly, between Tropyx and WSOF; and (b) WSOF does not owe Tropyx any money. Tropyx has no claim or security interest against the DFP or the ownership interest in WSOF owned by DFP. Tropyx agrees that DFP or WSOF may file a termination of the UCC Financing Statement filed with the Nevada Secretary of State as Document Number 2015004016-0, listing ACAK Revocable Trust as the debtor.

IV. Tropyx, Hesser, Wright, Bamboo and Zion represent and warrant that: (a) they have not assigned the 11/14/14 Security Agreement or any of their rights thereunder to any third-parties; and (b) there are no other security agreements, directly or indirectly, between them and WSOF.

V. Hesser represents and warrants that: (a) he has provided WSOF with copies of all licenses, agreements, and other arrangements entered into under the 10/15/12 Hesser License; and (b) except for the 10/15/12 Hesser License, he does not have any other similar agreements, directly or indirectly, with WSOF regarding WSOF's business operations or intellectual property. Global I and Global II represent and warrant that they have no agreements with WSOF.

VI. Royal Trust represents and warrants that: (a) it has not assigned the 10/23/12 Royal Trust License; and (b) it has no other agreements, directly or indirectly, with WSOF.

VII. Royal Trust represents and warrants that: (a) it has not assigned the 12/11/12 Technology Agreement or any of its rights thereunder to any third-parties; and (b) it has no other agreements, directly or indirectly, with WSOF.

VIII. M. Hesser represents and warrants that: (a) he has not assigned the 10/1/14 Sublease or any of his rights thereunder to any third-parties; and (b) he has no other agreements, directly or indirectly, with WSOF.

IX. Royal Trust represents and warrants that: (a) it has not assigned the Real Deal 3/11/15 LOI or any of its rights thereunder to any third-parties; and (b) it has no other agreements, directly or indirectly, with WSOF.

X. Hesser and Wright represent and warrant that – other than the entities that are Parties to this Agreement - there are no other entities in which they have an interest or are officers, directors or employees, or in or over which they have or exercise control (whether directly or indirectly) that have any claims against WSOF or any affiliate, member, officer, manager, or employee of WSOF.

XI. Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust, Royal Properties, Bamboo, Zion and Tropyx represent and warrant that – other than the entities that are Parties to this Agreement – there are no other entities that they are affiliated with or over which they have or exercise control that have any claims against WSOF or any affiliate, member, officer, manager, or employee of WSOF.

XII. Hesser represents and warrants that he did not purportedly enter into any other agreements on behalf of WSOF purportedly licensing WSOF's rights and intellectual property other than the agreements identified in this Agreement or that have not been previously disclosed to WSOF.

XIII. WSOF and Deifik each represents and warrants that it or he has not entered into any agreements on behalf of WSOF that would interfere with the Hesser License rights.

NOW, THEREFORE, in consideration of the mutual agreements made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. AMENDED AND RESTATED WSOF OPERATING AGREEMENT. Concurrently with the execution of this Agreement, Zion and DFP shall execute and deliver to the other an executed counterpart of an amended and restated operating agreement in the form attached here as <u>Exhibit A</u> (the "Operating Agreement"). The Operating Agreement shall supersede and terminate all previous operating agreements of WSOF, including without limitation the 11/01/12 Operating Agreement. Pursuant to and as a result of the execution of the Operating Agreement, Zion's membership interest shall be reduced to 4.50% of the total outstanding ownership units in WSOF (and any of its current or future subsidiaries, parents, successors or assigns), which interest shall remain non-dilutable, as set forth in the Operating Agreement.

#### 2. LICENSE ASSIGNMENT AGREEMENTS; AND OTHER AGREEMENTS

2.1. The 10/15/12 Hesser License shall be reaffirmed and remain in full force and effect as of the date of this Agreement, as amended by the execution of the Amendment to Consulting and Master Licensing Agreement in the form attached hereto and incorporated herein as <u>Exhibit</u> <u>B</u>. The license is a material part of settlement on behalf of Hesser and Wright and is not subject to any modification, cancellation, assignment, pledge, lien, or encumbrance by WSOF or any of its creditors and shall survive any restructure, sale, receivership or bankruptcy of WSOF.

2.2. Except the 10/15/12 Hesser License (as amended by the amendment thereto attached hereto as **Exhibit B**), all documents, writings, and agreements existing prior to the

execution of this Agreement between WSOF on the one hand and the following parties on the other hand (including, without limitation, the (1) 12/04/13 OneCap Agreement, (2) 10/19/13 Smash KK Collaboration, (3) 10/19/13 Smash KK License, (4) 02/17/15 China Term Sheet, (5) 12/11/12 Technology Agreement, (6) the 10/1/14 Sublease, and (7) the Real Deal 3/11/15 LOI) are hereby terminated and of no further force or effect: Wright, Hesser, M. Hesser, Tropyx, Bamboo, Zion, Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust and/or Royal Properties (such parties, and all entities and natural persons in any way affiliated with or controlled by such parties, are referred to herein collectively as the "Hesser/Wright Parties"). Hesser and Wright represent and warrant that they have the authority to terminate the 12/04/13 OneCap Agreement, the 10/19/13 Smash KK Collaboration, and the 10/19/13 Smash KK License on behalf of OneCap and Smash KK.

2.3. The Hesser/Wright Parties covenant and agree, and represent and warrant, that there are no other documents, agreements or writings that give or purport to give any of the Hesser/Wright Parties any right, privilege, benefit, guaranty, or promise of any kind related to WSOF or WSOF's business, and to the extent any such document, agreement, or other writing exists that is not expressly set forth in this Agreement, such document, agreement, or other writing is hereby terminated and of no further force or effect. For the avoidance of doubt, it is the express and stated intention of WSOF and the Hesser/Wright Parties that as of and after the Effective Date, the only documents, agreements, or writings that govern the relationship between WSOF and the Hesser/Wright Parties or give such parties rights pertaining to each other related to WSOF or WSOF's business are this Agreement, the License Agreement(s), and the Operating Agreement. The Hesser/Wright parties represent and warrant that all agreements of which they have knowledge related to the licensing of any right of WSOF to any other party have been disclosed to WSOF and/or have been terminated.

PAYMENTS; SATISFACTION OF NOTES. Zion and Bamboo hereby agree 3. that the total amount of all debts owed by WSOF to Zion, Bamboo, Tropyx, and any other Hesser/Wright Party is \$753,285.00 in principal, and \$147,197.26 in interest, for a total outstanding amount due of \$900,482.26 (the "Zion/Bamboo Debt"). Except for the Zion/Bamboo Debt, neither WSOF nor any of its members, officers, or managers owes Zion, Bamboo, Tropyx, or any of the other Hesser/Wright Parties any money. WSOF shall pay to Zion and Bamboo, by wire transfer, upon execution of this Agreement, the sum of Seven Hundred Fifty Thousand Dollars (\$750,000), which shall represent a payment in full satisfaction of the Zion/Bamboo Debt. Subsequent to receipt of payment funds by the payee, WSOF is authorized to file a termination of the UCC Financing Statement filed with the Nevada Secretary of State as Document No. 2015005015-8 listing MMAWC, LLC as debtor and United Bamboo, LLC as creditor. In the event the payment is not received within one (1) business day of execution of this Agreement, this Agreement will be cancelled and considered null and void, and of no force and effect. The Wright/Parties represent and warrant that concurrently with the execution of this Agreement they have delivered to WSOF the originals all notes, documents, and other debt instruments evidencing the Zion/Bamboo Debt.

4. **RELEASES.** Effective with the execution of this Agreement, the Parties, jointly and severally, irrevocably, and unconditionally agree to the following releases:

4.1Bamboo together with each of its respective or mutual, predecessors. successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF and its past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from: (a) Any and all debt and obligations under the 11/7/14 Bamboo Note, 11/14/14 Bamboo Note, 12/23/14 Bamboo Note and 11/14/14 Security Agreement; and (b) Any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

Zion together with each of its respective or mutual, predecessors, successors 4.2 and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF and its past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from: (a) Any and all debt and obligations under the 3/17/13 Zion Note, 06/24/13 Zion Note, 12/3/13 Zion Note, 2/19/14 Zion Note, 3/24/14 Zion Note and 11/14/14 Security Agreement; and (b) Any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.3. <u>Tropyx</u> together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge <u>WSOF</u> and its past and present subsidiary corporations, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, shareholders, employees, agents, attorneys, and insurers (in their individual or representative capacities) from: (a) Any and all debt and obligations under the ACAK 10/12/12 Note; and (b) Any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.4 <u>Bamboo</u> together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge <u>Deifik. DFP</u>. <u>Silva. Pincus. Evans and Aziz</u> and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.5 Zion together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge <u>Deifik</u>. <u>DFP</u>. <u>Silva</u>. <u>Pincus</u>, <u>Evans and Aziz</u> and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.6 <u>Tropyx</u> together with each of its respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge <u>Deifik, DFP</u>. <u>Silva, Pincus, Evans and Aziz</u> and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.7 Wright, Hesser, M. Hesser, Global I, Global II, Royal LLC, Royal Nevada. Royal NV Corp., Royal Trust and Royal Properties together with each of their respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge WSOF, Deifik, DFP, Silva, Pincus, Evans and Aziz and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.8 WSOF, Deifik, DFP, Silva, Pincus, Evans and Aziz together with each of their respective or mutual, predecessors, successors and assigns, and all affiliated persons, agents and entities, jointly and severally, irrevocably and unconditionally, compromise, settle, forever release, and discharge Wright, Hesser, M. Hesser, Global I, Global II, Royal LLC, Royal Nevada, Royal NV Corp., Royal Trust, Royal Properties, Bamboo, Zion and Tropyx and any of their past and present subsidiary corporations, limited liability companies, parent corporations, affiliates, partners, joint venturers, heirs, successors, assigns, contractors, subcontractors, officers, directors, managers, members, shareholders, employees, agents, attorneys, advisors, and insurers (in their individual or representative capacities) from any and all claims, demands, losses, damages, actions, causes of action, suits, debts, promises, liabilities, obligations, liens, costs, expenses, attorneys' fees, indemnities, subrogations (contractual or equitable), or duties, of any nature, character or description whatsoever, whether known or unknown, whether in law, equity, or arbitral, fixed or contingent, accrued or not yet accrued, matured or not yet matured, anticipated or unanticipated, asserted, unasserted or which could have been asserted, arising from or related to, directly or indirectly, the Actions or any agreements entered into before the date of this Agreement.

4.9 The obligations created in this Agreement shall not be released by the releases contained in this Section 4.

5. **DISMISSAL OF ACTIONS.** A Stipulation for Dismissal with Prejudice of the respective Actions shall be executed by counsel for the Parties and filed in the respective Actions upon execution of this Agreement.

### 6. INDEMNIFICATION.

6.1 Royal Trust shall defend, indemnify, and hold WSOF harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning the Real Deal 3/11/15 LOI.

6.2 Royal LLC shall defend, indemnify, and hold WSOF harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning that certain Letter of Intent dated March 11, 2015, between Royal LLC and Real Deal Interactive, LLC concerning, among other things, an agreement "to set up a joint venture to incorporate, enhance and operate [Real Deal Interactive, LLC's] proprietary software that provides an operating platform enabling social, free, premium, gameplay, rewards content delivery and other features for certain interactions promoted therein under the 'WSOF' brand...."

6.3 Global I and Global II LLC shall defend, indemnify, and hold WSOF, Deifik, DFP, Silva, Pincus, and Evans harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning any following MMA agreements entered into by Global I or Global II prior to this Agreement and the execution of the license agreements provided by Section 2 of this Agreement: promotion agreements, sponsorship agreements, license agreements, media agreements, fighter/participant/athlete agreements, event agreements or agreements similar thereto.

6.4 WSOF shall defend, indemnify, and hold Wright; Hesser; M. Hesser; Tropyx; Bamboo; Zion; Global I; Global II; Royal LLC; Royal Nevada; Royal NV Corp.; Royal Trust; and Royal Properties harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising out of or concerning any following MMA agreements entered into by WSOF after June 1, 2015: promotion agreements, sponsorship agreements, license agreements, media agreements, fighter/participant/athlete agreements, event agreements or agreements similar thereto.

7. NO ADMISSIONS. The Parties have each entered into this Agreement solely for the purpose of settling and compromising the Actions. Nothing contained in this Agreement, its performance, or any negotiations or proceedings leading up to this Agreement, shall be deemed to be an admission of any kind by either Party. The existence and value of the respective claims were vigorously disputed and denied by the Parties. The Parties expressly agree, as a condition of this Agreement, that they may not suggest or represent to anyone that any of the Parties admitted any wrongdoing or liability in connection with these matters.

8. SEVERABILITY. In the event that any provision contained in this Agreement shall for any reason be held or determined to be unenforceable, all remaining provisions shall survive and remain in full force and effect as if such unenforceable provisions had never been contained herein.

9. ENTIRE AGREEMENT. Save and except the separate agreements provided in Sections 1 and 2 above, this Agreement contains the entire agreements and understandings between the Parties as to the resolution of their Disputes and the Actions and may be modified only by a written document executed by the Parties. This Agreement shall be effective upon execution.

10. JOINT CONSTRUCTION. In the event it becomes necessary to construe and interpret this Agreement for any reason, it shall be construed as being jointly prepared and drafted

by all Parties and shall be governed by and interpreted in accordance with the laws of the State of Nevada, without reference to conflict of law principles.

11. ATTORNEYS' FEES. In the event that any legal proceeding is commenced for the purpose of interpreting or enforcing any provision of this Agreement, the prevailing Party in such proceeding shall be entitled to recover, in addition to all other awards, judgments, and amounts, such Party's reasonable attorneys' fees and costs in such proceeding. For the purposes of this provision, the "prevailing Party" shall be that Party who has been successful with regard to the main issue, even if that Party did not prevail on all the issues.

12. COUNTERPART EXECUTION. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one agreement, and may be effectively and validly executed and delivered by facsimile or other electronic transmission.

13. NO WAIVERS. Neither the failure nor any delay on the part of any Party to exercise any right, remedy, power, or privilege under this Agreement shall operate as a waiver of that right, remedy, power, or privilege. No waiver of any right, remedy, power, or privilege with respect to any particular occurrence shall be construed as a waiver of such right, remedy, power, or privilege with respect to any other occurrence.

#### 14. NO ASSIGNMENT OR THIRD PARTY BENEFICIARIES.

a. The Parties represent and warrant (1) that they have not made an assignment of any claim, cause of action, or right embodied in any of the claims that are the subject of this Agreement, and (2) that no person or entity of any kind had or has any interest, subrogation, or lien in any of the demands, obligations, actions, or causes of action, debts, liabilities, rights, contracts, damages, attorneys' fees, costs, expenses, losses, or claims to which this Agreement applies.

b. Nothing in this Agreement is intended to confer any rights or remedies under or by reason of this Agreement on any person or entity other than the Parties, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement, nor shall any provision give any third person any right or subrogation or action over or against any Party to this Agreement, except as provided for in the Releases above.

15. CONFIDENTIALITY. The terms and conditions of this Agreement shall be kept confidential and shall not be disclosed by the Parties or their representatives or agents in any manner, except any Party may disclose the terms and conditions of this Agreement to the extent necessary for the conduct of its business affairs: (a) to its professional advisors, attorneys, accountants, regulatory or taxing authorities or present or proposed corporate affiliates; (b) pursuant to court order issued by a court of competent jurisdiction; or (c) to enforce this Agreement. The Parties may only publicly or privately state that the Actions and Disputes have been settled.

16. NON-DISPARAGEMENT. The Parties agree that they shall not disparage any other Party, including that Party's officers, directors or employees, sponsors, fighters, or any sub-contractors. Each Party also agrees not to directly contact or interfere with the other Party's business agreements, contracts, vendors, sponsors, fighters, or sub-contractors.

17. NOTICES. All notices or demands of any kind that any Party is required or desires to give or make upon others in connection with this Agreement shall be in writing and shall be deemed to be delivered by (1) sending such notice by fax and (2) depositing the notice or demand in the United States mail, postage prepaid, addressed to the other party as follows:

#### WSOF

c/o Chief Executive Officer ("CEO") 2520 St. Rose Parkway, Suite 310 Henderson, Nevada 89074

with copy to:

Maximiliano D. Couvillier III, Esq. Todd E. Kennedy, Esq. Black & LoBello 10777 West Twain Ave. #300 Las Vegas, NV 89135

#### Carlos Silva

2520 St. Rose Parkway, Suite 310 Henderson, Nevada 89074

> with copy to: Maximiliano D. Couvillier III, Esq. Todd E. Kennedy, Esq. Black & LoBello 10777 West Twain Ave. #300 Las Vegas, NV 89135

# Barry Pincus

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with copy to: Maximiliano D. Couvillier III, Esq. Todd E. Kennedy, Esq. Black & LoBello 10777 West Twain Ave. #300 Las Vegas, NV 89135

#### <u>Keith Evans</u>

2520 St. Rose Parkway, Suite 310

Henderson, Nevada 89074

with copy to: Maximiliano D. Couvillier III, Esq. Todd E. Kennedy, Esq. Black & LoBello 10777 West Twain Ave. #300 Las Vegas, NV 89135

#### Ali Abdel Aziz

with copy to: Maximiliano D. Couvillier III, Esq. Todd E. Kennedy, Esq. Black & LoBello 10777 West Twain Ave. #300 Las Vegas, NV 89135

#### Bruce Deifik and Nancy and Bruce Deifik Family Partnership, LLLP 2520 St. Rose Parkway, Suite 310 Henderson, Nevada 89074

with copy to: Christopher Childs, Esq. Childs Watson & Gallagher, PLLC 770 East Warm Springs Road, Suite 225 Las Vegas, Nevada 89119

Shawn Wright, Tropyx Corp. and United Bamboo, L.L.C. c/o Shawn Wright 3275 S. Jones Blvd., Suite 104 Las Vegas, Nevada 89146

> with copy to: Byron E. Thomas, Esq. 3275 S. Jones Blvd. #104 Las Vegas, NV 89146

Vince Hesser, Zion Wood OB Wan Trust; WSOF Asia Holdings Limited; WSOF Asia, Limited; Royal Union, LLC; Royal Union Nevada, LLC; Royal Union Nevada Corp.; Royal Union Trust; and Royal Union Properties, LLC. c/o Vince Hesser 3275 S. Jones Blvd., Suite 104 Las Vegas, Nevada 89146

> with copy to: Byron E. Thomas, Esq. 3275 S. Jones Blvd. #104 Las Vegas, NV 89146

Michael Hesser 3275 S. Jones Blvd., Suite 104 Las Vegas, Nevada 89146

> with copy to: Byron E. Thomas, Esq. 3275 S. Jones Blvd. #104 Las Vegas, NV 89146

17.1 Any Party may change its address for receiving notices or demands by a written notice given in the manner provided in this Section.

18. AUTHORIZATION TO SIGN THIS AGREEMENT. Each Party warrants that it has the authority to sign this Agreement, and each individual executing this Agreement on behalf of any entity specifically warrants that he has the authority to bind that entity by his signature. If any third-party ever disputes the authority of a Party or an individual executing this Agreement on behalf of any entity ("Signature Dispute"), said Party or individual shall defend, indemnify, and hold all other Parties harmless from and against any and all claims, demands, actions, causes of action, damages, and costs (including attorney's fees) arising from such Signature Dispute.

\*\*\*Signatures Start On Next Page\*\*\*

MMAWC L.L.C. d/b/a World Series of Fighting

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Ali Abdel Aziz

Shawn Wright



## MMAWC L.L.C. d/b/a World Series of Fighting

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Nancy and Bruce Deifik Family Partnership, LLLP

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Ali Abdel Aziz

Shawn Wright

# MMAWC L.L.C. d/b/a World Series of Fighting

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Vince Hesser			

Michael Hesser

Tropyx Corp. By: Print: Shacea' à ghi Its: president

United Bamboo, L.L.C. By: Print: Shawa Its: Managor

Zion Wood OB Wan Trust By: \_\_\_\_\_ Print: Shace 4 Its: Trustee

WSOF Asia Holdings Limited By: Print: Shav  $\overline{}$ Its: president

WSOF Asia, Limited

By: Print: S sight Its: Secretary 0

Royal Union, LLC By: TR Print: Shan 754 Its: Manuger

Royal Union Nevada, LLC By: Print: Slacer Its: Manage Sre

Royal Union Nevada Corp. By: Print: Sig h Secretar Its:\_\_\_

**Royal Union Trust** 

By: Print Marlon Its: Trustee

Royal Union Properties, LLC By: Print: Shaw Ut Its: puncyer Cerre