IN THE SUPREME COURT OF THE STATE OF NEVADA

INDICATE FULL CAPTION:

RICHARD NEWMAN, AN INDIVIDUAL; NEWMAN LAW, LLC A NEVADA LIMITED LIABILITY COMPANY; AND COOPER BLACKSTONE, LLC, A NEVADA LIMITED LIABILITY COMPANY,
Appellants,
vs.
FULL COLOR GAMES, INC., A NEVADA CORPORATION,
Respondent.

No. 79395

Electronically Filed
Sep 25 2019 10:25 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

DOCKETING STATEMENT
CIVIL APPEALS

GENERAL INFORMATION

Appellants must complete this docketing statement in compliance with NRAP 14(a). The purpose of the docketing statement is to assist the Supreme Court in screening jurisdiction, identifying issues on appeal, assessing presumptive assignment to the Court of Appeals under NRAP 17, scheduling cases for oral argument and settlement conferences, classifying cases for expedited treatment and assignment to the Court of Appeals, and compiling statistical information.

WARNING

This statement must be completed fully, accurately and on time. NRAP 14(c). The Supreme Court may impose sanctions on counsel or appellant if it appears that the information provided is incomplete or inaccurate. *Id.* Failure to fill out the statement completely or to file it in a timely manner constitutes grounds for the imposition of sanctions, including a fine and/or dismissal of the appeal.

A complete list of the documents that must be attached appears as Question 27 on this docketing statement. Failure to attach all required documents will result in the delay of your appeal and may result in the imposition of sanctions.

This court has noted that when attorneys do not take seriously their obligations under NRAP 14 to complete the docketing statement properly and conscientiously, they waste the valuable judicial resources of this court, making the imposition of sanctions appropriate. *See* KDI Sylvan Pools v. Workman, 107 Nev. 340, 344, 810 P.2d 1217, 1220 (1991). Please use tab dividers to separate any attached documents.

Docket 79395 Document 2019-39979

1. Judicial District Eighth Department XIII

County Clark Judge Hon. Mark R. Denton

District Ct. Case No. A-17-759862-B

2. Attorney filing this docketing statement:

Attorney Richard Newman Telephone 702.720.4630

Firm Newman Law, LLC

Address 7435 S. Eastern Ave, Ste 105-431
Las Vegas, NV 89123

Client(s) Richard Newman; Newman Law, LLC; and Cooper Blackstone, LLC

If this is a joint statement by multiple appellants, add the names and addresses of other counsel and the names of their clients on an additional sheet accompanied by a certification that they concur in the filing of this statement.

3. Attorney(s) representing respondents(s):

Attorney Michael K. Wall Telephone 702.385.2500

Firm Hutchison & Steffen, PLLC

Address Peccole Professional Park
10080 West Alta Drive, Suite 200
Las Vegas, NV 89145

Client(s) Full Color Games, Inc.

Attorney _____ Telephone _____

Firm _____

Address

Client(s) _____

(List additional counsel on separate sheet if necessary)

4. Nature of disposition below (check all that apply):

- ☐ Judgment after bench trial
- ☐ Judgment after jury verdict
- ☐ Summary judgment
- ☐ Default judgment
- ☐ Grant/Denial of NRCP 60(b) relief
- ☐ Grant/Denial of injunction
- ☐ Grant/Denial of declaratory relief
- ☐ Review of agency determination
- ☒ Dismissal:
  - ☐ Lack of jurisdiction
  - ☐ Failure to state a claim
  - ☐ Failure to prosecute
  - ☒ Other (specify): NRS 41.650 Special Motion
- ☐ Divorce Decree:
  - ☐ Original ☐ Modification
- ☐ Other disposition (specify): _____

5. Does this appeal raise issues concerning any of the following?

- ☐ Child Custody
- ☐ Venue
- ☐ Termination of parental rights

6. Pending and prior proceedings in this court. List the case name and docket number of all appeals or original proceedings presently or previously pending before this court which are related to this appeal:

None

7. Pending and prior proceedings in other courts. List the case name, number and court of all pending and prior proceedings in other courts which are related to this appeal (*e.g.*, bankruptcy, consolidated or bifurcated proceedings) and their dates of disposition:

None

8. Nature of the action. Briefly describe the nature of the action and the result below:

Full Color Games, Inc. ("Plaintiff") filed a Complaint against Richard Newman, Newman Law, LLC and Cooper Blackstone, LLC, ("Defendants") claiming violations of Federal and Nevada RICO Acts resulting from pre-litigation communication sent by Richard Newman consisting of an attorney's demand letter sent in good faith to resolve a legitimate dispute.

Defendant Richard Newman is the sole member of Defendants, Newman Law, LLC and Cooper Blackstone, LLC.

Defendants filed a Special Motion to Dismiss pursuant to NRS 41.650, et seq., Nevada's Anti-SLAPP statute. The Court denied the Motion as to all Defendants finding that NRS 41.650, et seq. is inapplicable to pre-litigation communication and inapplicable to the demand letter sent by Richard Newman.

9. Issues on appeal. State concisely the principal issue(s) in this appeal (attach separate sheets as necessary):

Whether Nevada's Anti-SLAPP statute, NRS. 41.650 et seq. applies to protect pre-litigation communication, and whether pre-litigation communication generally, and an attorney demand letter sent in good faith to resolve a legitimate dispute specifically, satisfies the burden of proof under the first prong of Nevada's Anti-SLAPP statute.

10. Pending proceedings in this court raising the same or similar issues. If you are aware of any proceedings presently pending before this court which raises the same or similar issues raised in this appeal, list the case name and docket numbers and identify the same or similar issue raised:

None

11. Constitutional issues. If this appeal challenges the constitutionality of a statute, and the state, any state agency, or any officer or employee thereof is not a party to this appeal, have you notified the clerk of this court and the attorney general in accordance with NRAP 44 and NRS 30.130?

☒ N/A

☐ Yes

☐ No

If not, explain:

12. Other issues. Does this appeal involve any of the following issues?

☐ Reversal of well-settled Nevada precedent (identify the case(s))

☐ An issue arising under the United States and/or Nevada Constitutions

☒ A substantial issue of first impression

☐ An issue of public policy

☐ An issue where en banc consideration is necessary to maintain uniformity of this court's decisions

☐ A ballot question

If so, explain: This Court has not addressed the question of whether pre-litigation communication generally, or an attorney demand letter sent in good faith to resolve a legitimate dispute specifically, is within the scope of NRS 41.637(3) constituting conduct protected under Nevada's Anti-SLAPP statute.

13. Assignment to the Court of Appeals or retention in the Supreme Court. Briefly set forth whether the matter is presumptively retained by the Supreme Court or assigned to the Court of Appeals under NRAP 17, and cite the subparagraph(s) of the Rule under which the matter falls. If appellant believes that the Supreme Court should retain the case despite its presumptive assignment to the Court of Appeals, identify the specific issue(s) or circumstance(s) that warrant retaining the case, and include an explanation of their importance or significance:

This matter is presumptively retained by the Supreme Court under NRAP 17(a)(11) and (12). The matter raises a substantial issue of first impression and as a principal issue a question of statewide public importance, namely, whether pre-litigation communication generally, and an attorney demand letter sent in good faith to resolve a legitimate dispute specifically, is within the scope of NRS 41.637(3). Furthermore, the explicit language of Nevada's anti-SLAPP statute, NRS 41.650 et seq. provides in NRS 41.670 (4) that if the court denies the special motion to dismiss then "an interlocutory appeal lies to the Supreme Court."

14. Trial. If this action proceeded to trial, how many days did the trial last? N/A

Was it a bench or jury trial? N/A

15. Judicial Disqualification. Do you intend to file a motion to disqualify or have a justice recuse him/herself from participation in this appeal? If so, which Justice?
No

TIMELINESS OF NOTICE OF APPEAL

16. Date of entry of written judgment or order appealed from July 10, 2019

If no written judgment or order was filed in the district court, explain the basis for seeking appellate review:

The order appealed from is a denial of an Special Motion to Dismiss under Nevada's anti-SLAPP Statute, NRS 41.650 et seq. NRS 41.670(4) provides that "[i]f the court denies the special motion to dismiss filed pursuant to NRS 41.660, an interlocutory appeal lies to the Supreme Court."

17. Date written notice of entry of judgment or order was served July 10, 2019

Was service by:

☐ Delivery

☒ Mail/electronic/fax

18. If the time for filing the notice of appeal was tolled by a post-judgment motion (NRCP 50(b), 52(b), or 59)

(a) Specify the type of motion, the date and method of service of the motion, and the date of filing.

☐ NRCP 50(b) Date of filing _____

☐ NRCP 52(b) Date of filing _____

☐ NRCP 59 Date of filing _____

NOTE: Motions made pursuant to NRCP 60 or motions for rehearing or reconsideration may toll the time for filing a notice of appeal. *See* AA Primo Builders v. Washington, 126 Nev. ____, 245 P.3d 1190 (2010).

(b) Date of entry of written order resolving tolling motion _____

(c) Date written notice of entry of order resolving tolling motion was served _____

Was service by:

☐ Delivery

☐ Mail

19. Date notice of appeal filed August 8, 2019

If more than one party has appealed from the judgment or order, list the date each notice of appeal was filed and identify by name the party filing the notice of appeal: August 8, 2019, for each party: Richard Newman, Newman Law, LLC and Cooper Blackstone, LLC

20. Specify statute or rule governing the time limit for filing the notice of appeal, *e.g.*, NRAP 4(a) or other

NRAP 4(a)

SUBSTANTIVE APPEALABILITY

21. Specify the statute or other authority granting this court jurisdiction to review the judgment or order appealed from:

(a)

- ☐ NRAP 3A(b)(1)
- ☐ NRAP 3A(b)(2)
- ☐ NRAP 3A(b)(3)
- ☐ NRS 38.205
- ☐ NRS 233B.150
- ☐ NRS 703.376
- ☒ Other (specify) NRS 41.670(4)

(b) Explain how each authority provides a basis for appeal from the judgment or order:
The order appealed from is a denial of a Special Motion to Dismiss under Nevada's anti-SLAPP Statute, NRS 41.650 et seq. NRS 41.670(4) provides that "[i]f the court denies the special motion to dismiss filed pursuant to NRS 41.660, an interlocutory appeal lies to the Supreme Court."

22. List all parties involved in the action or consolidated actions in the district court:

(a) Parties:

Third-Party Plaintiff: Full Color Games, Inc.

Third-Party Defendants: RICHARD NEWMAN, NEWMAN LAW, LLC; COOPER BLACKSTONE, LLC; and 26 other named individuals and parties

(b) If all parties in the district court are not parties to this appeal, explain in detail why those parties are not involved in this appeal, *e.g.*, formally dismissed, not served, or other:

Richard Newman is the sole member of Newman Law, LLC and Cooper Blackstone, LLC, and filed the Special Motion to Dismiss under NRS 41.650 et seq. on behalf of these parties only. The 26 other individuals and parties named as Third-Party Defendants in the Complaint were not included in the Special Motion to Dismiss, and Third Party Plaintiff Full Color Games, Inc. has presumably either not served these other parties or asserted different claims against these other parties.

23. Give a brief description (3 to 5 words) of each party's separate claims, counterclaims, cross-claims, or third-party claims and the date of formal disposition of each claim.

Plaintiff: Federal and Nevada RICO claims. There has been no formal disposition of the claims.

24. Did the judgment or order appealed from adjudicate ALL the claims alleged below and the rights and liabilities of ALL the parties to the action or consolidated actions below?

☐ Yes

☒ No

25. If you answered "No" to question 24, complete the following:

(a) Specify the claims remaining pending below:
All claims remain pending

(b) Specify the parties remaining below:
Defendants Richard Newman, Newman Law, LLC and Cooper Blackstone, LLC

(c) Did the district court certify the judgment or order appealed from as a final judgment pursuant to NRCP 54(b)?

☐ Yes

☒ No

(d) Did the district court make an express determination, pursuant to NRCP 54(b), that there is no just reason for delay and an express direction for the entry of judgment?

☐ Yes

☒ No

26. If you answered "No" to any part of question 25, explain the basis for seeking appellate review (*e.g.*, order is independently appealable under NRAP 3A(b)):

The order appealed from is a denial of a Special Motion to Dismiss under Nevada's anti-SLAPP Statute, NRS 41.650 et seq. NRS 41.670(4) provides that "[i]f the court denies the special motion to dismiss filed pursuant to NRS 41.660, an interlocutory appeal lies to the Supreme Court."

27. Attach file-stamped copies of the following documents:

- The latest-filed complaint, counterclaims, cross-claims, and third-party claims
- Any tolling motion(s) and order(s) resolving tolling motion(s)
- Orders of NRCP 41(a) dismissals formally resolving each claim, counterclaims, cross-claims and/or third-party claims asserted in the action or consolidated action below, even if not at issue on appeal
- Any other order challenged on appeal
- Notices of entry for each attached order

VERIFICATION

I declare under penalty of perjury that I have read this docketing statement, that the information provided in this docketing statement is true and complete to the best of my knowledge, information and belief, and that I have attached all required documents to this docketing statement.

Richard Newman, et al.
Name of appellant

Richard Newman
Name of counsel of record

September 25, 2019
Date

/s/ Richard Newman
Signature of counsel of record

Clark County, Nevada
State and county where signed

CERTIFICATE OF SERVICE

I certify that on the 26th day of September, 2019, I served a copy of this completed docketing statement upon all counsel of record:

☐ By personally serving it upon him/her; or

☒ By mailing it by first class mail with sufficient postage prepaid to the following address(es): (NOTE: If all names and addresses cannot fit below, please list names below and attach a separate sheet with the addresses.)

Michael K. Wall
Huthison & Steffan, PLLC
Peccole Professional Park
10080 West Alta Drive, Suite 200
Las Vegas, NV 89145

Dated this 25th day of September, 2019

/s/ Richard Newman
Signature

Electronically Filed
2/4/2019 10:23 AM
Steven D. Grierson
CLERK OF THE COURT

ANSW
Mark A. Hutchison (4639)
Todd W. Prall (9154)
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Tel: (702) 385-2500
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mhutchison@hutchlegal.com
tprall@hutchlegal.com

Attorneys for Defendant, Counter-claimant, and Third-Party Plaintiff Full Color Games Inc.

DISTRICT COURT

CLARK COUNTY, NEVADA

In re: FULL COLOR GAMES, INC. MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENIUM TRUST COMPANY, LLC CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; individually and as shareholders of FULL COLOR GAMES, INC.; DOES 1 through 10; and ROE CORPORATIONS 1 through 10, inclusive, Plaintiffs, vs. DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDING, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD., an Isle of Man corporation; FULL COLOR GAMES, LLC, a Nevada limited liability company; FULL COLOR GAMES, LTD., an Isle of Man corporation; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTION, LLC, a Nevada limited liability company; Nominal Defendant	Case No. A-17-759862-B Dept. No. 13 **DEFENDANT FULL COLOR GAMES, INC.'S AMENDED ANSWER, COUNTERCLAIMS, AND THIRD-PARTY COMPLAINT**

Docket 79395 Document 2019-39979

Case Number: A-17-759862-B

FULL COLOR GAMES, INC., a Nevada corporation; DOES I through X; and ROE CORPORATIONS I through X,

Defendants.

DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDINGS, LLC, a Nevada limited liability company; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company, FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimants,

vs.

MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimant,

v.

MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENNIUM TRUST COMPANY, LLC, CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; JEFFREY CASTALDO; an individual;

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Third-Party Plaintiff,

v.

SEBASTIAN J. BASTIAN, an individual; DIRK SIMMONS, an individual; MARTIN LINHAM, an individual; PLAYTECH SYSTEMS LTD, a Bahamian limited company; ISLANDLUCK.COM, a Bahamian subsidiary of PLAYTECH; DAVINCI TRADING GROUP, a Cayman Islands limited liability company; DAVINCI HOLDINGS LTD, an Isle of Man limited liability company; ILG SOFTWARE LTD, an Isle of Man limited liability company; VALCROS, LLC, a Nevada limited liability company; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; MARA H. BRAZER, an individual; TERESA MOORE, an individual; LARRY MOORE, an individual; B.L. MOORE CONSTRUCTION INC., a California corporation; BRIAN MARCUS, and individual; JOHN BROCK III, an individual;; JOHN BROCK IV an individual; MUNGER & ASSOCIATES, INC., a Nevada Corporation; MULTISLOT, LTD, an Isle of Man Company; ERIC J. JUNGELS, an individual; JEFF HORAN, an individual; SPIN GAMES, LLC, a Nevada limited liability company; KENT YOUNG, an individual; KUNAL MISHRA, an individual; RICHARD NEWMAN, an individual; NEWMAN LAW, LLC, a Nevada limited liability company; Cooper Blackstone, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X,

Third-Party Defendants.

AMENDED ANSWER

Full Color Games, Inc. ("FCGI") submit the following answer to the Second Amended Complaint:

ANSWER TO ALLEGATIONS

1. FCGI is informed and believes that the allegations set forth in Paragraph 1 of the Second Amended Complaint are true and therefore admit the same

2. FCGI is without sufficient information and knowledge to form a belief as

to the truth of the allegations set forth in Paragraph 2 of the Second Amended Complaint and therefore deny them.

3. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 3 of the Second Amended Complaint and therefore deny them. As a result, the Defendants, as Counter-claimants, are forced to file counter-claims and bring racketeering and general claims against the Plaintiffs, as Counter-defendants, in order to expose their wrongdoings, hold them accountable for their unlawful acts in both civil and criminal complaints, exonerate the Defendants and clear their good name, restore their free and clear property rights and finally obtain relief from the Counter-defendants criminal racketeering enterprise and unlawful activity.

4. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 4 of the Second Amended Complaint and therefore deny them.

5. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 5 of the Second Amended Complaint and therefore deny them.

6. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 6 of the Second Amended Complaint and therefore deny them.

7. FCGI denies the allegations set forth in Paragraph 7 of the Second Amended Complaint.

8. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 8 of the Second Amended Complaint

and therefore deny them.

9. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 9 of the Second Amended Complaint and therefore deny them.

10. FCGI admits the allegations set forth in Paragraph 10 of the Second Amended Complaint.

11. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 11 of the Second Amended Complaint and therefore deny them.

12. Answering Paragraph 12 of the Second Amended Complaint, FCGI admits that Intellectual Properties Holdings, LLC is, and at all times pertinent times hereto was, a limited liability company doing business in Clark County, Nevada. FCGI denies all allegations set forth in Paragraph 12 of the Second Amended Complaint not expressly admitted herein.

13. FCGI denies the allegations set forth in Paragraph 13 of the Second Amended Complaint.

14. FCGI denies the allegations set forth in Paragraph 14 of the Second Amended Complaint.

15. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 15 of the Second Amended Complaint and therefore deny them.

16. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 16 of the Second Amended

Complaint and therefore deny them.

17. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 17 of the Second Amended Complaint and therefore deny them.

18. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 18 of the Second Amended Complaint and therefore deny them.

19. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 19 of the Second Amended Complaint and therefore deny them.

20. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 20 of the Second Amended Complaint and therefore deny them.

21. FCGI denies the allegations set forth in Paragraph 21 of the Second Amended Complaint.

22. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 22 of the Second Amended Complaint and therefore deny them.

23. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 23 of the Second Amended Complaint and therefore deny them.

24. FCGI denies the allegations set forth in Paragraph 24 of the Second Amended Complaint.

25. FCGI denies the allegations set forth in Paragraph 25 of the Second Amended Complaint.

26. FCGI denies the allegations set forth in Paragraph 26 of the Second Amended Complaint

27. FCGI denies the allegations set forth in Paragraph 27 of the Second Amended Complaint.

28. Answering Paragraph 28 of the Second Amended Complaint, FCGI admits that Intellectual Properties Holdings, LLC does in fact hold licenses to the intellectual property owned by David Mahon. FCGI denies all allegations set forth in Paragraph 28 of the Second Amended Complaint not expressly admitted herein.

29. FCGI is without sufficient knowledge to form a belief as to the truth of the allegations set forth in Paragraph 29 and therefore deny them.

30. FCGI is without sufficient knowledge to form a belief as to the truth of the allegations set forth in Paragraph 30 and therefore deny them.

31. FCGI denies the allegations set forth in Paragraph 31 of the Second Amended Complaint.

32. FCGI denies the allegations set forth in Paragraph 32 of the Second Amended Complaint.

33. FCGI denies the allegations set forth in Paragraph 33 of the Amended Complaint.

34. FCGI is without sufficient knowledge to form a belief as to the truth of the allegations set forth in Paragraph 34 and therefore deny them.

35. FCGI is without sufficient knowledge to form a belief as to the truth of

the allegations set forth in Paragraph 35 and therefore deny them.

36. FCGI is without sufficient knowledge to form a belief as to the truth of the allegations set forth in Paragraph 36 and therefore deny them.

37. Answering Paragraph 37 of the Second Amended Complaint, FCGI admits that Full Color Games, Inc. was formed in Nevada on or about April 18, 2012. FCGI denies all allegations set forth in Paragraph 37 of the Second Amended Complaint not expressly admitted herein.

38. FCGI denies the allegations set forth in Paragraph 38 of the Second Amended Complaint.

39. FCGI denies the allegations set forth in Paragraph 39 of the Second Amended Complaint.

40. FCGI denies the allegations set forth in Paragraph 40 of the Second Amended Complaint.

41. FCGI denies the allegations set forth in Paragraph 41 of the Second Amended Complaint.

42. FCGI denies the allegations set forth in Paragraph 42 of the Second Amended Complaint.

43. FCGI denies the allegations set forth in Paragraph 43 of the Second Amended Complaint.

44. FCGI denies the allegations set forth in Paragraph 44 of the Second Amended Complaint.

45. FCGI denies the allegations set forth in Paragraph 45 of the Second Amended Complaint.

46. Answering Paragraph 46 of the Amended Complaint, FCGI admits that all shareholders voluntarily executed a voting trust agreement that granted all of their voting rights to David Mahon and or his assignee(s). FCGI denies all allegations set forth in Paragraph 46 of the Second Amended Complaint not expressly admitted herein.

47. Answering Paragraph 47 of the Amended Complaint, FCGI states that the allegations set forth therein are statements of law and therefore neither admit nor deny the allegations set forth in Paragraph 47 of the Second Amended Complaint on that basis.

48. FCGI denies the allegations set forth in Paragraph 48 of the Second Amended Complaint.

49. FCGI denies the allegations set forth in Paragraph 49 of the Second Amended Complaint.

50. FCGI denies the allegations set forth in Paragraph 50 of the Second Amended Complaint.

51. Answering Paragraph 51 of the Second Amended Complaint, FCGI admits Mark Munger gave David Mahon or Full Color Games, Inc. $10,000.00, but affirmatively alleges that it was the money was given without any terms or conditions attached whatsoever based on his belief in David Mahon's inventions. FCGI further affirmatively alleges that rather than simply accept the money offered by Mark Munger, David Mahon prepared an agreement to document the payment of the $10,000 as an investment and presented the Assignment of Net Profits Interest ("ANPI") Agreement to Mark Munger and, at Mark Munger's request, to his business partner, Jeremiah Rutherford. FCGI further affirmatively alleges that Mark Munger only paid $35,000.00

of the required $50,000 pursuant to the ANPI. FCGI denies all allegations set forth in Paragraph 51 of the Second Amended Complaint not expressly admitted herein.

52. Answering Paragraph 52 of the Second Amended Complaint, FCGI admits that the ANPI Agreement speaks for itself. FCGI denies all allegations set forth in Paragraph 52 of the Second Amended Complaint not expressly admitted herein, and that are not consistent with the terms of the ANPI Agreement.

53. Answering Paragraph 53 of the Second Amended Complaint, FCGI admits that the ANPI Agreement speaks for itself. FCGI denies all allegations set forth in Paragraph 53 of the Second Amended Complaint not expressly admitted herein, and that are not consistent with the terms of the ANPI Agreement.

54. Answering Paragraph 54 of the Second Amended Complaint, FCGI admits that Mark Munger made no further contributions on or about March 13, 2013, and affirmatively allege and admit that Mark Munger did not make the investments he agreed to make under the ANPI Agreement. FCGI denies all allegations set forth in Paragraph 54 of the Second Amended Complaint not expressly admitted herein.

55. Answering Paragraph 55 of the Second Amended Complaint, FCGI admits that it issued out common stock in Full Color Games, Inc. to Mark Munger pursuant to the Shareholder Issuance Agreement and Shareholder Repurchase Agreement, and affirmatively alleges and admits that Full Color Games, Inc. did so based on Mark Munger's agreement to contribute to the company by being appointed both as a member of the Board of Advisors and as the company's Chief Technology Officer ("CTO"). David Mahon affirmatively alleges and admits and that Mark Munger has denied that he ever accepted the position of CTO and has claimed that the Board of

Advisor position did not require anything of him. FCGI denies that Mark Munger should have ever received common stock in Full Color Games, Inc. because Mark Munger denies the conditions upon which he was to receive the stock. FCGI denies all allegations set forth in Paragraph 55 of the Second Amended Complaint not expressly admitted herein.

56. Answering Paragraph 56 of the Second Amended Complaint, FCGI admits that Mark Munger was involved in introducing Full Color Games, Inc. and David Mahon to Sebastian Bastian. FCGI is without sufficient knowledge and information to form a belief as to the remaining allegations set forth in Paragraph 56 of the Second Amended Complaint and therefore deny them.

57. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 57 of the Second Amended Complaint and therefore deny them.

58. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 58 of the Second Amended Complaint and therefore deny them.

59. Answering Paragraph 59 of the Second Amended Complaint, FCGI is informed and believe that Mark Munger was working for Full Color Games, Inc. and for Sebastian Bastian's companies at the same time as alleged, and affirmatively allege that Mark Munger's work created a conflict of interest and a breach of the Non-Disclosure, Non-Compete and Non-interference Agreement between the FCGI and Mark Munger. FCGI is without sufficient information and knowledge to form a belief as to the truth of the remaining allegations set forth in Paragraph 59 of the Second Amended Complaint

and therefore deny them.

60. FCGI denies the allegations set forth in Paragraph 60 of the Second Amended Complaint.

61. Answering Paragraph 61 of the Second Amended Complaint, FCGI admits Full Color® Solitaire application was released onto the iTunes App Store. FCGI denies all allegations set forth in Paragraph 61 of the Second Amended Complaint not expressly admitted herein.

62. FCGI denies the allegations set forth in Paragraph 62 of the Second Amended Complaint.

63. Answering Paragraph 63 of the Second Amended Complaint, FCGI admits that Glen Howard became an investor in Full Color Games, Inc., on or about February 14, 2014. FCGI denies all allegations set forth in Paragraph 63 of the Second Amended Complaint not expressly admitted.

64. Answering Paragraph 64 of the Second Amended Complaint, FCGI affirmatively alleges and admits that Mike Berman, doing business as Cactus Matrix, a software subcontractor to Full Color Games, Inc., deleted the entire player website databases, operating files and all recent backups for Full Color® Solitaire. FCGI denies all allegations set forth in Paragraph 64 of the Second Amended Complaint not expressly admitted herein.

65. FCGI denies the allegations set forth in Paragraph 65 of the Second Amended Complaint.

66. Answering Paragraph 66 of the Second Amended Complaint, FCGI admits that Glen Howard became a convertible note holder in Full Color Games, Inc., on

or about February 14, 2014 and the President of Full Color Games, Inc. on or about January 1, 2015. FCGI denies all allegations set forth in Paragraph 66 of the Second Amended Complaint not expressly admitted herein.

67. FCGI denies the allegations set forth in Paragraph 67 of the Second Amended Complaint.

68. FCGI denies the allegations set forth in Paragraph 68 of the Second Amended Complaint.

69. FCGI denies the allegations set forth in Paragraph 69 of the Second Amended Complaint. .

70. FCGI denies the allegations set forth in Paragraph 70 of the Second Amended Complaint.

71. FCGI denies the allegations set forth in Paragraph 71 of the Second Amended Complaint.

72. FCGI denies the allegations set forth in Paragraph 72 of the Second Amended Complaint.

73. Answering Paragraph 73 of the Second Amended Complaint, FCGI admits that information was provided to Larry and Teresa Moore via an email, but deny that any Defendants ever met with, pitched, solicited or spoke to Larry or Teresa Moore prior to their investment into Full Color Games, Inc. The email and information provided to Larry and Teresa Moore speak for themselves. FCGI denies all allegations set forth in Paragraph 73 of the Second Amended Complaint not expressly admitted herein.

74. Answering Paragraph 74 of the Second Amended Complaint, FCGI

admits that Teresa Moore emailed Glen Howard requesting wire transfer information to complete her $50,000 investment from "one of our corporations." FCGI denies all allegations set forth in Paragraph 74 of the Second Amended Complaint not expressly admitted herein.

75. FCGI denies the allegations set forth in Paragraph 75 of the Second Amended Complaint.

76. Answering Paragraph 76 of the Second Amended Complaint, FCGI affirmatively alleges and admits the intellectual property concerning the Full Color® Gaming System was owned by David Mahon and licensed to Intellectual Properties Holdings, LLC and other companies via certain license agreements, including the "License Agreement dated April 18, 2012" issued to Full Color Games, Inc., which licensed the use of the intellectual property owned by David Mahon. FCGI further affirmatively alleges and admits that FCGI in good faith relied upon Richard H. Newman, Esq., attorney for Howard & Howard, LLP, Newman Law, LLC, general counsel for Full Color Games, Inc., Chief Legal Officer of both Full Color Games, Inc. and Full Color Games Ltd, a member of the Board of Advisors of Full Color Games, Inc., a Director of Full Color Games Ltd and a Personal Management License applicant for Full Color Games Ltd to the UK Gambling Commission remote software gaming license application (hereinafter collectively "Newman") who represented that the Full Color® Gaming System intellectual property invented by and owned by David Mahon, was properly protected by copyright, trademark, and patent law. FCGI further affirmatively alleges and admits that to the extent FCGI discovered that the some of the patent applications or copyright applications were not completed by Newman as

represented, those applications were either corrected as much as possible and all investors were informed of the issues. FCGI further affirmatively alleges and admits that Newman was terminated from all of his legal representation and positions in association with the FCGI as a result of the discovery and his inability to cure his defects. FCGI denies all allegations set forth in Paragraph 76 of the Second Amended Complaint not expressly admitted herein.

77. Answering Paragraph 77 of the Second Amended Complaint, FCGI affirmatively alleges and admits that all investor documents, publications, applications and all public records filings related to the Full Color® Gaming System, fully disclose the facts that the Full Color® Gaming System was ©David W. Mahon, with "All Rights Reserved" and the nature of their exclusive licensing speak for themselves. FCGI denies all allegations set forth in Paragraph 76 of the Second Amended Complaint not expressly admitted herein.

78. Answering Paragraph 78 of the Second Amended Complaint, FCGI admits that all investor documents, publications, applications and all public records filings related to the Full Color® Gaming System, fully disclose the facts that the Full Color® Gaming System was ©David W. Mahon, with "All Rights Reserved" and the nature of their exclusive licensing speak for themselves. FCGI denies all allegations set forth in Paragraph 76 of the Second Amended Complaint not expressly admitted herein.

79. FCGI denies the allegations set forth in Paragraph 79 of the Second Amended Complaint.

80. FCGI denies the allegations set forth in Paragraph 80 of the Second Amended Complaint.

81. Answering Paragraph 81 of the Second Amended Complaint, FCGI admits that documents were signed and executed by Larry and Teresa Moore and affirmatively allege and admit that the email chains that forwarded the documents, the wire transfer documents and the convertible note documents all speak for themselves. FCGI denies the allegations set forth in Paragraph 81 of the Second Amended Complaint not expressly admitted herein.

82. Answering Paragraph 82 of the Second Amended Complaint, FCGI affirmatively alleges and admits that David Mahon hired Richard H. Newman, Esq. of Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to apply for trademarks, copyrights and patents for intellectual property protection on behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in Paragraph 82 of the Second Amended Complaint not expressly admitted herein.

83. Answering Paragraph 82 of the Second Amended Complaint, FCGI affirmatively alleges and admits that nonparty Oakwood Limited, doing business as Microgaming, sought to license Full Color Games, Inc.'s real money gaming concepts and prototypes and published promotional literature disclosing its exclusive license to David Mahon's unique and proprietary Full Color® Gaming System to its Operators, despite the games not being commercially available to release on their remote gaming software application servers. FCGI denies the allegations set forth in Paragraph 83 of the Second Amended Complaint not expressly admitted herein.

84. FCGI denies the allegations set forth in Paragraph 84 of the Second Amended Complaint.

85. Answering Paragraph 85 of the Second Amended Complaint, FCGI

affirmatively alleges and admits that all Full Color® games product were pitched and displayed to investors at different events. FCGI denies the allegations set forth in Paragraph 85 of the Second Amended Complaint not expressly admitted herein.

86. FCGI denies the allegations set forth in Paragraph 86 of the Second Amended Complaint.

87. FCGI denies the allegations set forth in Paragraph 87 of the Second Amended Complaint.

88. FCGI admits the allegations set forth in Paragraph 88 of the Second Amended Complaint.

89. Answering Paragraph 89 of the Second Amended Complaint, FCGI affirmatively alleges and admits that David Mahon hired Richard H. Newman, Esq. of Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to apply for trademarks, copyrights and patents for intellectual property protection on behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in Paragraph 89 of the Second Amended Complaint not expressly admitted herein.

90. Answering Paragraph 90 of the Second Amended Complaint, FCGI affirmatively alleges and admits that David Mahon hired Richard H. Newman, Esq. of Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to apply for trademarks, copyrights and patents for intellectual property protection on behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in Paragraph 90 of the Second Amended Complaint not expressly admitted herein.

91. FCGI denies the allegations set forth in Paragraph 91 of the Second Amended Complaint.

92. FCGI denies the allegations set forth in Paragraph 92 of the Second Amended Complaint.

93. FCGI denies the allegations set forth in Paragraph 93 of the Second Amended Complaint.

94. FCGI denies the allegations set forth in Paragraph 94 of the Second Amended Complaint.

95. FCGI denies the allegations set forth in Paragraph 95 of the Second Amended Complaint.

96. FCGI denies the allegations set forth in Paragraph 96 of the Second Amended Complaint.

97. FCGI denies the allegations set forth in Paragraph 97 of the Second Amended Complaint.

98. FCGI denies the allegations set forth in Paragraph 98 of the Second Amended Complaint.

99. FCGI denies the allegations set forth in Paragraph 99 of the Second Amended Complaint.

100. FCGI denies the allegations set forth in Paragraph 100 of the Second Amended Complaint.

101. FCGI denies the allegations set forth in Paragraph 101 of the Second Amended Complaint.

102. FCGI denies the allegations set forth in Paragraph 102 of the Second Amended Complaint.

103. Answering Paragraph 103 of the Second Amended Complaint, David

Mahon affirmatively alleges and admits that someone from BL Moore Construction, Inc. sought to assign their investment in the Full Color Games, Inc. convertible note to a family trust entitled Moore Family Trust u/d/t/ March 14, 2003 ("Moores") and it was approved and executed based on the representations made by the Moores as to their status as a bonafide accredited investor. Full Color Games, Inc. further affirmatively alleges and admits that on October 10, 2017, the Moore shares were canceled, repurchased and terminated pursuant to the notice sent to Moores via USPS pursuant to the terms and the conditions of Full Color Games, Inc. Amended and Restated Bylaws dated August 1, 2015 that the Moores were bound by when they converted their security interests in the "License dated April 18, 2012" into common stock shares certificate CS-42 on or about April 11, 2016. FCGI denies the allegations set forth in Paragraph 103 of the Second Amended Complaint not expressly admitted herein.

104. FCGI denies the allegations set forth in Paragraph 104 of the Second Amended Complaint.

105. FCGI denies the allegations set forth in Paragraph 105 of the Second Amended Complaint.

106. FCGI denies the allegations set forth in Paragraph 106 of the Second Amended Complaint.

107. Answering Paragraph 107 of the Second Amended Complaint, FCGI admits Full Color Games, Inc., did exhibit at the ICE 2016 Totally Gaming Convention in London, England. FCGI denies the allegations set forth in Paragraph 107 of the Second Amended Complaint not expressly admitted herein.

108. Answering Paragraph 108 of the Second Amended Complaint, FCGI

affirmatively alleges and admits that Martin Linham, CFO of Full Color Games, Inc., had instructed Corporate Options (without any signed letter of authorization or executed engagement letters from the Full Color Games, Inc.'s Board of Directors) to form Full Color Games Ltd. in the Isle of Man prior to the ICE 2016 convention so he could begin to pitch high net worth individuals, members of the royal families, members of the UK parliament, casino gaming government regulators, accountants, lawyers, distributors, operators, testing labs and institutional investors from the Isle of Man, the UK and Europe. FCGI denies the allegations set forth in Paragraph 108 of the Second Amended Complaint not expressly admitted herein.

109. FCGI denies the allegations set forth in Paragraph 109 of the Second Amended Complaint.

110. FCGI denies the allegations set forth in Paragraph 110 of the Second Amended Complaint.

111. Answering Paragraph 111 of the Second Amended Complaint, FCGI affirmatively alleges and admits that Mahon hired Richard H. Newman, Esq. of Howard & Howard, LLP who then transferred his practice to Newman Law, LLC, to apply for trademarks, copyrights and patents for intellectual property protection on behalf of the Full Color® Gaming System. FCGI denies the allegations set forth in Paragraph 111 of the Second Amended Complaint not expressly admitted herein.

112. Answering Paragraph 112 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note

to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 112 of the Second Amended Complaint not expressly admitted herein.

113. Answering Paragraph 113 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 113 of the Second Amended Complaint not expressly admitted herein.

114. Answering Paragraph 114 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate

events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 114 of the Second Amended Complaint not expressly admitted herein.

115. Answering Paragraph 115 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 115 of the Second Amended Complaint not expressly admitted herein.

116. Answering Paragraph 116 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 116 of the Second Amended Complaint not expressly admitted herein.

117. Answering Paragraph 117 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 117 of the Second Amended Complaint not expressly admitted herein.

118. Answering Paragraph 118 of the Second Amended Complaint, FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 118 of the Second Amended Complaint not expressly admitted herein.

119. Answering Paragraph 119 of the Second Amended Complaint, FCGI denies the allegations set forth in Paragraph 119 of the Second Amended Complaint not expressly admitted herein.

120. Answering Paragraph 120 of the Second Amended Complaint, FCGI affirmatively alleges and admits that Bastian was not a shareholder of Full Color Games, Inc., Full Color Games Ltd., Intellectual Properties Holdings, LLC, Intellectual Properties Holdings, Ltd. or any company owned or affiliated by any of the Answering Defendants. Notwithstanding the lack of relevance, the FCGI affirmatively alleges and admits that 88.49% of the Convertible Note Shareholders of Full Color Games, Inc., on or about April 11, 2016 approved Amendment No. 2 and as a result, voted to voluntarily trigger a corporate event in the May 2014 Convertible Note to convert their security interests into common stock shares of Full Color Games, Inc., in advance of its maturity date. The majority of the Convertible Note Shareholders approval of Amendment No. 2 triggered a series of expressly documented corporate events. These corporate documents and agreements documenting the corporate event speak for themselves. FCGI denies the allegations set forth in Paragraph 120 of the Second Amended Complaint not expressly admitted herein.

121. FCGI denies the allegations set forth in Paragraph 121 of the Second Amended Complaint.

122. FCGI denies the allegations set forth in Paragraph 122 of the Second Amended Complaint.

123. FCGI denies the allegations set forth in Paragraph 123 of the Second Amended Complaint.

124. FCGI denies the allegations set forth in Paragraph 124 of the Second Amended Complaint.

125. FCGI denies the allegations set forth in Paragraph 125 of the Second

Amended Complaint.

126. FCGI denies the allegations set forth in Paragraph 126 of the Second Amended Complaint.

127. Answering Paragraph 127 of the Second Amended Complaint, FCGI affirmatively alleges and admits that Full Color Games Ltd. formed a wholly owned subsidiary named Full Color Games, N.A., Inc. ("FCGNA") and FCGNA did in fact open a bank account in the ordinary course of business. FCGNA further affirmatively alleges and admits that the Board of Directors of Full Color Games Ltd. did in fact wire minimal funds into FCGNA's bank account and mandated that FCGNA that would run at a cost neutral basis to avoid transfer pricing and maintain Full Color Games Ltd.'s tax free status in the Isle of Man. FCGI denies the allegations set forth in Paragraph 127 of the Second Amended Complaint not expressly admitted herein.

128. FCGI denies the allegations set forth in Paragraph 128 of the Second Amended Complaint.

129. FCGI denies the allegations set forth in Paragraph 129 of the Second Amended Complaint.

130. Answering Paragraph 130 of the Second Amended Complaint, FCGI affirmatively alleges and admits that they received confirmation that Full Color Games Ltd. submitted a UKGC application and Personal Management License applications for Martin Linham as CFO, Mark Munger as CTO, Lee Murphy as Director and David Mahon as CEO. FCGI denies the allegations set forth in Paragraph 130 of the Second Amended Complaint not expressly admitted herein.

131. FCGI denies the allegations set forth in Paragraph 131 of the Second

Amended Complaint.

132. FCGI denies the allegations set forth in Paragraph 133 of the Second Amended Complaint.

133. FCGI denies the allegations set forth in Paragraph 133 of the Second Amended Complaint.

134. Answering Paragraph 134 of the Second Amended Complaint, FCGI affirmatively alleges and admits that after becoming an individual and a corporate victim of the fraudulent banking accounting practices of Wells Fargo Bank that resulted in a $142 million dollar class action lawsuit settlement, he ended his 27 year relationship with Wells Fargo due to their lack of ethical restraint and opened new bank accounts at a competing firm with better service and more locations. FCGI denies the allegations set forth in Paragraph 134 of the Second Amended Complaint not expressly admitted herein.

135. Answering Paragraph 135 of the Second Amended Complaint, FCGI admits Full Color Games, Inc., did exhibit at the ICE 2017 Totally Gaming Convention in London, England. FCGI denies the allegations set forth in Paragraph 135 of the Second Amended Complaint not expressly admitted herein.

136. FCGI denies the allegations set forth in Paragraph 136 of the Second Amended Complaint.

137. FCGI denies the allegations set forth in Paragraph 135 of the Second Amended Complaint.

138. FCGI denies the allegations set forth in Paragraph 138 of the Second Amended Complaint.

139. FCGI denies the allegations set forth in Paragraph 139 of the Second Amended Complaint.

140. Answering Paragraph 140 of the Second Amended Complaint, FCGI admits that Full Color Games Inc. shareholders were sent an investor update on or about June 29, 2017, and the investor update speaks for itself. FCGI denies the allegations set forth in Paragraph 140 of the Second Amended Complaint not expressly admitted herein.

141. Answering Paragraph 141 of the Second Amended Complaint, FCGI admits that Full Color Games Inc. shareholders were sent and investor update on or about June 29, 2017, and the investor update speaks for itself. FCGI denies the allegations set forth in Paragraph 141 of the Second Amended Complaint not expressly admitted herein.

142. FCGI denies the allegations set forth in Paragraph 142 of the Second Amended Complaint.

143. FCGI denies the allegations set forth in Paragraph 143 of the Second Amended Complaint.

144. FCGI denies the allegations set forth in Paragraph 144 of the Second Amended Complaint.

145. FCGI denies the allegations set forth in Paragraph 145 of the Second Amended Complaint.

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FIRST CLAIM FOR RELIEF
(Breach of Fiduciary Duty/Gross Mismanagement against Mahon, on Behalf of Full Color Games, Inc.)

146. Answering Paragraph 146 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

147. FCGI denies the allegations set forth in Paragraph 147 of the Second Amended Complaint.

148. FCGI denies the allegations set forth in Paragraph 148 of the Second Amended Complaint.

149. FCGI denies the allegations set forth in Paragraph 149 of the Second Amended Complaint.

150. FCGI denies the allegations set forth in Paragraph 150 of the Second Amended Complaint.

151. FCGI denies the allegations set forth in Paragraph 151 of the Second Amended Complaint.

152. FCGI denies the allegations set forth in Paragraph 152 of the Second Amended Complaint.

153. FCGI denies the allegations set forth in Paragraph 153 of the Second Amended Complaint.

154. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 154 of the Second Amended Complaint and therefore deny them.

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SECOND CLAIM FOR RELIEF
(Aiding and Abetting Breach of Fiduciary Duty
against Glen Howard, on Behalf of Full Color Games, Inc.)

155. Answering Paragraph 155 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

156. FCGI denies the allegations set forth in Paragraph 156 of the Second Amended Complaint.

157. FCGI denies the allegations set forth in Paragraph 157 of the Second Amended Complaint.

158. FCGI denies the allegations set forth in Paragraph 158 of the Second Amended Complaint.

159. FCGI denies the allegations set forth in Paragraph 159 of the Second Amended Complaint.

160. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 160 of the Second Amended Complaint and therefore deny them.

THIRD CLAIM FOR RELIEF
(Tortious Interference with Business Relationship
against All Defendants, on Behalf of Full Color Games, Inc.)

161. Answering Paragraph 161 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

162. FCGI denies the allegations set forth in Paragraph 162 of the Second Amended Complaint.

163. FCGI denies the allegations set forth in Paragraph 163 of the Second Amended Complaint.

164. FCGI denies the allegations set forth in Paragraph 164 of the Second Amended Complaint.

165. FCGI denies the allegations set forth in Paragraph 165 of the Second Amended Complaint.

166. FCGI denies the allegations set forth in Paragraph 166 of the Second Amended Complaint.

167. FCGI denies the allegations set forth in Paragraph 167 of the Second Amended Complaint.

168. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 168 of the Second Amended Complaint and therefore deny them.

FOURTH CLAIM FOR RELIEF
(Fraudulent Misrepresentation against Mahon, on Behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

169. - 179. Claim has been dismissed by the Court and no answer is required.

FIFTH CLAIM FOR RELIEF
(Fraudulent Concealment against Mahon, on Behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

180. - 188. Claim has been dismissed by the Court and no answer is required.

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SIXTH CLAIM FOR RELIEF
(Deceptive Trade Practices under NRS 598.015 against Mahon, on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

189. - 194. Claim has been dismissed by the Court and no answer is required.

SEVENTH CLAIM FOR RELIEF
(Unjust Enrichment against All Defendants, on Behalf of Full Color Games, Inc.)

195. Answering Paragraph 195 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

196. FCGI denies the allegations set forth in Paragraph 196 of the Second Amended Complaint.

197. FCGI denies the allegations set forth in Paragraph 197 of the Second Amended Complaint.

198. FCGI denies the allegations set forth in Paragraph 198 of the Second Amended Complaint.

199. FCGI denies the allegations set forth in Paragraph 199 of the Second Amended Complaint.

200. FCGI denies the allegations set forth in Paragraph 200 of the Second Amended Complaint.

201. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 201 of the Second Amended Complaint and therefore deny them.

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EIGHTH CLAIM FOR RELIEF
(Conversion against All Defendants, on Behalf of Full Color Games, Inc.)

202. Answering Paragraph 202 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

203. FCGI denies the allegations set forth in Paragraph 203 of the Second Amended Complaint.

204. FCGI denies the allegations set forth in Paragraph 204 of the Second Amended Complaint.

205. FCGI denies the allegations set forth in Paragraph 205 of the Second Amended Complaint.

206. FCGI denies the allegations set forth in Paragraph 206 of the Second Amended Complaint.

207. FCGI denies the allegations set forth in Paragraph 207 of the Second Amended Complaint.

208. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 208 of the Second Amended Complaint and therefore deny them.

NINTH CLAIM FOR RELIEF
(Civil Conspiracy against Mahon on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

209. Answering Paragraph 209 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

210. FCGI denies the allegations set forth in Paragraph 210 of the Second Amended Complaint.

211. FCGI denies the allegations set forth in Paragraph 211 of the Second Amended Complaint.

212. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 212 of the Second Amended Complaint and therefore deny them.

TENTH CLAIM FOR RELIEF
(Alter Ego against Mahon on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

213. Answering Paragraph 213 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

214. FCGI denies the allegations set forth in Paragraph 214 of the Second Amended Complaint.

215. FCGI denies the allegations set forth in Paragraph 215 of the Second Amended Complaint.

216. FCGI denies the allegations set forth in Paragraph 216 of the Second Amended Complaint.

217. FCGI denies the allegations set forth in Paragraph 217 of the Second Amended Complaint.

218. FCGI denies the allegations set forth in Paragraph 218 of the Second Amended Complaint.

219. FCGI denies the allegations set forth in Paragraph 219 of the Second Amended Complaint.

220. FCGI denies the allegations set forth in Paragraph 220 of the Second Amended Complaint.

221. FCGI denies the allegations set forth in Paragraph 221 of the Second Amended Complaint.

222. FCGI denies the allegations set forth in Paragraph 222 of the Second Amended Complaint.

223. FCGI denies the allegations set forth in Paragraph 223 of the Second Amended Complaint.

224. FCGI denies the allegations set forth in Paragraph 224 of the Second Amended Complaint.

225. FCGI denies the allegations set forth in Paragraph 225 of the Second Amended Complaint.

226. FCGI denies the allegations set forth in Paragraph 226 of the Second Amended Complaint.

227. FCGI denies the allegations set forth in Paragraph 227 of the Second Amended Complaint.

228. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 228 of the Second Amended Complaint and therefore deny them.

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ELEVENTH CLAIM FOR RELIEF
(Accounting against All Defendants, on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

229. Answering Paragraph 229 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

230. FCGI denies the allegations set forth in Paragraph 230 of the Second Amended Complaint.

231. FCGI denies the allegations set forth in Paragraph 231 of the Second Amended Complaint.

232. FCGI denies the allegations set forth in Paragraph 232 of the Second Amended Complaint.

233. FCGI denies the allegations set forth in Paragraph 233 of the Second Amended Complaint.

234. FCGI denies the allegations set forth in Paragraph 234 of the Second Amended Complaint.

235. FCGI denies the allegations set forth in Paragraph 235 of the Second Amended Complaint.

236. FCGI denies the allegations set forth in Paragraph 236 of the Second Amended Complaint.

237. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 237 of the Second Amended Complaint and therefore deny them.

TWELFTH CLAIM FOR RELIEF
(Appointment of Special Master, on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

238. Answering Paragraph 238 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

239. FCGI denies the allegations set forth in Paragraph 239 of the Second Amended Complaint.

240. FCGI denies the allegations set forth in Paragraph 240 of the Second Amended Complaint.

241. FCGI denies the allegations set forth in Paragraph 241 of the Second Amended Complaint.

242. FCGI denies the allegations set forth in Paragraph 242 of the Second Amended Complaint.

243. FCGI denies the allegations set forth in Paragraph 243 of the Second Amended Complaint.

244. FCGI denies the allegations set forth in Paragraph 244 of the Second Amended Complaint.

245. FCGI denies the allegations set forth in Paragraph 245 of the Second Amended Complaint.

246. FCGI denies the allegations set forth in Paragraph 246 of the Second Amended Complaint.

247. FCGI is without sufficient information and knowledge to form a belief as

to the truth of the allegations set forth in Paragraph 247 of the Second Amended Complaint and therefore deny them.

THIRTEENTH CLAIM FOR RELIEF
(Declaratory Relief, on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

248. Answering Paragraph 248 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

249. FCGI denies the allegations set forth in Paragraph 249 of the Second Amended Complaint.

250. FCGI denies the allegations set forth in Paragraph 250 of the Second Amended Complaint.

251. FCGI denies the allegations set forth in Paragraph 251 of the Second Amended Complaint.

252. FCGI denies the allegations set forth in Paragraph 252 of the Second Amended Complaint.

253. FCGI denies the allegations set forth in Paragraph 253 of the Second Amended Complaint.

254. FCGI denies the allegations set forth in Paragraph 254 of the Second Amended Complaint.

255. FCGI denies the allegations set forth in Paragraph 255 of the Second Amended Complaint.

256. FCGI is without sufficient information and knowledge to form a belief as

to the truth of the allegations set forth in Paragraph 256 of the Second Amended Complaint and therefore deny them.

FOURTEENTH CLAIM FOR RELIEF
(Temporary Restraining Order, Preliminary and Permanent Injunction against All Defendants, on behalf of Full Color Games, Inc. And Individual Plaintiffs Munger, David's Hard Work Trust Ltd. 3/26/2012, and Moore Family Trust)

257. Answering Paragraph 257 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

258. FCGI denies the allegations set forth in Paragraph 258 of the Second Amended Complaint.

259. FCGI denies the allegations set forth in Paragraph 259 of the Second Amended Complaint.

260. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 260 of the Second Amended Complaint and therefore deny them.

FIFTEENTH CLAIM FOR RELIEF
(Breach of Contract against Mahon, on behalf of Individual Plaintiff Mark Munger)

261. Answering Paragraph 261 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

262. FCGI denies the allegations set forth in Paragraph 262 of the Second Amended Complaint.

263. FCGI denies the allegations set forth in Paragraph 263 of the Second

Amended Complaint.

264. FCGI denies the allegations set forth in Paragraph 264 of the Second Amended Complaint.

265. FCGI denies the allegations set forth in Paragraph 265 of the Second Amended Complaint.

266. FCGI denies the allegations set forth in Paragraph 266 of the Second Amended Complaint.

267. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 267 of the Second Amended Complaint and therefore deny them.

SIXTEENTH CLAIM FOR RELIEF
(Breach of Covenant of Good Faith and Fair Dealing against Mahon, on behalf of Individual Plaintiff Mark Munger)

268. Answering Paragraph 268 of the Second Amended Complaint, FCGI incorporates its answers to the preceding paragraphs of the Second Amended Complaint as though fully set forth herein.

269. FCGI denies the allegations set forth in Paragraph 269 of the Second Amended Complaint.

270. FCGI denies the allegations set forth in Paragraph 270 of the Second Amended Complaint.

271. FCGI denies the allegations set forth in Paragraph 271 of the Second Amended Complaint.

272. FCGI denies the allegations set forth in Paragraph 272 of the Second Amended Complaint.

273. FCGI is without sufficient information and knowledge to form a belief as to the truth of the allegations set forth in Paragraph 273 of the Second Amended Complaint and therefore deny them

AFFIRMATIVE DEFENSES

FCTI, without altering the burdens of proof the parties must bear, asserts the following affirmative defenses to the Second Amended Complaint, and the claims asserted therein, and FCGI specifically incorporates into the affirmative defenses their answers to the preceding paragraphs of the Second Amended Complaint as if fully set forth herein.

FIRST AFFIRMATIVE DEFENSE

The Second Amended Complaint fails to state facts sufficient to constitute a CLAIM FOR RELIEF against Answering Defendants.

SECOND AFFIRMATIVE DEFENSE

FCGI is informed and believes, and thereon allege, that the Second Amended Complaint, and each and every CLAIM FOR RELIEF set forth therein, is barred by the applicable statute of limitations, including but not limited to, NRS Sections 11.190, 11.200, 11.202, 11.203, 11.204, 11.205 and 11.2055.

THIRD AFFIRMATIVE DEFENSE

FCGI is informed and believes, and thereon allege, that Plaintiffs' claims are barred by the equitable doctrines of waiver, duress, release, laches, unclean hands, limitations, and/or equitable estoppel.

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FOURTH AFFIRMATIVE DEFENSE

FCGI is informed and believes, and thereon allege, that any injuries or claims of damages suffered by Plaintiffs, if any, were directly and proximately caused by others over which FCGI had no control.

FIFTH AFFIRMATIVE DEFENSE

Plaintiffs lack standing to bring derivative claims on behalf of FCGI under NRCP 23.1 because Plaintiffs do not meet the ongoing and continuous share ownership requirement.

SIXTH AFFIRMATIVE DEFENSE

Plaintiffs lack standing to bring derivative claims on behalf of FCGI because Plaintiffs cannot fairly and adequately represent the company.

SEVENTH AFFIRMATIVE DEFENSE

FCGI is informed and believe, and thereon allege, that Answering Defendants' acts and actions as alleged in the Second Amended Complaint are privileged and/or otherwise shielded from liability by the business judgment rule.

EIGHTH AFFIRMATIVE DEFENSE

FCGI alleges that at the time and place alleged in the Second Amended Complaint, all or some of Plaintiffs did not exercise ordinary care, caution or prudence to avoid the damages alleged in the Second Amended Complaint and the resulting damages and injury, if any, complained of were directly and proximately contributed to and caused by the fault, carelessness and negligence of the one or all of the Plaintiffs, and any judgment in favor of Plaintiffs and against this answering and against any of the FCGI should be reduced in proportion to Plaintiffs' own fault.

NINTH AFFIRMATIVE DEFENSE

The facts alleged by Plaintiff are insufficient to state a CLAIM FOR RELIEF for punitive damages.

TENTH AFFIRMATIVE DEFENSE

Plaintiff's claims for punitive damages are limited or prohibited by Nevada statute and by the Constitution of the United States.

ELEVENTH AFFIRMATIVE DEFENSE

Any damage claims by the Plaintiffs are speculative, are not supported by proof and are not compensable as a matter of law.

TWELFTH AFFIRMATIVE DEFENSE

FCGI did not violate any duty owed to Plaintiff under the common law, contract, or statute.

THIRTEENTH AFFIRMATIVE DEFENSE

The damages alleged in the Second Amended Complaint, if any, were caused and brought about solely by an intervening and superseding cause.

FOURTEENTH AFFIRMATIVE DEFENSE

Some or all of the contract claims brought by any Plaintiff fail for lack of consideration.

FIFTEENTH AFFIRMATIVE DEFENSE

Some or all of Plaintiffs' claims fail to the extent any Plaintiff failed to mitigate their damages.

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SIXTEENTH AFFIRMATIVE DEFENSE

FCGI denies each and every allegation of the Second Amended Complaint not specifically admitted or otherwise pled herein.

SEVENTEENTH AFFIRMATIVE DEFENSE

This Court lacks jurisdiction over some or all of Plaintiffs' claims to the extent those claims require the joinder of parties over whom the Court does not have jurisdiction.

EIGHTEENTH AFFIRMATIVE DEFENSE

FCGI were required to employ the services of attorneys to defend this action and a reasonable sum should be allowed as and for attorney's fees, together with the costs expended in this action.

NINETEENTH AFFIRMATIVE DEFENSE

FCGI hereby incorporate by reference those affirmative defenses enumerated in Rule 8 of the Nevada Rules of Civil Procedure as if fully set forth herein. In the event further investigation or discovery reveals the applicability of any such defenses, Defendant reserves the right to seek leave of Court to amend their Answer to specifically assert such additional defenses.

WHEREFORE, FCGI, with respect to Plaintiffs' claims, pray as follows:

1. That Plaintiffs take nothing by way of their Second Amended Complaint.

2. That Defendants be awarded their attorney's fees and costs for having to defend this action.

3. For any other additional relief the Court may deem appropriate to award.

AMENDED COUNTERCLAIMS ANT THIRD-PARTY COMPLAINT

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Counter-Claimant and Third-Party Plaintiff Full Color Games, Inc. ("FCGI"), by its undersigned counsel Hutchinson & Steffen, PLLC, alleges as follows against the Counter-Defendants and Third-Party Defendants as follows upon first-hand knowledge except where indicated to be upon information and belief:

NATURE OF AMENDED COUNTER-COMPLAINT

Summary Overview

1. All of the Parties in this action are in the casino gaming industry.

2. The casino gaming industry is a multi-trillion-dollar perennial business that nets over $600 billion dollars in a year in annual profits in the regulated markets alone throughout hundreds of jurisdictions around the world in land based, online and social casinos through gambling with real and virtual money.

3. Defendant Counter-claimant David Mahon ("Mahon") has invented an entirely new and proprietary class of casino gaming intellectual property, applied for and obtained certain federal registration protections through the United States Trademark and Patent Office ("USPTO") and the United States Copyright Office ("USCO"), obtained independent math certifications for real money game play for over 450 casino gaming jurisdictions worldwide through BMM Testlabs ("BMM") and Gaming Laboratories, Inc. ("GLI"), all of which are poised to disrupt the entire industry and shift billions of dollars of annual revenue and profits away from the oligarchs of the industry and into the coffers of MAHON, his Licensees and their investors.

4. Counter-Defendants and Third-Party Defendants have conspired with each other to engage in a pattern of criminal racketeering activity that began with billing fraud, wire fraud and money laundering for the purposes of tax evasion to conceal the purchase of FCGI'S securities and culminating in a violation of the Hobbs Act (18 U.S.C. §1951) against FCGI and its principals in an attempt to wrongfully coerce Mahon into giving up his property interests in his intellectual property.

5. Specifically, and as more specifically alleged herein, some or all of the Counter-Defendants and Third-Party Defendants:

i. *installed themselves into the positions of trust and authority as the Board of Advisors, directors, and officers, and obtained shares of FCGI in order to sabotage his business interests, and take over the business and licenses to intellectual property as their own;*

ii. *sabotaged the commercial viability of FCGI and its ability to commercialize the licenses Mahon had bestowed on FCGI for the use of his inventions and bring his inventions to the market place in the process;*

iii. *wrongfully interfered, circumvented and competed against FCGI in violation of their contracts and fiduciary duties;*

iv. *deleted and destroyed company assets, emails and digital files that would reveal their wrongful activities;*

v. *deliberately framed Mahon as unsuitable to run his own company to other investors and industry partners and vendors by falsely claiming he embezzled money out of his own company;*

vi. *engaged in a willful character assassination to destroy Mahon's ability to be found suitable for casino gaming licensing in order to render FCGI's attempted commercialization of the Full Color IP worthless, and force Mahon to sell the intellectual property for fractions of pennies on the dollar in order to ever see any profit from it after being found unsuitable at the hands of the fraud of the Counter-defendants;*

vii. *engaged in a wrongful attempt to extort Mahon out of his own intellectual property and other ownerships in FCGI, or otherwise attempt via a veiled threat of ongoing, tortious, and frivolous litigation and ongoing character assassination;*

viii. *disparaged Mahon to partners, vendors, suppliers and governmental regulatory agencies in further attempts to destroy his reputation and harm FCGI;*

ix. *breached all of their own contracts as a result of their wrongful, tortious and racketeering activities;*

x. *made false representations concerning services and accepted payment for services based on false pretenses.*

xi. *collectively conspired to file false claims with the United States Securities Exchange Commission asserting all of the above in order to get the Defendants wrongfully indicted for the securities fraud.*

6. As more fully set forth herein, the Counter-claimants have been directly and irreparably harmed by the Counter-defendant's improper, wrongful, and unlawful conduct for which the Counter-claimants seeks:

a. treble damages for all acts through which the Counter-defendants exploited the Counter-claimants for its own benefit and to the Counter-claimant's detriment (breach of contract, breach of fiduciary duties, torts of interference, fraud, misrepresentation, threats, extortion and coercing others to forgo legitimate business interests) and through which the Counter-defendants schemed to deprive MAHON and the other Counter-claimants' of their property rights;

b. disgorgement of claims to all wrongfully obtained shares of FCGI's common stock and property rights;

c. other equitable and legal remedies, including restitution; attorney's fees; compensatory and punitive damages for loss of

commercial revenue to the Counter-claimants for: (1) Counter-defendants' securities fraud; (2) Counter-defendants' interference with FCGI's legitimate business rights; (4) Counter-defendants' usurpation of corporate opportunities.

JURISDICTION AND VENUE

7. This Court has jurisdiction over this matter pursuant to Section "964(c) of the Racketeer Influenced and Corrupt Organizations Act ("Federal RICO Act")[18 U.S.C. §1964(c)]; 28 U.S.C. § 1331; and 28 U.S.C. § 1367. Upon information and belief, this Court also has jurisdiction over this matter pursuant to 28 U.S.C. § 1332, because the amount in controversy, exclusive of interests and costs, exceeds $75,000 and, on information and belief, the parties are citizens of different states.

8. The claims asserted herein arise under Section 1962 of the Federal RICO Act [18 U.S.C. § 1962(a)-(c)]; Nevada Racketeer Influenced and Corrupt Organizations Act ("Nevada RICO") [N.R.S. § 207.400 et seq.]; Nevada Uniform Securities Act [N.R.S. § 90.570]; Nevada Uniform Partnership Act [N.R.S. § 87.190 et seq.]; Nevada Uniform Limited Partnership Act [N.R.S. § 87.210]; and Nevada common law.

9. Venue is proper in this District pursuant to (i) 18 U.S.C. § 1965(a), because this is a District in which the Defendants are found, have an agent, or transact their affairs; and (ii) 28 U.S.C. § 139l(b)(2), because this is a District in which a substantial part of the events or omissions giving rise to the claim occurred, or a substantial part of the property that is subject of the action is situated.

PARTIES

10. Counter-claimant Full Color Games, Inc. ("FCGI") is a corporation formed under the laws of the State of Nevada and is, or was at all relevant times, doing business in Clark County, Nevada.

11. Upon information and belief Third-Party Defendant Sebastian J. Bastian ("Bastian") is an individual who resides in Nassau, New Providence, Bahamas and does business in Clark County, Nevada.

12. Upon information and belief Third-Party Defendant Dirk Simmons ("Simmons") is an individual who resides in Nassau, New Providence, Bahamas and does business in Clark County, Nevada.

13. Upon information and belief, Counter-Defendant Mark W. Munger ("Munger") is an individual who resides in and does business in Clark County, Nevada.

14. Upon information and belief, Third-Party Defendant Martin L. Linham ("Linham") is an individual who resides in Douglas, Isle of Man and does business in Clark County, Nevada.

15. Upon information and belief, Third-Party Defendant Playtech Systems Ltd ("Playtech") is a limited company organized under the laws of the Bahamas owned by Bastian, which is, or was at all relevant times, doing business in the Bahamas.

16. Upon information and belief, Third-Party Defendant IslandLuck.com ("Island Luck") is a subsidiary, fictitious business name and or an operating entity under the control of Playtech owned by Bastian operating under the laws of the Bahamas.

17. Upon information and belief, Third-Party Defendant Davinci Trading Group ("DTG") is a corporation owned by Bastian, which is, or was at all relevant times, doing business in the Cayman Islands.

18. Upon information and belief, Third-Party Defendant Davinci Holding Ltd ("DHL") is an Isle of Man company formed under the 2006 Companies Act owned by Bastian, which is, or was at all relevant times, doing business in the Isle of Man or does business in Clark County, Nevada.

19. Upon information and belief, Third-Party Defendant ILG Software ("ILG") is an Isle of Man company formed under the 2006 Companies Act owned by

Bastian, which is, or was at all relevant times, doing business in the Isle of Man, Bahamas, Costa Rica or does business in Clark County, Nevada.

20. Upon information and belief, Third-Party Defendant Multislot, LTD ("Multislot") an Isle of Man Company owned by HORAN and JUNGELS formed under the 2006 Companies Act, which is, or was at all relevant times, doing business in the Isle of Man and Costa Rica.

21. Eric J. Jungels ("Jungels") is an individual, an American citizen who resides San Jose, Costa Rica and is a principal or owner of Multislot who does business in Clark County, Nevada.

22. Jeff Horan ("Horan") is an individual, an American citizen who resides in San Jose Costa, Rica and is a principal or owner of Multislot and does business in Clark County, Nevada.

23. Upon information and belief, Third-Party Defendant Munger & Associates ("M&A") is a Nevada corporation owned by Munger organized under the laws of the State of Nevada.

24. Upon information and belief, Third-Party Defendant Valcros, LLC ("Valcros") is a Nevada limited liability company owned by Munger organized under the laws of the State of Nevada.

25. Upon information and belief, Third-Party Defendant B.L. Moore Construction, Inc. ("BLM") is a California corporation owned by L-Moore and T-Moore and doing business in Clark County, Nevada.

26. Upon information and belief, Third-Party Defendant Spin Games, LLC, ("Spin") is a Nevada limited liability company organized under the laws of the State of Nevada.

27. Upon information and belief, Third-Party Defendant David Eckles ("Eckles") is an individual who resides in California or does business in Clark County, Nevada.

28. Upon information and belief, Counter-defendant David's Hard Work Trust LTD. 3/26/2012, a California Trust established under the laws of the State of California ("DHWT"), which is, or was at all relevant times, doing business in Clark County, Nevada.

29. Upon information and belief, Third-Party Defendant, G. Bradford Solso ("Solso") is an individual who resides in California or does business in Clark County, Nevada.

30. Upon information and belief, Counter-defendant Millennium Trust Company, LLC, Custodian FBO Gary Solso, IRA, a California Trust established under the laws of the State of California ("Millennium Trust"), which is, or was at all relevant times, doing business in Clark County, Nevada.

31. Upon information and belief, Third-Party Defendant Mara H. Brazer ("Brazer") is an individual who resides in California or does business in Clark County, Nevada.

32. Upon information and belief, Counter-defendant Mara H. Brazer Trust UTA 2/12/2004, ("Brazer Trust") a California Trust established under the laws of the State of California, which is, or was at all relevant times, doing business in Clark County, Nevada.

33. Upon information and belief, Third-Party Defendant Teresa Moore ("T Moore") is an individual who resides in California or does business in Clark County, Nevada.

34. Upon information and belief, Third-Party Defendant Larry Moore ("L Moore") is an individual who resides in California or does business in Clark County, Nevada.

35. Upon information and belief, Counter-Defendant Moore Family Trust ("Moore Trust") a California Trust established under the laws of the State of California, which is, or was at all relevant times, doing business in Clark County, Nevada.

36. Upon information and belief, Third-Party Defendant John Brock III ("Brock Sr.") is an individual who resides in Georgia or does business in Clark County, Nevada.

37. Upon information and belief, Third-Party Defendant John Brock IV ("Brock Jr.") is an individual who resides in Georgia or does business in Clark County, Nevada.

38. Upon information and belief, Counter-Defendant Jeffrey Castaldo ("Castaldo") is an individual who resides in California or does business in Clark County, Nevada.

39. Upon information and belief, Third-Party Defendant Brian Marcus ("Marcus") is an individual who resides in California and who is doing business in Clark County, Nevada.

40. Upon information and belief, Third-Party Defendant Richard H. Newman ("Newman") is an individual who resides in or does business in Clark County, Nevada.

41. Upon information and belief, Third-Party Defendant Newman Law, LLC ("Newman Law") is a limited liability company organized under the laws of the State of Nevada, which is, or was at all relevant times, doing business in Clark County, Nevada.

42. Upon information and belief, Third-Party Defendant Cooper Blackstone, LLC ("CBL") is a limited liability company organized under the laws of the State of Nevada, which is, or was at all relevant times, doing business in Clark County, Nevada.

43. FCGI is informed and believes and alleges that the Third-Party Defendants Bastian, Simmons, Munger, Jungels, Horan are the agents and/or representatives of Playtech, Island Luck DTG, DHL, M&A, Valcros and Multislot, and that Bastian, Simmons, Munger, Jungels, and Horan did not separate their various

corporate entities nor observe corporate formalities intended to differentiate among the various entities, and that at all times relevant to this Counter-claim and Third-Party Complaint each thus acted either for himself or itself or in his or its capacity as agent and/or representative of the others. All corporate, partnership, and individual Counter-Defendants named herein this paragraph will collectively be referred to as the "Bastian Casino Gaming Enterprise."

44. FCGI is informed and believes and alleges that Third-Party Defendants Jungels and Horan are the agents and/or representatives of Multislot, and that Jungels and Horan did not separate Multislot as a corporate entity nor observe corporate formalities intended to differentiate among Jungels and Horan and Multislot, and that at all times relevant to this Counter-claim and Third-Party Complaint each thus acted either for himself or itself or in his or its capacity as agent and/or representative of the others. All corporate, partnership, and individual Third-Party Defendants named in this Paragraph, will collectively be referred to as "Multislot."

45. FCGI is informed and believes and alleges that Third-Party Defendants Young and Mishra are the agents and/or representatives of Spin, and that Young and Mishra did not separate Spin as a corporate entity nor observe corporate formalities intended to differentiate among Young, Mishra, and Spin, and that at all times relevant to this Counter-claim and Third-Party Complaint each thus acted either for himself or itself or in his or its capacity as agent and/or representative of the others. All corporate, partnership, and individual Counter-Defendants named herein this paragraph will collectively be referred to as the "Spin."

46. FCGI is informed and believes and alleges that Counter-Defendant Munger is the agent and/or representative of Third-Party Defendant M&A and Valcros, that Munger did not separate himself or observe corporate formalities intended to differentiate among himself and M&A and Valcros, and that at all times relevant to this Counter-claim and Third-Party Complaint Munger has acted either for himself or in their

or his capacity as agent and/or representative of the M&A and Valcros. All corporate, partnership, and individual Counter-defendants named herein this paragraph will collectively be referred to as the "Munger Group."

47. FCGI is informed and believes and alleges that Solso is the agent and/or representative of Millennium Trust did not separate this entity nor observe corporate formalities intended to differentiate among himself and the Millennium Trust, and that at all times relevant to this Counter-Claim and Third-Party Complaint, each thus acted either for himself or itself or in his or its capacity as agent and/or representative of the others. All corporate, trust, partnership, and individual Counter-defendants named herein this paragraph will collectively be referred to as "Solso Group."

48. FCGI is informed and believes and alleges that Third-Party Defendants L. Moore and T. Moore are the agent and/or representatives of the Moore Trust that L. Moore and T. Moore did not separate themselves from their various corporate entities and or trusts nor observe corporate formalities intended to differentiate between BLM, L. Moore, T. Moore and the Moore Trust, and that at all times relevant to this Counter-Claim and Third-Party Complaint each acted either for themselves or itself or in their or its capacity as agent and/or representative of the others. All corporate, trusts, partnership, and individual Counter-defendants named herein this paragraph will collectively be referred to as the "Moore Group."

49. The Counter-claimants are informed and believes and alleges that Third-Party Defendant Newman is the agent and/or representatives of Newman Law and CBL, and that Newman failed to observe the corporate formalities intended to differentiate among the various Newman entities, and that at all times relevant to this Counter-Claim and Third-Party Complaint, each acted either for himself or itself or in his or its capacity as agent and/or representative of the others. All corporate, trusts, partnership, and individual Counter-defendants named herein this paragraph will collectively be referred to as the "Newman Group."

FACTS COMMON TO ALL RACKETEERING & GENERAL CLAIMS

I. COUNTER-DEFENDANTS & THIRD PARTY DEFENDANTS' MOTIVE TO JOIN & ENGAGE IN RACKETEERING ENTERPRISE

50. The casino gaming industry a highly regulated and privileged industry. Every facet of the industry, from marketing, promotion, facilitation, collection and payout of a bet, is highly regulated. Be it performing as an affiliate marketer, game developer, equipment manufacturer to being the actual operator, all are required to obtain and maintain a license and or independent certifications in the regulated jurisdictions where they operate by being found "suitable" in one varying degree or another to transact business in the real money casino gaming industry.

51. Every applicant of a regulated real money casino gaming license has to undergo a rigid set of due diligence sets of background checks to determine their "suitability" order to ensure that the licensee's character and history demonstrate integrity and ethical behavior. Moreover, each licensee must maintain that integrity of suitability in order to obtain and maintain the privilege of a license in the particular jurisdiction where the licensee engaged in casino gaming.

52. Barring the licensing requirements, theoretically, anyone can make, manufacture, publish, distribute and or sell a traditional deck of playing cards or make a traditional casino game, be it a game of poker, blackjack, or baccarat that all use a standard deck of playing cards or a standard pair of dice. Further, anyone can make a mechanical device such as a slot machine, a roulette wheel or ball blowing machine for a number matching game such as lottery, keno or a bingo draw, because all of these globally popular casino gaming means and methods are all in public domain and have been for centuries. As a result, there are generally very little if any protectable intellectual property rights that might yield royalties or require licenses or permission to use any format of these casino games that are all in public domain.

53. Arguably, the only real thing that really changes in the casino gaming industry is the technology that facilitates and delivers each game format which is the only way one company seems to differentiate and market itself from another, but even that does not change the game, it only changes the execution or the experience of it.

54. A game of bingo on paper, with an ink dauber and a ball blower used to select a number is still the exact same game if played electronically on an iPad using a computer to randomly draw the balls, automatically mark the cards and allow a player to play an infinite number of cards. No matter which way it is played, bingo is still a game of bingo regardless of the archaic or technologically advanced medium it is played on, whether a human being or a computer is facilitating the events or what the enhanced experience a consumer may or may not have while engaging in it.

55. Technological advances happen on a nearly daily basis and as such anyone can invent a new technology to deliver a formatted game after it has been invented, but not anyone can invent a gaming format to be delivered through every new technology.

56. As such, an invention of an entirely new proprietary gaming format, much more, any new mathematical formula that could create a new class of gaming, would not only create a tectonic shift in consumer behavior, it would disrupt the entire gaming industry on the same global scale that Google did with information, Paypal did with banking, Facebook did with media, Uber did with transportation and AirBnb did with housing. All of these entrepreneurs and their inventions or evolutions changed their respective industries yet no one has ever successfully disrupted and or reinvented the entire casino gaming industry on a universal or global scale.

57. In November of 2008, David Mahon ("Mahon") became that person when he became the sole creator, inventor and owner of the world's first and only entirely new, unique and proprietary class of card and casino gaming ultimately called the Full Color® Gaming System ("FCGS").

58. What is most unique about Mahon's invention in the FCGS is that it is not just a new format that Mahon created, it is a new mathematical paradigm that creates the world's first alternative to every existing popular gaming format that already exists.

59. When Mahon first invented his deck of Full Color® Cards the first thing he did was add a "5th suit" to a traditional deck of cards in order to add the -negative suit value to his new paradigm in the FCGS.

60. Mahon originally copyrighted the "means" of his invention when he personally filed them on January 23, 2010 with the US Copyright Office and obtained federal registration number VA-1-704-252 for his deck he originally called the "Bingo-Poker Cards." Mahon's "Bingo Poker" deck based off of a bingo board that had 25 spaces on it which created 5 suits with 25 cards or 125 cards in the deck. It had four colored suits numbered 1 thru 25 to match to the 1 white suit numbered 1-25.

61. Over time and an incalculable number of attempts to invent other new games like a new way to play 21, Mahon settled on 11 cards in a suit with 5 suits to make a total of 55 cards in a deck, renamed and brand it as Full Color® Cards. Mahon also personally filed for and obtained a federally registered US Copyright under registration number VA-2-016-156 for his deck titled "Full Color Cards 3rd Edition" along with the copyrighted "rules" as the methodologies his "means" could employ.

62. As a result of Mahon's inventions and mathematical evolution, the FCGS consists of unique and proprietary intellectual property rights that consist of copyrightable, trademarkable and patentable means and methods that are collectively known as the Full Color® Games Intellectual Property ("Full Color-IP").

63. Such a valuable and unique invention would attract both honest investors and other less savory minded individuals who would be inclined to do whatever it took, to obtain the rights to Mahon's valuable creations, even if it meant committing criminal or tortious acts. in order to completely disrupt and alter the multi-trillion dollar worldwide gaming industry and profit off of it for themselves, all of which

set the motive and the stage for the Counter-Defendants and Third Party Defendants' acts to occur and claims in this Counterclaim and Third-Party Complaint to be filed in order to end and obtain relief from them.

64. At each stage of Mahon's inventions and evolutions he immediately began to seek and obtain copyright, trademark and patent protection on each element of his Full Color IP through the Writer's Guild of America ("WGA"), the United States Copyright Office ("USCO") and the United States Patent and Trademark Office ("USPTO").

65. All Full Color IP applications and registrations were applied for and issued in Mahon's name as the sole author, inventor and owner.

66. On September 23, 2010, Mahon formed Intellectual Properties Holding, LLC ("IPH") as a single member limited liability company that he wholly owned and issued a master license of all of his ownership rights and interests to the Full Color IP to IPH to act as its sole global licensor of the Full Color IP.

67. On April 18, 2012, Mahon formed FCGI and whereby FCGI received a Limited License from IPH that included approximately $1 million worth of software development on the Full Color IP and $40,000 in cash from IPH in exchange for 100% of all of FCGI'S common stock.

68. IPH was the sole shareholder of FCGI until March 19, 2013 when it started granting shares to unpaid members of a newly formed Board of Advisors.

69. On November 7, 2012, MAHON released Full Color® Solitaire on the iTunes App Store. It has been downloaded in over 160 countries and played in over 60 languages. It reached #1 on over 40 different countries app store game charts and proved that the entire world could and would adopt an entirely new and universal deck of cards despite only be translated in 13 languages.

70. On April 27, 2014, MAHON invented 21 or Nothing® and Full Color® Baccarat.

71. On September 29, 2014, BMM Testlabs certified 21 or Nothing® for real money casino game play on the first submission without any modifications, changes or alterations to Mahon's original invention and design.

72. On September 30, 2014, FCGI exhibited 21 or Nothing® and Full Color® Baccarat at the Global Gaming Expo ("G2E") in Las Vegas, Nevada to over 25,000 attendees from over 110 countries, 54 states and US territories and handed out 25,000 decks of Full Color® Cards at the same time to an overwhelming success and interest in the products whereby land based casinos said they would take the games as soon as they were ready.

73. On January 22, 2015, BMM Testlabs certified Full Color® Baccarat for real money casino game play on the first submission without any modifications, changes or alterations to MAHON'S original inventions and design. It was further double certified by GLI.

74. On February 3, 2015, MAHON and Glen Howard, the President of FCGI ("Howard") demonstrated at ICE Totally London 2015, to attendees from over 150 countries at the world's largest online casino gaming convention whereby the world's largest online distributor, Microgaming Systems ("MGS"), and the world's largest online casino, Bet365 (and a plethora of others) each confirmed they would take Mahon's invented games as soon as they were ready.

75. Between March and October 2015 MGS began to assist FCGI in finding a software developer they approved of to develop the applications and get the games programmed so MGS could release them.

76. On October 1, 2015, MUNGER introduces MAHON to SEBAS.

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II. MUNGER GAINS TRUST OF FCGI AND MAHON AND EMBEDS HIMSELF IN FCGI'S BUSINESS

77. FCGI alleges that Munger, the purported primary derivative plaintiff in this action has engaged in the 7 ½ year-long scheme of racketeering predicate acts against FCGI in violation of 18 U.S.C. §1961 et seq. including misrepresenting his knowledge and status as a potential investor in order to obtain an interest in and trust of FCGI and its principals, sabotaging and interfering with FCGI's business interests, aiding and abetting others to engage in mail and wire fraud, and money laundering through FCGI and its affiliated entities, setting up a false narrative about Mahon's business practices and failures, and spreading that narrative to FCGI investors to poison them against Mahon, which has culminated extortionate threats against Mahon in order to wrest him of his intellectual and corporate property rights and FCGI's ability to continue business.

78. Munger's scheme and pattern took place in more than two states and four different countries, and ultimately caused the loss of millions of dollars' worth of Counter-claimant and FCGI's investments into the licensing and commercialization of Mahon's Full Color IP that have taken over 10 years of Mahon's life to produce.

79. On July 8, 2011, Munger was introduced to Mahon through a mutual acquaintance claiming to be an investor with money to invest.

80. On July 19, 2011, Munger first entered into a "Relationship" with Counter-claimants by way of a Non-Disclosure, Non-Circumvent, Non-Compete & Confidentiality Agreement Munger executed ("NDACA") with the Company's affiliate, ultimate beneficial owner and majority in interest shareholder of the Company for the

benefit of the Full Color® Games Intellectual Property ("Full Color-IP") all of which continues to be in full force and effect.

81. On July 19, 2011, Mahon, after receiving the fully executed NDACA from Munger, Munger began receiving confidentially disclosed information concerning all of the Full Color IP, the FCGS including but not limited to trade secrets, formulas, company business plans, know how in a comprehensive email that was sent directly from Mahon's casino gaming and intellectual property law firm of Howard & Howard, PLLC ("H2").

82. Some of the most coveted and confidential disclosures was the complete list of all Full Color® Games copyright, trademark and patent applications that were to be filed, filed, pending and or fully issued, including but not limited Mahon's most coveted trademark of "Full Color" that is not only the name, branding, image and likeness of all of the Full Color IP and the FCGS that Mahon is also the namesake of Mahon's corporations he founded years before he even met Munger.

83. The NDACA expressly provided that Munger and any company, affiliates, agents, and representatives would not:

> directly or indirectly circumvent or create, work for or engaged in any work for hire, consulting or employment in any businesses or with any companies that competes, markets, sells, distributes, publishes or licenses games that are similar or in any way shape or form in likeness to any of the casino or non-casino style games or intellectual property owned, controlled, licensed, developed, published, distributed or licensed to or from FCG or any of its affiliates, partners, contractors, distributors, publishers, employees, agents, attorneys, clients, customers, licensees or licensors or communicate, transact business or interfere with any of its business relationships as related to any and all of its enterprises and its confidential information related to the FCG's licenses or copyrights, trademarks, patents pending or any of its

> derivatives, its software code, statistics or methodologies that it owns or controls or has rights to during the term of this agreement whereas such would be deemed a material breach of this agreement.

84. Between July of 2011 and July 2012, Munger utilized the NDACA and promises of funding Mahon's inventions in the Full Color IP to continue to gain confidential information, business plans, relationships, trade secrets and the trust of Mahon.

85. On July 2, 2012, a year later, Munger, deposited $10,000 into the FCGI bank account, without any written contract of any sort in pursuit of establishing a financial relationship with Mahon and FCGI as a "gift" to Mahon as his quantifiable step of deception and infiltration into Mahon's personal and corporate life in order to connect himself to Mahon, obtain his trust and good will. There were no demands upon the use of the money, obligations to repay it or anything. It was highly unusual. Mahon sought to tie it to a financial instrument and emailed Munger a Promissory Note. Munger ignored it "playing good Samaritan" stating he "didn't care if he ever saw the money back, he just though Mahon's inventions were genius and claimed he just wanted to see it succeed." This was the modus operandi of Munger in order to gain the trust of Mahon that he would employ over and over infiltrating and shadowing Mahon's operations.

86. Not more than a week after the $10,000 deposit was made, Munger chose to introduce Mahon to his business partner, Jeremiah Rutherford who, after seeing a full demonstration of the Full Color IP and FCGS, was fascinated and intrigued with the potential of Mahon's inventions whereby Rutherford said he'd like to invest into Mahon's first commercial venture with the Full Color IP in the release of Full Color® Solitaire and he and Munger could make an equal and joint investment of $100,000.

87. As a result of that offer, Munger sought to convert the $10,000 "gift" as capital contribution now towards that investment.

88. At their request, the Mahon caused an Assignment of Net Profits Interest Agreement (the "ANPI Agreement") to be drafted by FCGI's SEC attorney, which explicitly detailed their investment into FCGI's Full Color IP license, the investment details, terms, conditions and limitations, the agreed upon investment tranches and their deadline dates for Munger and Rutherford's $100,000 investment.

89. Mahon had his SEC attorney and H2 email the ANPI to both Munger and Rutherford and Rutherford wrote a $20,000 check the very next day.

90. Munger never signed the ANPI Agreement, but kept promising he would pay the agreed upon $100,000.00 FCGI between himself and his alleged business partners, Jeremiah Rutherford.

91. Between July 2, 2012 and March 13, 2013, Munger continued to string FCGI out with broken promise after broken promise to complete the full investment, but only ended up providing $37,500 total of the promised $100,000, and ultimately never signed the ANPI Agreement.

92. Rutherford never signed the ANPI, never completed his investment on time, never completed the $50,000 investment in total.

93. Rutherford made his last investment on February 6, 2013, over six months late falling short and ending at $42,500 of the total $50,000 per the ANPI.

94. Munger and Rutherford ultimately only invested $80,000 engaging in a material breach of the terms and conditions of the ANPI in both time and investment by 6 months and a shortfall of $20,000 total.

95. After Mahon invented 21 or Nothing® and Full Color® Baccarat in April of 2014, Munger became a non-stop fixture in Mahon's life trying to learn everything about Mahon's secrets in how his formulas and methodologies worked. Knowing that Mahon needed new capital to produce his product and launch it, Munger made promises that he could raise additional money from other investors and claimed to have a deep network of high net worth individuals through his "Gold membership" at

the Foundation Room in Las Vegas. Munger failed at every attempt until Munger talked his sister, T. Moore and her husband L. Moore, who to invested $50,000 in cash into a convertible note through their construction company, BL Moore Construction, Inc.

96. After a hugely successful debut release of the Full Color IP at the Global Gaming Expo ("G2E") convention in Vegas in the first week of October, Munger's sister did in fact execute the convertible note and wire the funds.

97. On October 26, 2014 after the funds were received, Munger begged for and ultimately received 171,041 shares of FCGI common stock issued in his name through a stock vesting agreement for his agreement to work as an "acting CIO / CTO" of FCGI and to serve as a fiduciary and member of FCGI'S Board of Advisors ("BOA SHARES").

98. On January 1, 2015, MUNGER'S BOA Shares fully vested by contract.

99. Prior to Munger receiving any shares, on or about April 15, 2014, Mahon requested in a text message that Munger affirm that he was an accredited investor pursuant to the United States Securities Exchange Commission ("SEC") as FCGI was exempt from registering its securities pursuant to Regulation D Rule 506 subsection 4(a)(2) and Munger affirmed back in text that he was an accredited investor.

100. FCGI and Mahon only agreed to distribute any shares to Munger based on his representations, both in the written documents and verbally and in other writings, that Munger was in fact an accredited investor.

101. On or about March 1, 2015, upon information and belief, Munger secretly began to work for a casino gaming entity named Whitesand Gaming LLC ("Whitesand").

102. Upon information and belief, Whitesand was hired by the Gaming Board of Bahamas ("GBB") to implement a new set of casino gaming licensing regulations.

103. Upon information and belief, Munger began to work for the GBB in Nassau, Bahamas all which allowed him to live and work in the Bahamas.

104. Upon information and belief, as part of his employment with Whitesand and the GBB, Munger began to partake in the regulation of well over 100 GBB individual and corporate casino gaming licensee applicants, which included Third-Party Defendants Bastian, Playtech, Island Luck, ILG, Multislot, and Spin.

105. Upon information and belief, Munger began to obtain and control confidential and privileged information about the GBB applicants, including but not limited to Bastian, Playtech, Island Luck, Multislot and Spin.

106. Upon information and belief, Munger, while working at the GBB, knew that Bastian had disclosed his unlawful activity to the GBB.

107. Upon information and belief, Munger, while working at the GBB, knew that the GBB completely ignored Bastian's unlawful activity as it was allegedly barred for disqualifications in suitability by the Bahamian GBB because Bastian and some or all of the Bastian Casino Gaming Enterprise had purportedly bribed the Bahamian parliament members to craft the GBB licensing rules before they were adopted and put into law, to include a statute of limitations that limited the time period that the GBB could look back for examination and consideration of suitability for a license.

108. Further, Munger also knew that FCGI, with its respective rights to the Full Color IP as licensed from IPH sought to be licensed by the Nevada Gaming Control Board ("NGCB"), the United Kingdom Gambling Commission ("UKGC") and hundreds of other regulated jurisdictions over time.

109. Munger also knew any business relationship between FCGI and any other party that could be viewed as unsuitable under any of the aforementioned jurisdictions could cause the FCGI and its affiliates to be found unsuitable for gaming licensing by mere association other businesses or individuals found to be unsuitable.

110. Munger also knew that unlike the GBB, the NGCB, the UKGC, and other gold-standard regulated jurisdictions have no "statute of limitations" in the age of

their crimes by any applicant in their standards and requirements for finding "suitability."

111. As a result, Munger owed FCGI the fiduciary duty to disclose any criminal past of Bastian.

112. In arguendo, if Munger was barred by some contract or Bahamian law because of his work for the GBB from disclosing Bastian's self-admitted criminal past that he acquired while regulating Bastian at the GBB, Munger still owed FCGI the ethical and fiduciary duty not to introduce Bastian to FCGI in the first place, much more, not to aid and abet Bastian or the Bastian Casino Gaming Enterprise in their quest to invest in and/or control FCGI's business.

113. The Bastian and the Bastian Casino Gaming Enterprise, for their part, owed all the shareholders of FCGI the duty to disclose any prior bad acts or activity that might affect FCGI's ability to obtain licensing in the aforementioned jurisdictions, including any ties to racketeering enterprise of fraud, money laundering and theft of services between 1999 and 2009.

114. Upon information and belief, the GBB does not adhere to the same level of suitability standards as other jurisdictions like the NGCB or the UKGC.

115. Munger's and Bastian's failure to make these disclosures exposed FCGI and Mahon to impermissible risks and liabilities and are a material breach of their ethical and fiduciary duties to each. Of course, given their intent to engage many predicate acts of racketeering in order to obtain control over and ultimately coercively and illegally wrest control of FCGI or its affiliates and the Full Color IP, this is not surprising.

116. On August 1, 2015, FCGI formally updated its corporate mandate and adopted its Amended & Restated Bylaws dated August 1, 2015 and in so doing unified all of its varied investments, contracts, net profit participation agreements, common stock issuances, convertible notes and stock vesting plans including the $37,500 of cash

that Munger had given FCGI between 2012 and 2013, despite Munger's failure to complete his full investment in the ANPI, and the many obstacles that Mahon was forced to overcome. Both Mahon and FCGI acted in good faith and upon reliance of the same from Munger, converted Munger's loans to be converted in FCGI common shares upon explicit share repurchase terms and conditions that are common in the real money casino gaming industry of licensed and highly regulated business activities.

117. On August 1, 2015, as a result of the Amended & Restated Bylaws by FCGI, Munger and FCGI entered into a Mutual Termination and Exchange Agreement of the original grant of the 171,041 common stock shares and converted the $37,500 of cash from Munger into an additional 50,125 shares of common stock for a single share Certificate CS-08 for 221,166 that FCGI issued in Munger's name.

118. Thereafter, Munger signed a Termination and Exchange Agreement, a new 2015 Stock Incentive Plan ("SIP"), Share Repurchase Agreement ("SRA"), and a Share Issuance Agreement ("SIA"). Munger then received certificates documenting the shares he had obtained under these new agreements whereby Munger further asserted and signed in writing that he was an accredited investor.

119. Thereafter, on September 22, 2015, at the request of Munger, the FCGI Board of Directors and Board resolution, appointed Munger as the company's official Chief Technical Officer ("CTO") and further added his name to the Company's business plans, marketing materials, investor documents, and printed his FCGI business cards reflecting the same.

120. Munger immediately changed his mark@fullcolorgames.com email address footers to include his new title, legal position as an official Officer of FCGI in addition to his previous and ongoing roll as member of the Board of Advisors of FCGI for the world to see, know and believe.

121. FCGI is informed and believes that Munger representations about his status as an accredited investor were false.

122. Moreover, Munger now asserts that he did not agree to serve as the CTO in exchange for shares of FCGI, and further asserts that he had no duties or role as a member of the Board of Advisors and further asserts the Board of Advisors had no purpose, yet he participated in all of them and used the confidential information obtained for his own purposes, and ultimately to sabotage FCGI's business and circumvent FCGI's business opportunities in favor of his own interests.

III. FCGI RAISES ADDITIONAL ACCREDITED INVESTOR FUNDS VIA CONVERTIBLE NOTE NOT LEGALLY CONVERTED

123. By early 2013, a few additional investors had expressed an interest in FCGI.

124. Between March and May, 2013, these investors were initially provided with a convertible note from FCGI that included a security agreement identifying the security as FCGI's limited license from IPH as its primary asset.

125. In April of 2014, after Mahon invented 21 or Nothing® and Full Color® Baccarat the investor interest in FCGI exploded and FCGI raised more money in 6 months than Mahon had raised in 6 years.

126. In or about May, 2014, as a result of the new investor interest and need to continuously corporately evolve with SEC compliant documents for the new level of highly sophisticated investors, Howard, the President of FCGI and further an accredited investor with his own money invested into FCGI, pushed for the initial convertible note to be re-structured to place all investors, other than a few early investors which included Munger, into one uniform convertible note (hereinafter, the "C-Note").

127. The C-Note was secured by a security agreement executed by FCGI and each accredited investor. This security agreement identified the collateral as "all right, title, interest, claims and demands of the Company to: that certain License Agreement by and between the Company and Intellectual Properties Holdings, LLC dated April 18, 2012."

128. The C-Note and related security agreement fully disclosed and identified FCGI's assets as the limited license from IPH that granted FCGI permission to utilize the Full Color IP and not ownership of the Full Color IP itself which belonged to Mahon.The C-Note was later amended to allow for additional investment up to $2 million.

129. The C-Note would trigger, which would either require FCGI to pay off the C-Note or convert the C-Note holders interest to shareholders if a corporate event occurred. Such a corporate event included any transaction whereby FCGI transferred all or substantially all of its assets, including the assets secured by the C-Note, namely, the Limited License issued by IPH.

130. Counter-Defendants Millennium Trust, Moore Trust, DHWT, Brazer Trust, and Castaldo are all C-Note holders.

131. Between March and October 2015, unbeknownst to FCGI, upon information and belief, Munger began have violations within the violations of breaching the NDACA by developing and fully engaging a in a working/employment relationship with the Bastian Casino Gaming Enterprise, while at the same time continuing to work for Whitesand and the GBB (which violated all of their internal conflicts of interests as clearly identified by Maureen Williamson, Esq. in her email to Munger at Munger's secret mmunger@whitesandgaming.com email address that was previously unknown), and working for FCGI, and began scheming for ways to increase his control over FCGI through his undisclosed relationship with the Bastian Casino Gaming Enterprise. Munger went even further and began to fraternize with Mahon's lawyer, Newman, Newman Law whereby they both secretly started a new business called Gambling with the Stars ("GWTS") to build a virtual and real money live dealer casino gaming studio in Las Vegas that would completely conflict with the NDACA and further, directly compete against FCGI. Munger and Newman's side venture self-centered agenda and scheming showed complete and willful disregard of the NDACA, one of which Newman

even crafted while at H2, for their fiduciary duties to FCGI as an Officer, members of the Board of Advisors on top of Newman's conflicts of interest as attorney thru Newman Law and then in further violation by circumventing business opportunities of FCGI.

IV. MUNGER INTRODUCES FCGI AND MAHON TO BASTIAN

132. On October 1, 2015, Munger introduced Bastian to FCGI in an attempt to get Bastian to invest money into FCGI and increase Munger's interest and control over FCGI.

133. After Mahon's demonstration of the Full Color IP in FCGI's casino gaming show room, Bastian immediately informed everyone present that he was interested in investing in FCGI.

134. On or about October 7, 2015, Munger informed Mahon and others that Bastian wished to invest up to $1 million into FCGI, and signed a Mutual Non-Disclosure, Confidentiality, Non-Circumvent & Non-Interference Agreement with FCGI, and thereafter, on or about October 16, 2015, formally agreed to invest $1 million in cash into FCGI through his Cayman Island entity, DTG, and further agreed to launch 21 or Nothing® through his 62 IslandLuck.com casinos in the Bahamas, and thereafter signed a formal term sheet agreeing to accept 7.65% of FCGI for the $1 million investment.

135. On November 16, 2015, Mahon and Munger traveled to the Bahamas and meet with Bastian with plans to visit Costa Rica together to visit a live dealer studio and meet with the owners and operators of Multislot, another company regulated by the GBB, and a company that built games on Bastian's servers for IslandLuck.com

136. After Mahon presented Full Color® Gaming System represented by the Full Color IP to Multislot, Bastian spontaneously announced that he was investing in FCGI, was going to launch the Full Color IP on IslandLuck.com, roll the games out with a live table event in his main casino web shop, market it across all 62 of his casino

shops, and then to the rest of the world, and that he wanted Multislot to build the game on their servers so it can be delivered to the Bastian Group through his IslandLuck.com casinos and ultimately across all 62 of his casino shops.

137. On November 18, 2015, Bastian, Mahon and Munger were required to fly back to the Bahamas through Miami on a commercial flight because Bastian's private jet would not start. During the stop at the Miami International Airport, Bastian was detained by US Customs and Border Patrol ("USCBP") for 4 ½ hours.

138. After the detainment, Bastian informed Mahon and Munger that he no longer wanted to invest in a United States based company because the problems it brings him as a Bahamian citizen getting in and out of the United States. Bastian informed Mahon that he had previously been required to sell a previous business because of harassment by the USCBP, and the new detainment reminded him that he did not want to invest in a United States based company. However, FCGI has no way of confirming Bastian's claim concerning his reason for demanding that FCGI move outside the United States. On information and belief, Bastian had ulterior motives for seducing FCGI to move their operations outside of the United States in order to take control of the company.

139. Bastian suggested to Mahon that the Isle of Man would be the best online casino gaming jurisdiction and country to FCGI's operations to because it had no corporate taxes and he could easily move his money between the two countries. FCGI agreed to start the research on formally moving FCGI to the IOM as it was a natural evolution of business for online casino gaming and he was not fundamentally opposed to basing his company in the jurisdiction that housed some of the largest casino gaming distributors and many major operators.

140. After returning to the Bahamas, Bastian informed Mahon and Munger that he would have Multislot build 21 or Nothing® in Flash at no direct cost to FCGI

and deliver it direct to the Bastian Casino Gaming Enterprise's casinos as part of the investment deal, as further incentive to move to the Isle of Man for guaranteed release.

141. Thereafter, Mahon travelled straight from the Bahamas to London to meet with DLA Piper and Credit Suisse and then to Isle of Man to meet with KPMG and Equiom and complete formal exploratory meetings about moving FCGI to the Isle of Man in order to obtain investment and the guaranteed release of the Full Color IP from Bastian. While there, FCGI's Chief Financial Officer ("CFO"), Martin Linham ("Linham") assisted in setting up the meetings to further explore the move to Isle of Man.

142. On December 6, 2015, Richard H. Newman, Esq., ("Newman") the Chief Legal Officer ("CLO") of FCGI and Full Color IP legal counsel for Mahon and IPH through Newman's own practice of Newman Law, LLC, began to put together the new agreements to facilitate a transfer of FCGI's business to the Isle of Man at the request of Bastian. In a nutshell, two new entities, Full Color Games, Ltd. ("FCGLTD") and an entity owned by Mahon, Intellectual Properties Holding, Ltd. ("IPHLTD"), would be established in the Isle of Man. IPH would issue a license to IPHLTD, and IPHLTD would issue a new "Commercial License Agreement" ("CLA") to FCGLTD. FCGI would release its limited license in exchange being issued 100% of the interest initially in FCGLTD, and Bastian would invest directly in FCGLTD in exchange for shares purchased from FCGI and a Registered Agent in the Isle of Man would act as the escrow agent to facilitate the new corporation formations, contractual releases, IP transfers and share issuances to effectuate all the terms and conditions of each parties escrow instructions.

143. During a meeting where Bastian and Mahon were discussing the terms of the new transaction on December 8, 2015, Bastian advised Mahon of the 12% Bahamian Investment Tax ("BIT") that he would incur for sending money out of the

Bahamas for an investment and further stated that because of the tax, FCG LTD would only receive $880,000 instead of $1 million.

144. During the same meeting, on December 8, 2015, Simmons, Bastian's right hand man and CFO for the Bastian Casino Gaming Enterprise, suggested that FCGLTD or another entity in the Isle of Man issue IslandLuck.com what would amount to a false commercial invoice for $1 million dollars in computer equipment in order to avoid the BIT and get the full $1 million.

145. Mahon could not believe they suggested engaging in billing fraud, wire fraud and money laundering and conceal the purchase of FCGI's securities in FCGLTD for the purposes of avoiding the BIT.

146. Mahon, who had only met Bastian two other times before this meeting, and had just met Simmons for the first time as he showed up about 15 minutes into the meeting and introduced himself as Bastian's Chief Financial Officer. Simmons corroborated that the fraudulent billing scheme would work with no problem as stating, "that's how we do it all the time here in the Bahamas or we'd never be able to get any money off the island." Mahon was dumbfounded and completely shocked that anyone who is licensed casino gaming operator would be so stupid and so brazen to admit to money laundering to someone they don't even know, and as such was completely convinced that the only logical reason they were disclosing this criminally indicting information was an "integrity test" to see how Mahon would react and further prove his suitability for real money licensing before he could be trusted with $1 million dollars in cash of Bastian's money.

147. Mahon instantly declined the offer and said that would be illegal and he could not jeopardize his licensing suitability in any way shape or form. Bastian and Simmons withdrew the suggested BIT tax evasion scheme with no other discussion about it whatsoever leading Mahon to believe it was indeed an "integrity test," that he

clearly had passed (as they continued on for another 30 minutes and finalized the $2 million investment terms and conditions afterwards without missing a beat).

148. Immediately thereafter, Bastian agreed to increase his investment by investing $1 million in cash into FCGLTD, and also affirmed the that he would also invest an additional $1 million in cash-in-kind to guarantee the marketing, promotion, licensing, live dealer studio space and other expenses related to bringing the Full Color IP to the market place which only further assured Mahon it was indeed "integrity test" or Bastian never would have agreed to offer such other incredible guarantees. In exchange, Mahon agreed, among other concessions, to grant a larger ownership interest to Bastian in FCGLTD raising the interest from 7.65% to 15%.

149. In December, Mahon had agreed to retain the global firm of Equiom, the most reputable Registered Agent in the Isle of Man to handle the escrow and corporation transfers and they began to prepare for it by securing the corporate names with the Isle of Man Companies Registry.

150. Mahon had decided to use Equiom that they had already reserved and secured the names of FCGLTD and IPHLTD with the IOM Companies.

151. On January 21, 2016, Linham suddenly abandoned Equiom and commissioned a completely unknown startup operation and Registered Agent named Corporate Options Ltd and another entity owned by Murphy and his partner Paul Chase ("Chase"), called Chase Nominees Ltd. ("Chase Nominees") both of Isle of Man to file and form FCGLTD and IPHLTD under the 2006 Companies Act of the Isle of Man and appoint an independent Director of Lee Murphy ("Murphy").

152. Mahon had never met Murphy, knew nothing of him, Chase, Corporate Options nor Chase Nominees. Mahon wanted to use Equiom but Linham insisted on using Murphy, Chase, Corporate Options and Chase Nominees (falsely) stating the costs were day and night between a small operation and a global conglomerate of Equiom as

how he began to manipulate, change and controlled everything related to the Isle of Man.

153. Linham, Murphy, Chase, Corporate Options and Chase Nominees somehow, transferred the FCGLTD and IPHLTD names out of Equiom's control and carried out the formations without any written authorization to do either from Mahon.

154. Linham asserted to Mahon that the purpose of Corporate Options was to provide a local a Registered Agent as required by the Isle of Man Companies Act of 2006 ("2006 Company") for any foreigner to form and maintain a "2006 Company" in the Isle of Man.

155. Linham asserted to Mahon that the purpose of Chase Nominees was to provide a local Director as required by the Isle of Man Companies Act of 2006 for any foreigner to operate a "2006 Company."

156. In addition to these companies, on or about January 21, 2016, Linham directed Corporate Options and Chase Nominees to form Bastian's new entity, Davinci Holdings Ltd under the 2006 Companies Act of the Isle of Man (previously referred to as "DHL") that Bastian would use to make his $1 million dollar cash investment from into FCGLTD and purchase the 15% interest in shares from FCGI.

157. On or about January 21, 2016, Linham directed Corporate Options and Chase Nominees to form another new Bastian entity, ILG Software Ltd under the 2006 Companies Act of the Isle of Man ("ILG") that Bastian was setting up to move his Bahamian remote gaming software server company, banking and revenue streams off shore from the Bahamas to allow FCGLTD to integrate into the server and distribute the Full Color IP through in the Bahamas and Jamaica as well as serve as other third party casino games, that want to get into Bastian's Bahamian and Jamaican casino distribution network.

158. Upon formation of FCGLTD and IPHLTD, all companies' initial sole director was Lee Murphy ("Murphy") and Chase Nominees was the sole subscriber for

both FCGLTD and IPHLTD. Murphy, Chase, Corporate Options and Chase Nominees prepared board resolutions for Linham to be appointed as the CFO and Director, Mahon to be appointed as the CEO and Director, Newman to be appointed as the CLO and Director and Munger to be appointed as the CTO of FCGLTD.

159. Upon formation of DHL and ILG, both companies' initial sole director was Murphy, and Chase Nominees was the sole subscriber for both DHL and ILG. Upon information and belief, Bastian directed Murphy, Chase, Corporate Options and Chase Nominees to add Bastian as the CEO and as a Director of DHL and ILG through board resolutions and a Letter of Declaration of Share Ownership.

160. Between January 21 and February 2, 2016, Mahon and Linham drafted Amended & Restated Memorandum of Articles to amend the share count, class of shares to voting and non-voting and directed Murphy, Chase, Corporate Options and Chase Nominees to file it with the Isle of Man Companies Registry to ensure that FCGI owned 100% of the shares of FCGLTD.

161. Between January 21 and February 2, 2016, Mahon drafted Amended & Restated Memorandum of Articles for IPHLTD and directed Murphy, Chase, Corporate Options and Chase Nominees to file it with the Isle of Man Companies Registry to ensure that IPH owned 100% of the shares of IPHLTD.

162. On February 2, 2016, the first formal FCGLTD Board of Directors ("BOD") meeting was held and dealt with the corporate structuring where it was resolved, among other things, to appoint Newman, Mahon, Linham, and Murphy as the bank signatories and Directors of FCGLTD.

163. The proposed transaction whereby FCGI moved its primary asset, the limited license issued from IPH to the Isle of Man by releasing its limited license so that IPHLTD could issue the full Commercial License Agreement ("CLA") to FCGLTD in exchange for 100% of the shares in FCGLTD, which would be followed by Bastian's purchase, through DHL, of shares in FCGLTD, could not occur without the majority

consent of the C-Note holders, and the C-Note would have to be amended a second time to allow the C-Note holders to convert to shareholders upon completion of the transaction (hereinafter, "Amendment No. 2").

164. Between February and March, Howard obtained approval from every FCGI C-Note holder who responded to Amendment No. 2 to the C-Note, which turned out to be 89.49% of all C-Note holders. No one rejected the proposal.

165. Bastian leads everyone to believe that he will follow through with his promises, his investments and the launch of the Full Color IP.

166. After a company-wide FCGI call with its shareholders and then C-Note holders on April 11, 2016, the C-Note holders who were ultimately contacted, constituting 84.49% of the C-Note holders all agreed to and executed Amendment No.2, which allowed FCGI to relinquish the limited license from IPH in exchange for the issuance of a new CLA to FCGLTD who would initially issue 100% of FCGLTD shares to FCGI. FCGI would thereafter agree to issue portions of its shares in FCGLTD to IPHLTD in exchange for the CLA, and Bastian in exchange for his $2 million overall investment.

167. On May 31, 2016, Bastian signed the documents between FCGLTD and DHL for the overall $2MM investment.

168. To legally effectuate all of the terms and conditions of Amendment No. 2 and voluntary trigger the C-Note, an actual legal transfer the shares of FCGLTD to FCGI had to be fully effectuated by in the public record.

169. On April 11, 2016, Murphy, Chase, Corporate Options and Chase Nominees were directed to file an Amended Articles with the Isle of Man Companies Registry to ensure that FCGI owned 100% of the shares of FCGLTD as agreed to in several related transactional documents that formed the basis for FCGI releasing the limited license and IPHLTD issuing the CLA to FCGLTD as agreed to in the Amendment No. 2 of the C-Note

170. A review of public record of the Isle of Man Companies Registry confirms, however, that the only Amended & Restated Articles was ever filed by Murphy, Chase, Corporate Options and Chase Nominees was on February 24, 2016 proving that the April 11, 2016 Amended Memorandum & Articles of Association ("AMAA") was never filed as it affirms that only "One Ordinary Share" had ever been issued and taken by Chase Nominees.

171. As such FCGI, neither FCGI, IPHLTD, nor anyone else other than Chase Nominees ever owned any shares of FCGLTD because they were never issued.

172. Because the transaction whereby FCGI's license and business would be transferred to the Isle of Man was never completed, the C-Note never legally converted into the issuance of any FCGI shares to the Plaintiffs of Eckles, Solso, Brazer, Castaldo, and the Moores ("C-Note Plaintiffs"). As such, the C-Note Plaintiffs were never shareholders of FCGI.

173. Notwithstanding all of the above, FCGI and its officers and directors, including Mahon, acted in good faith in carrying out the transactions believing in the full efficacy of the documents they signed and executed as if they did in fact occur, despite the fact FCGLTD, through its sole shareholder, Chase Nominees, never issued any other shares.

V. BASTIAN, MUNGER, LINHAM, AND SIMMONS, ALONG WITH THE RELATED ENTITIES ENGAGES IN ATTEMPTED WIRE AND MAIL FRAUD AND MONEY LAUNDERING

174. By June, 2016, FCGI had been funding the entire transaction to transfer its business to the Isle of Man based on Bastian's agreement and promises to invest in FCG LTD for six months, and FCGI's funding was nearly depleted. Bastian had delayed executing the documents for his investment and delayed his funding for several months thereby delaying FCGI's efforts to get its product to market.

175. After Bastian finally executed the documents for his $2 million investment on May 31, 2016, Bastian promised to wire transfer the $1 million in cash upon his return to the Bahamas.

176. DHL and FCGLTD both had their bank accounts set up at Nedbank Private Wealth, in Douglas, Isle of Man, and Mahon informed Linham to give notice to Nedbank that a $1 million dollar transfer should be occurring shortly once Bastian returns to Bahamas the next day, however as of June 6, 2016, no wire transfer had been received.

177. On June 7, 2016, FCGI is informed and believes that Simmons had a skype conference with Linham to discuss Bastian's investment and discussed creating a false invoice for Bastian's investment to avoid the BIT tax. Linham, however, never informed Mahon concerning this discussion other than to say that he expected the wire transfer for Bastian's investment to be coming soon.

178. Upon information and belief, when Simmons spoke to Linham on June 7, 2016, he directed Linham to create an invoice to IslandLuck.com on FCG LTD letterhead for $444,070.01 in computer equipment whereby Simmons would submit it to the Bank of Bahamas as a way to for Simmons to transfer part of the money to FCG LTD for the purchase of FCGI'S securities in FCGLTD in order to avoid paying the 12% BIT rather than complete the wire transfer of the full $1 million investment to Nedbank by way of DHL as agreed.

179. Upon information and belief, after the Skype call, Simmons informed Linham to coordinate with Munger to obtain a list of equipment, put it on a FCGLTD letter head and email it to him.

180. Upon information and believe, within minutes after getting off the Skype call with Simmons, Linham communicated with Munger outside of the email chains on the fullcolorgames.com servers to get information to put together an IslandLuck.com

equipment invoice because Munger did in fact send an email with a prepared IslandLuck.com list of equipment and a total cost of $444,070.01 to Linham.

181. Within only a few minutes thereafter, Linham sent an email to Simmons enclosing an invoice on FCGLTD letterhead with the exact same equipment list, product descriptions and specifications and prices as the information Munger had earlier provided to Simmons. The email from Linham to Munger stated: "Following our earlier conversation, please find attached your invoice from Full Color Games Ltd. in respect to the Online Casino Gaming Equipment. The remittance details are shown on the invoice." Simmons affirmed receipt of the invoice.

182. FCGLTD does not make, distribute, or sell any online gaming equipment of any sort or any kind making the invoice from FCGLTD and a demand to pay it as fraud on its face and nothing more than a vehicle to engage in billing fraud, wire fraud, money laundering and tax evasion.

183. On June 8, 2016, Mahon was still expecting the full $1 million transfer when Linham informs him in several emails that they are still obtaining approvals for currency control.

184. On June 9, 2016, when the transfer still has not occurred, Mahon calls Linham and learns for the first time of the invoice Linham created to receive only a transfer of $444,010.00 based on the invoice for computer equipment.

185. Upon learning of a potential fraudulent invoice, Mahon immediately informed Linham such a transaction, such an invoice and such a transfer would be fraudulent, an act of money laundering, get FCGLTD disqualified for any casino gaming licensing, and that Linham would be terminated if the invoice did in fact exist and such a transfer was completed in this manner.

186. On June 9, 2016, at 6:57pm, after the call with Mahon, Linham made several attempts to contact Simmons via Skype where he informs Simmons that FCG LTD's "audit standards" will not allow them to complete the transfer of funds via the

invoice previously sent and insisted on completing the transfer in a way that would "stand up to regulatory scrutiny." Linham has since admitted that he and Munger constructed the invoice and sent it to Bastian's CFO in the Bahamas.

187. Mahon and FCGI had previously granted Bastian additional concessions and ownership interest because Bastian would be responsible for the 12% BIT tax upon an investment in FCGLTD.

188. Upon information and belief, Bastian and Simmons and conspired with Munger and Linham to create the fraudulent invoice in order to assist Bastian in avoiding the BIT tax that he would and should be responsible for and agreed to be responsible for and thereby place FCGI, FCGLTD and their future suitability for gaming licensing in jeopardy.

189. On June 13, 2016, Munger, who neither Mahon nor FCGI knew was involved in creating the fraudulent invoice emailed Linham from his private email address at mmunger@markmunger.com and this time, copied Mahon on the email notifying them that he had fixed the situation in Bahamas and that Bastian will be wiring the $500,000 out of his Wells Fargo Bank Account in Miami. Mahon was not aware of the full extent of Munger's involvement with Bastian, but Munger's response here gives a subtle indication of how close they were.

190. As a result of Bastian, Simmons, Linham, and Munger conspired to commit money laundering through fraud by wire, each are guilty of violating 18 U.S.C §1962(d) through the two predicate acts of 18 U.S.C.§1956 and §1343 in violation of 18 U.S.C. §1962(b) had they succeeded.

191. On April 5, 2017, Linham resigned as the CFO and Director from FCGLTD without any warning and without any notice to Mahon and Mahon thereafter took over his email and other accounts administrated by Google.com only to discover that Linham had intentionally and permanently deleted all of the emails in his account.

192. Now, it is clear that Linham deleted all his emails to keep Mahon from discovering how involved he and Munger were in conspiring with Bastian, Simmons, and others to harm and destroy FCGLTD and FCGI's business efforts as is set forth in more detail herein.

193. When submitting this false declaration, Linham believed he had destroyed the evidence that proved that Mahon had no knowledge of Bastian's efforts to commit wire, mail, and tax fraud via a fraudulent money laundering scheme. Linham, Munger, and others utilized their failed attempt at money laundering to falsely accuse and prosecute Mahon but Google tech support resurrected the Linham's "permanently deleted emails".

194. By June 21, 2016, Bastian has still failed to wire transfer the $1MM from DHL to FCGLTD.

195. On June 22, 2016, Bastian again engages in money laundering of $500,000 of funds in a wire transfer through a false "Purpose of Funds" statement to Wells Fargo Bank, N.A. for the fraudulent claim of an "Investment for Davinci Trading,", a Cayman Islands company that Bastian owns as the beneficiary of Full Color Games Ltd through interstate and foreign commerce.

196. FCGLTD has no contract for the sale of securities to "Davinci Trading," which is Davinci Trading Group or "DTG", in Cayman Islands.

197. Upon information and belief, the true "Purpose of Funds" is tax evasion to avoid application of the BIT by using his Cayman Islands entity of DTG to conceal his purchase of FCGI's ownership shares of FCGLTD's stock and further to avoid reporting it to the Bahamian Government as required by the Exchange Control Reporting if the money had come out of the Bahamas.

198. This purchase of securities is a false statement by Bastian to induce WFB to wire the funds as falsely state "Purpose of Funds" is for "Investment for

Davinci Trading" with the beneficiary being "Full Color Games Ltd," which is money laundering through wire fraud and further a criminal act of securities fraud.

199. The true source of these funds is unknown, more importantly how Bastian, who owns no businesses in the United States, has no employment in the United States, reports no income in the United States, was able to get $500,000 into a USA bank account, much more for the benefit of Davinci Trading, a Cayman Island company, as the "Purpose of Funds" states.

200. On June 23, 2016, at 1:54am PST, Kim Quirk at Nedbank emailed LINHAM and confirmed that FCGLTD did in fact receive the $500,000 into its Nedbank account in Isle of Man, meaning DGT and Bastian obtained their interest in FCGLTD through fraud by wire violating 18 U.S.C §1962(b), (c) and (d) through the two predicate acts of 18 U.S.C. §1956 and §1343.

201. On September 20, 2016, at the Shirley Street Branch of the Bank of Bahamas ("BOB"), Bastian, by signature, directed the BOB to make an "External Payment Request" ("EPR") in the form of a bank wire transfer in the amount of $500,000 payable to Full Color Games Ltd in the Isle of Man. It was stamped by BOB as received on September 22, 2015.

202. The EPR makes clear Bastian's false declarations to BOB, that the transaction was CAT Code 2084 (Commission, Advert. Subscript., Prof Service, Misc., e.g. visas, pay Bahamians abroad) all of which was indisputably false and in fact, was truly for the purposes of ECR CAT Code 5010 (Share Purchase).

203. FCGLTD did not charge Bastian, Simmons, Playtech or Island Luck any "commission," did not buy any "advertising subscription, purchase any "professional service," or any other "miscellaneous items, e.g., visa or pay any Bahamian abroad."

204. Upon information and belief, the false ECR CAT CODE declaration as stated in the BOB ETR is for the purpose for tax evasion of the BIT in order to conceal DHL's purchase of FCGI's ownership shares of FCGLTD's stock.

205. This purchase of securities is a false statement by Bastian and Simmons to induce BOB to wire the funds as falsely state ECR CAT CODE.

206. On October 3, 2016, at 8:53am PST, Linham confirmed that FCGLTD did in fact receive the $500,000 into its Nedbank account in Isle of Man validating the act of racketeering of money laundering through fraud by wire violating 18 U.S.C §1962(b), (c) and (d) through the two predicate acts of 18 U.S.C.§1956 and §1343.

VI. MULTISLOT'S FIRST ACT OF RACKETEERING (BASTIAN' FOURTH ACT)

207. Per Bastian's prior instructions that Multislot would complete the real money version of 21 or Nothing® ("FC21") for release through the Bastian Casino Gaming Enterprise in the Bahamas with Multislot's existing Real Gaming Server ("RGS") that was integrated into global distributors including but not limited to Every Matrix, BetConstruct and Videoslots, Mahon supplied Multislot with all the game assets, rule sets, game logic, and math certifications necessary to complete FC21 in 2016.

208. A Tier 1 online developer, distributor and or operator is considered to be one that is licensed by the Gibraltar Regulatory Authority ("GRA") where their operations are required to be based in Gibraltar and their servers are required to be located, literally, deep inside the tunnels of the world famous Rock of Gibraltar where they safely feed the world with the best gaming content there is.

209. There are, according to CasinoCity.com, 4,434 online casinos in the world that they track on a daily basis. In contrast to the world, there are only 33 Gibraltar Licensees and of them, less than 20 of them are operators. It is well published fact that those 20 Licensees account for well over 80% of all regulated online casino gaming revenue, and as such, doing business with a Tier 1 Licensee is beyond coveted and being sheltered under one of their licenses as a supplier is getting to serve your content from the Holy Grail itself.

210. From September of 2014 through November 2015, before Mahon even met Bastian, he had already met with over half of the Gibraltar Licensees each of whom agreed to move forward with commercials in releasing the Full Color IP as soon as it was ready.

211. Multislot is not licensed in Gibraltar and is not a Tier 1 developer, distributor or operator. Multislot is a Tier 2/Tier 3 casino gaming developer. The company makes low budget online casino games with average graphics and average functionality.

212. Multislot is a small company of approximately 8-10 people that is based in a non-regulated jurisdiction of Costa Rica and was formed years ago to make games to supply to the underground and non-regulated world. This is why the Bastian Casino Gaming Enterprise, which started in the unregulated Bahamas utilized Multislot and, in fact was their largest customers by monthly revenue.

213. Indeed, in a non-regulated closed market with little or no competition, like the Bahamas, the Tier 1 operators did not compete because there was not sufficient volume, giving a Tier 2 / Tier 3 game developer or distributor such as Multislot a marketplace to profit in. Lower costs with lower volume could still make a profit.

214. On average, Multislot as a Tier 2/Tier 3 game developer would spend a maximum of about $50,000-$100,000 to produce an in-house generic online real money casino game for desktop only and a limited set of languages and currencies whereas a Tier 1 game developer and Gibraltar Licensee like Microgaming (Oakwood Ltd) would spend well over $1 million to produce a super high quality game with world class graphics and another $1 million to license a brand that works all computer, mobile and tablet devices in all languages and in all currencies.

215. When the Full Color IP came onto the scene, every operator and every distributor in every level of Tier 1, 2 or 3 has wanted the Full Color IP content as soon as it was ready and as proof of how bad they want it, they have been willing put it at the

front of the line in integrations that are backed up 18-24 months on average by all others proving that it is an anomaly and stood an incredible chance of unlimited success upon release.

216. Microgaming wanted the Full Color IP so bad, in a seemingly unprecedented move, even began to publish the availability of it in their sales literature before a contract was even signed.

217. When Multislot was presented with the opportunity to be involved because of its relationship with Bastian, Multislot was willing to go to extreme measures to get it first and its willingness to develop FC21 with no upfront fees or costs because Multislot knew it could not afford to buy the Full Color IP or even pay its licensing fees, but that if it were to develop the game on its RGS system first, the Tier 1 distributors who wanted the Full Color content would be forced to integrate Multislot's RGS onto their platforms, which is something a Tier one distributor would not normally do for Tier 2/3 content, but would likely do to obtain Full Color's content.

218. Multislot had other limitations beyond its Tier 2/3 status. Multislot was limited geographically as they are based in Costa Rica. The geography and culture simply creates a lack of human resources skilled in the relevant art of online casino gaming industry by its geography and educational institutions, and thirdly by economic conditions that exist to import them. Collectively it creates the inability to obtain and maintain the world class rockstar talent necessary to create a Tier 1 game, much more so. …invent Tier 1 content on their own and break out of that cycle.

219. Multislot was also limited by its technology and its employees in producing an online game is code programmed. Multislot's primary language of their games is produced using "Flash" by Adobe which was first released in 2000 as the internet began to truly grow by leaps and bounds. Multislot chooses Flash because it is cheap and easy and the learning curve is so low, making it easier to obtain human resources in a geography that is already scarce as it could be by default.

220. However, since 2000, Flash has lost most of its appeal because it cannot be run on the mobile phones and tablets dominating the world today as neither iOS (Apple iPhone) or (Google) Android will run it. All universal content today is coded natively or universally using WebGL and HTML5.

221. As a result of MULTISLOT'S own limitations, MULTISLOT only offered to produce the Full Color IP in "Flash", a dying language on desktops and a ***dead*** language on mobile and tablet.

222. Multislot was just barely getting into HTML5 and mobile technology being forced to convert all of their existing Flash content in order to stay relevant and provide games to even the existing Tier 2 / Tier 3 distributors and operators as they too were forced to upgrade by consumer behavior and demand in order to compete with the billions of new phones and tablets that were killing the desktop market.

223. Multislot wanted to avoid the initial costs of building FC21 and other Full Color IP games by building the games initially in Flash to be released with Bastian, Multislot wanted its "cake and eat it too" with Full Color. Multislot wanted the content but didn't want to build it at Tier 1 level, nor did they want to build it on HTML 5 as a build once and deploy everywhere model. Multislot wanted to mitigate their costs using skill sets they had and a rapid development time and code the Full Color IP in the dying/dead Flash format.

224. Unbeknownst to Mahon and FCGI, Multislot was completely subject to its largest customer by volume and revenue, Bastian and was really part of the Bastian Casino Gaming Enterprise. Ultimately, Multislot was at the mercy of the Bastian.

225. Because Bastian was investing in FCGI, Mahon and FCGI believed that this would be to their advantage. It was not until much later that they came to learn that Bastian and Munger had different plans sabotage FCGI through both Multislot and later Spin, and attempt to take over the Full Color IP from Mahon.

226. Multislot's low-cost choice to develop in Flash inherently conflicted with the Tier 1 demand to code in HTML5 and further created quite a source for conflicts of frustration between the FCGLTD and FCGI and Multislot with them wanting to just "throw the game out and release it" and MAHON demanding that it meet the quality control, user interface ("UI") and the user experience ("UX") that the Tier 1 distributors and operators echoed in demands in order to get top priority. Unbeknownst to FCGI at the time, this conflict appeared concocted and planned by Bastian and Munger to FCGI's detriment.

227. Beginning in February of 2016 when the Full Color IP was exhibited at the ICE 2017 Totally Gaming Convention in London, Multislot began to arrange for its Flash based distributors and operators to introduce the Full Color IP to them.

228. During the same time in 2016, Mahon had also met with a plethora of online Tier 1 casinos and distributors out of Gibraltar that had seen the Full Color IP and wanted it as soon as it was ready but they all demanded it be fully developed in HTML5 for a simultaneous release on both mobile and desktop or no release at all.

229. Multislot's inexplicable decision to build the Full Color IP on a desktop only in Flash would prevent them from going beyond Multislot's existing Tier 2 / Tier 3 integrations but worse, preventing them from being able to even get Multislot's RGS integrated into the Tier 1 distributors and operators.

230. Despite FCGI offering additional money and even meeting with Multislot and other related vendors, Multislot ultimately refused to devote full resources to fully develop the Full Color IP games on HTML5 at a Tier 1 quality level until after it had developed and distributed the games via its Tier 2/3 Flash network. Specifically, Multislot confirmed it wanted to release FC21 on Flash through their existing distributors and operators and through the Bastian Casino Gaming Enterprise only and then, and only then, if FC21 was a success they would move resources for HTML5.

231. Ultimately, Multislot agreed that FCGLTD and FCGI could find another developer and FCGLTD and FCGI could use their $100,000 in funds to pay others to code the Full Color IP in HTML5 on a platform that was integrated into existing Gibraltar Licensee(s) and Multislot would simply only deliver their versions of the Full Color IP through their existing Tier 2 / Tier 3 integrations as Multislot didn't truly believe Mahon could get Tier 1 distributors and operators to release the unproven product of the Full Color IP, no matter how disruptive it appeared to be to them.

232. As a result, the Counter-claimants contracted with Spin to provide the HMTL5 content with the promises and assurance they were integrated into Nektan and NYX in Gibraltar and could release to Bet365, WilliamHill, BetVictor, Ladrokes, Gala, Coral, Rank and all the other GRA Tier 1 distributors and operators that wanted the Full Color IP.

233. On October 17, 2016, Multislot emailed the Full Color IP assets in its possession to the team at SPIN in order for SPIN to build the HTML5 games for the Tier 1 releases so they would maintain the same UI/UX design and functionality across both the desktop, tablet and mobile platforms not that multiple companies would be tasked to produce the same product, yet under a completely different codebase of language instructions to match each other as closely as possible in order to maintain global uniformity upon release regardless of where the games were being distributed to Tier 1, Tier 2 or Tier 3 operators.

234. Between August 18, 2016 and about December, 2016, FCGI and FCG LTD worked with Multislot to ensure that the games being built were fully certified so that they could be distributed to Tier 2/3 distributors throughout Europe and in the Bahamas, among other locations and to be integrated via Multislot's RGS.

235. On December 19, 2016, Mahon approves and signs Multislot's distribution contract to go live worldwide through the Bastian Casino Gaming Enterprise

through Island Luck, Videoslots, Every Matrix, Betconstuct and others, to which Multislot responds that it will sign once it completes a final legal review.

236. The parties' intention was to have FC21 live through the above networks on Multislot's RGS before the ICE Totally Gaming London casino gaming convention in the first week of February, 2017, and the parties were working to finish the last issues, including language translations and other issues ahead of the convention.

237. Suddenly, and without warning, on January 31, 2017 Multislot, through its principals, sends a text to Mahon stating that if FCG LTD and FCGI is not going to use Multislot's claim for Tier 1 distribution, then Multislot will not distribute the game as promised, but deliver it directly to Bastian for Island Luck exclusively. Multislot made this last minute extortionate demand despite already agreeing to the proposed contract and despite having months earlier acknowledged that FCGI was going to contract with Spin for HTML5 Tier 1 release.

238. On January 31, 2017, Mahon contacted Bastian and Munger concerning Multislot's last minute threats keep the business from obtaining revenue streams. Bastian stated that he would contact Multislot and would work it out.

239. On January 31, 2017, upon information and belief, Bastian spoke with Multislot and its principals, but did not inform FCGI or Mahon about the full context of their conversation.

240. On information and belief, Bastian did nothing to dissuade Multislot from continuing to extort concessions from Mahon and FCGI by threatening to not distribute the games to its Tier 2/3 distributors and thus continuing its conspiracy to gain control over FCGI and the Full Color IP

241. Thereafter, Multislot continued to refuse to countersign the fully executed contract and further, refused to distribute the game asserting that it had done everything it was supposed to do and even misrepresenting that it had completed a commercially releasable Tier 1 build of FC21 on HTML5, which it had never done.

242. As a result, Multislot and Bastian wrongfully induced FCGI Mahon to expend its time, money, energy and efforts for over a year only to end up being threatened and coerced into giving up their property rights in order to fulfill Multislot's and Bastian's hidden agenda

243. Multislot failed to distribute FC21 live anywhere.

244. Even though Multislot ceased and desisted all work on the Full Color IP of 21 or Nothing®, Bastian, Munger, and the Bastian Casino Gaming Enterprises continued to work with Multislot, putting their separate relationship with Multislot ahead of Mahon and FCGI, despite their contractual and each party's relevant fiduciary duties to FCGI.

245. Despite having the FC21 game delivered to Island Luck, Multislot deliberately failed to release FC21 through the Bastian Casino Gaming Enterprise even though it was 100% fully certified and ready for release.

246. Despite DHL having executed and agreed to complete the $1 million in cash-in-kind element of the original DHL and FCGLTD contract, yet they fail to market, promote or launch FC21 through Multislot or any other vendor.

247. Multislot did in fact, block the release of FC21 which was slated to go live at ICE Totally Gaming 2017 in London, UK to over 30,000 attendees from 150 different countries. FCGI and FCG LTD had invested around $100,000 in the booth, shipping all of the product to the UK from Las Vegas, hiring dealers, booth staff, marketing, promotion and release material. The failure to go live did extraordinary reputational and existential damage to the Full Color® Games brand and again delayed FCGI's efforts obtain revenue streams.

248. The fact that Bastian did not exert his influence on Multislot to release FC21 through Videoslots.com made absolutely no sense. It was Bastian's money that has just been wasted to be at ICE 2017 convention that was now mostly lost. Bastian knew that if FC21 was not released the company was likely to run out of money and his

investment would be lost. Bastian had the ability to instantly release FC21 on his 62 casinos in the Bahamas but said he was too busy with opening his 200 Jamaican casino webshops.

249. Despite the fact that Bastian's investment would be lost unless FCGI was able to obtain a revenue stream from the release of FC21, Bastian confirmed that Multislot was not going to release the game at all, to Videoslot.com or even to IslandLuck.com unless FCGI gave up its Tier 1 rights, and that Bastian could do nothing to get Multislot to release the games even though it was Bastian who had directed them to build the games in the first place.

VII. SPIN FIRST ACT OF RACKETEERING (BASTIAN'S FIFTH ACT)

250. On May 31, 2016, after the formal signing with Bastian and the confirmation of the $2 million investment, the Counter-claimants believed that they were finally in a position to truly obtain some quantifiable financial and relational control over their own destiny and obtain control of their own branded Full Color RGS to deliver their own Live Dealer and RNG product through a certified RGS that they could fully control.

251. After it was becoming more and more clear in the beginning of June that Multislot was not likely to develop the Full Color IP in HTML5 for Tier 1 distribution, it became necessary to start finding an alternative solution.

252. At that time, Mahon learned that previously, on April 25, 2016, FCGI and Spin signed a Non-Disclosure, Non-Circumvent, Non-Compete & Confidentiality Agreement ("NDA") with Howard as the signatory for FCGI. This relationship was created unbeknownst to Mahon as other business developers for FCGI had begun to develop the potential relationship, but could now be utilized potentially to develop Full Color games on HTML5

253. As detailed above, it was determined that Multislot would not be doing the HTML5 coding for Tier 1 Operators until after releasing the games on the Flash Tier 2/3 network, forcing FCGI to locate other development partners that had a Tier 1 RGS that was integrated into Tier 1 Operators in Gibraltar.

254. On June 13, 2016, in a meeting between Spin's CEO Ken Young ("Young") and Mahon in Las Vegas, Nevada and in follow up emails, Young certified to Mahon and FCGI that they had the HTML5 Tier 1 solution for the Full Color IP, and that Spin was integrated into NYX and Nektan, both GRA Licensees, among others. Further, Young assured Mahon that SPIN would license them a copy of their RGS, called the ROC, which could be integrated into a master RGS in addition to running Full Color IP directly through their existing distribution and operator platforms allowing Full Color to develop its own RGS to deliver games, but it would require licensing from the UKGC in order to shelter under NYX or Nektan and any of the other GRA operators to deliver the Full Color IP.

255. In late June, 2016, Munger and Mahon met with a new company named Virtuasoft to discuss obtaining licensing of its global Live Dealer and RNG Content Delivery Network Platform ("CDN") through Virtuasoft's proprietary RGS and wallet system called "Kingfisher." Virtuasoft offered to grant a license to Kingfisher with absolutely no upfront costs whatsoever for it except for a backend revenue share agreement upon release of the Full Color IP. Based on this offer, FCGI planned to create a master stand-alone solution to deliver both Live Dealer and RNG games to the world.

256. More importantly, the Kingfisher CDN, relationship and license would allow FCGI and its affiliates to obtain their own copy of the Kingfisher platform, rebrand it as the Full Color RGS and allow them to take other 3rd Party content and deliver other product through their own RGS as a way to obtain additional revenue.

257. From the day Mahon met Bastian, Bastian wanted a Live Dealer solution to deliver through his own software platform in the Bahamas that he called RSL (that Bastian converted and turned into ILG).

258. Once web shops were legalized in Bahamas, Bastian and the Bastian Casino Gaming Enterprise was prevented from delivering a Live Dealer solution because of new laws and regulations that required any Live Dealer solution to have its live studios, servers and platform physically located in the Bahamas. No one in Bahamas could afford a Live Dealer solution based on the need for the economy of scale and costs to setup. Not even Bastian, who controlled 75% of the market, could afford to buy the stand alone software solution just for himself or the RSL platform just for Live Dealer to deliver to the limited market in the Bahamas.

259. In fact the Bastian Casino Gaming Enterprise wanted a Live Dealer solution so bad, he had already entered into a contract with Evolution Gaming, the world's largest provider of Live Dealer software and a Tier One provider, he had already completed a full integration but was forced to terminate it once the GBB was actually formed and prohibited him from going live with it until he built his on in the Bahamas. FCGI and its affiliates provided the perfect conduit to make that happen.

260. Upon information and belief, RSL, which stands for "remote software license" platform is a platform that Bastian and his Bastian Casino Gaming Enterprise had developed for use throughout the entire web shop casino gambling industry in the Bahamas, and had essentially forced his competitors throughout the Bahamas to agree that Bastian and his Bastian Casino Gaming Enterprise would be the "sole provider" of 100% of every casino game in the Bahamas through his RSL (ILG) platform. As a result, RSL was the company that all operators would get their casino gaming software feeds from.

261. With FCG and its affiliates being able to develop its own Full Color RGS version of Kingfisher, and his ownership interests FCGI's affiliated enterprises that

obtained it, he could then, afford to get a sub-licensed copy of it for the mere cost of a revenue share and use it in the Bahamas to feed his Bastian Casino Gaming Enterprise and would profit at incredibly low amortized costs.

262. Based in part on the representations from Spin about the necessity of having a UKCG license to be integrated with Tier I operators, on August 17, 2016, FCGLTD paid for and filed Linham, Mahon, Murphy, Munger, and Bastian for certified Personal Management License ("PML") Applications with UKGC with FCGLTD Remote Software Application for a casino gaming license. A pre-condition to being able to run games through any shelter under any GRA Licensee (Tier I operators) was to first be licensed by the UKGC and as a result, the Counter-claimants went to great lengths to get their licensing applications together and submitted as they had been preparing ever since August 1, 2015 when FCGI Amended & Restated its Bylaws to prepare for becoming a highly regulated real money casino gaming enterprise.

263. Mahon obtained a license contract with Virtuasoft so FCGLTD could have their own customized RGS branded as the FULL COLOR KINGFISHER RGS that would allow the Full Color IP to deliver both Live Dealer and RNG games through it but also serve as the central distribution point where all FCGLTD could finally be in complete control of its own distribution network of Full Color IP as well as serve as a third party distribution platform where FCGLTD could serve other company's games and charge a platform fee as well. As a result, Mahon and FCGLTD also finalized a proposal for Spin to develop the RNG versions of FC21, Full Color Baccarat ("FCB"), and Full Color Poker ("FCP") so they can be integrated into Tier 1 operators around the world what would also Spin to deliver their games through the FULL COLOR KINGFISHER RGS into operators FCGLTD would integrate into as much as Full Color IP to to deliver into Spin operators they were integrated into through a bi-directional integration. Based on the initial proposal, Bastian and the other investors approved of the basic arrangement which would allow both Bastian Casino Gaming Enterprise and

FGCI and its affiliates to utilize Kingfisher to distribute its content and the content of third parties as well as any Bastian Casino Gaming Enterprise owned or developed content could also deliver worldwide. The FULL COLOR KINGFISHER RGS would unlock FCGLTD's full financial revenue making power with the Full Color IP as the driver to get integrated to high end and Tier 1 distribution platforms and operators where others who all deliver the same public domain driven formatted content could not.

264. By mid-October, Bastian had approved the contract with Spin and Mahon was directed by Bastian to move forward and executed it. Multislot was notified of the contract with SPIN and that SPIN would produce the HTML5 version of FC21, FCB and FCP for release on their ROC servers and to integrate the stand-alone Full Color IP ROC 3 server into the forthcoming Full Color branded RGS of KINGFISHER. Multislot agreed to give FCGI full consent and free use of their own table background graphic and other table assets at no cost or expense, and sent out all of the files directly to Spin and consenting to their use to allow the Full Color IP to have global uniformity within all of FCG's table games.

265. On October 26, 2016, Spin sent out Invoice #295001 in the amount of $54,000.00 to pay on the **Proposal v1.4** along with the SPIN W-9 IRS form. On October 27, 2018, Spin received the wire of $54,000.00 for the full proposal to be completed.

266. In October and November, 2016, Mahon confirmed that several Tier 1 Gibraltar Distributors & Operators will take Full Color RGS once it was fully integrated and ready, including WilliamHill.com, BetVictor.com, Rank.com, and BetFred.com, Nektan, and several others. However, upon Mahon's due diligence, Mahon began to discover that many of the Tier I operators could not verify that Spin was actually integrated in NYX or any other system in Gibraltar despite Spin's contractual affirmations that they were.

267. On November 7, 2016, Munger, as the CTO, was tasked head up and coordinate the Spin to Kingfisher RGS integration, which was promised to take only about 3-4 weeks max. All the emails, in person meetings and calls ultimately revealed that Spin and its management had no understanding as to what he was doing or even selling because Spin did not even know what systems it had already integrated with. Spin's **Proposal v1.4** is fraudulent, a complete misrepresentation and conceals the entire facts behind the ROC SERVER v1.0, v2.0 and v3.0. Spin's proposals and contracts are designed to dupe people into believing that Spin has the capabilities and capacities that do not yet exist, are misleading and inaccurate as to what he is really integrated into for the Full Color IP integrations and release purposes in order to get companies like FCGI and their affiliates under a contract and tie up their IP and their funds.

268. Through December, 2016 and most of January, 2017, Munger and Spin did not even start the integration process. Instead, Munger's emails and other information indicate that Munger was working on other projects for Bastian and IslandLuck.com, Multislot, and even other projects with Spin, but had not engaged to get the FULL COLOR KINGFISHER RGS integrations completed. As of January, 17, 2017, there were still emails between Munger and Spin indicating Spin was still waiting for calendar invites for coordination meetings. The integration should have commenced in November, 2016, and was still not commenced in late January.

269. Indeed, it is not until late January, that Munger informs Mahon of some changes in the integration process to a "bi-directional" integration between Spin ROC RGS and Full Color RGS Kingfisher, which would require a change in the contract and an additional $20,000, which is paid via wire transfer on January 23, 2017.

270. On January 27, 2017, Spin revealed its schedule changed the completion of the integration until March 31, 2017.

271. In early December, 2016, amidst the issues and delay with Spin, Mahon and Linham met with Gameiom, the Tier 1 distributor personally recommended to them

by WilliamHill.com for a direct integration to release the Full Color IP. Gameiom instantly said they would take the entire suite of Full Color IP and do a direct integration of the FULL COLOR KINGFISHER RGS and could also distribute to BetVictor, Gala, Coral and Ladbrokes that was already integrated and a plethora of other Tier 1 operators they had in the queue for integrations of their own since their GBR license had just been issued.

272. On January 27, 2017, Gameiom emails Mahon the specifics of the confirmation of the deal to move forward with the FULL COLOR KINGFISHER RGS direct integration and release into all the Tier 1 Operators through their GRA License. This would be a Spin build of the Full Color IP in HTML5 through their ROC RGS directly integrated into the FULL COLOR KINGFISHER RGS directly integrated into Gameiom's fully licensed GRA Tier I servers that were directly intergrated into WilliamHill, BetVictor, Gala and Coral's Tier I servers all in Gibraltar with Spin's servers being sheltered under Nektan or NYX per and FCGI and their affiliates servers sheltered under Gameiom.

273. As noted above, on January 31, 2017, as previously stated in the above, Multislot began their extortion plot once they discovered through Munger that Full Color IP was going to release worldwide in HTML5 through Gameiom, one of Mutlislot's competitors, through UKGC and Gibraltar to all the major Tier 1 Operators and that Multislot would not get any revenue from Tier 1 operators because Multislot had only coded for FLASH and turned down the first right to get to all of the Tier 1 Operators. Multislot refused to release any of the games and, as noted above, Bastian did nothing to get Multislot's cooperation.

274. In February, 2017, during the ICE Totally Game 2017 convention in London, after Multislot had refused to release FC21 embarrassing the Full Color Brand Mahon had a conversation with Bastian about looking for new ways to get to revenue.

275. Mahon asked Bastian why he could not just immediately integrate the FULL COLOR KINGFISHER RGS into his RSL and take the Spin built games and deliver them in HTML5 since Spin was one of the very few content providers in the Bahamas that had applied for and was expected to be granted a permanent supplier license. Bastian reiterated that his own developers were too busy with a launch of casinos in Jamaica, but also explained that Spin has long been on Bastian's "shit list" because when Spin had applied for licensing in the Bahamas after the GBB was established, Spin jumped into the market without acknowledging Bastian's role in the Bahamas market and began offering games to Bastian's competitors without approaching or going through him, the way that Multislot and other game distributors did.

276. Bastian informed Mahon that he had previously turned Spin's services down because Spin already had agreements with his competitors and would not ensure that Bastian would get all new content ahead of his competitors. Spin had basically ignored Bastian's position and power in the Bahamas and had paid dearly for it.

277. Mahon saw an opportunity and was able to convince Bastian to allow Spin to integrate onto his Bahama RSL platform with the Full Color games and the Kingfisher RGS because the integration would allow Bastian to not only gain increased revenue from the Full Color IP, but also increase additional the number of Tier 1 games that Spin had developed that would be available for all of Bastian's casinos, and would make even more revenue when they went live in Jamaica. Bastian had never had any Tier 1 slot machine content and he would be able to finally get some of it through Spin.

278. That same day, February 7, 2017, Bastian, on behalf of Island Luck and other members of the Bastian Casino Gaming Enterprise, Mahon on behalf of FCGI, FCGLTD and its affiliated entities, and Kent Young, on behalf of Spin agreed to have Spin integrate the FULL COLOR KINGFISHER RGS onto Bastian's RSL(ILG) platform to deliver both the Full Color IP games and Spin games to IslandLuck.com that

Spin had not been able to get on its own. Spin would pay royalties for use of Kingfisher RGS integrations, and FCGI and its affiliates would pay Spin for delivering Full Color IP content to its integrated operators.

279. Although the future prospects for business at the ICE 2017 convention were unlimited the funding to get there was not and nothing changed the fact the FCGI and FCGLTD were relying entirely on the release of product, the press coming from the convention, the real numbers, analytics, and revenue streams.

280. On February 22, 2017, NYX confirmed that Spin was not integrated on NYX Gibraltar, but was only integrated with NYX New Jersey, finally confirming Spins fraudulent claims, misrepresentation and concealment of the fact that they are not in fact integrated into NYX Gibraltar. Because Spin was not already integrated as they claimed, the integration process to get on NYX Gibraltar would take nothing less than 12-18 months to complete due to relying on Spin to also get licensed by the UKGC, certifications and then into NYX'S integration queues.

281. Spin had also represented that it was already integrated with another Tier 1 operator on Gibraltar called Nektan. This turned out to be only partially true. Spin had been integrated on a Nektan server with their ROC 1.0 software, but it had never been certified and deployed. More importantly, Spin had built Full Color games on ROC 3.0, which had never been integrated into any of the operators in Gibraltar, including Nektan.

282. Even without these delays, Spin had repeatedly pushed back deadlines for completing the integration work on the specific Full Color games.

283. In addition, Spin also claimed that that it is not required by its prior proposal, **Proposal v1.4** contract to provide the games in any language but English and that any additional language would be at an additional cost. However, **Proposal v1.4** identified the 24 languages FC21 was being translated into for delivery was included in the previous price.

284. Further, SPIN failed to tell FCGLTD that their ROC RGS did not include what every other real money gaming RGS in the world includes and that is the ability to support all major languages and currencies required for global real money gaming.

285. On March 9, 2017, Mahon sent an email to Spin notifying Spin he had paid the Spin Invoice #295002 $10,000 for the KINGFISHER integration, and also noted in the same email that they were interested in exploring delivering Full Color Games to all of Bastian's casinos in the Bahamas through this RLS platform already in existence.

286. Later on March 9, 2017, Munger confirms in an email the interest in getting Full Color games integrated and released on the Island Luck and specifically get Spin integrated with the Island Luck and other Bastian casinos, and Young, Spin's CEO immediately scheduled phone conference to discuss Spin finally getting on Bastian's RSL platform in the Bahamas. Mahon, however, was missing from both Munger's email and the phone conference notification.

287. On March 14, 2017, Mahon emails Spin, including Young, Mishra, and others at Spin and formally confronts Spin about the misrepresentations concerning Spin's lack of integration with Gibraltar operators such as Nektan and NYX, and the ongoing delays and problems with the constant delays and failure to start the Kingfisher integration and their inability to release in Europe despite the contract's requirements.

288. On the same day Linham and Munger begin to secretly communicate with Spin and Young without Mahon. First, Linham notifies Munger secretly of Mahon's email concerning his fury about Spin's fraud and delays.

289. On information and belief, the next day, on March 15, 2017, Young, Mishra, and others at Spin have a secret call where Munger secretly negotiates a deal concerning Mahon's complaints concerning the language translations, and ongoing delays. The negotiation further delays Spin's timing and fails to even mention the

ongoing need to complete the Kingfisher integration. The negotiations also result in Spin charging $18,000 more to get the Full Color IP live to the Tier 1 operators, forcing the payment for an "upgrade" the ROC RGS in order to deliver their games which again alters the contract, but this time without Mahon's knowledge.

290. On March 15, 2017, Mahon emails Young and other Spin employees, along with Bastian, Munger, and Linham notifying them of the ongoing damages incurred every month that the games are not released and the product fails to generate revenue. Mahon also reconfirms that Bastian will integrate ROC SERVER into KINGFISHER into ILG /RSL so Spin can release their games in addition to FCG-IP running through it. Finally, Mahon also notes the benefits all parties will obtain if the integrations are completed and both the Full Color games and Spin's other games can be released via Bastian Casino Gaming Enterprise is a result of Mahon's efforts and the Full Color IP. Thereafter, Mahon continues to request information on when Spin's work will be completed in multiple emails.

291. During this same time period, Spin, through Young and others, continued secret communications with Munger, which Munger forwarded to Bastian for secretly for discussion. Among other things, Spin informs Munger that the games are completed and not signed off on by Mahon.

292. On March 28, 2017, Spin informed Mahon that the games were completed and requested sign-off: Mahon, however, responded setting forth a whole host of problems that still needed to be completed and addressed.

293. On March 31, 2017, Spin's Staff Accountant emails another invoice, Invoice #295-03, in the amount of $10,000 to be paid for the FULL COLOR KINGFISHER RGS integration.

294. By the end of March, 2017, Spin was still not completing the integration work and the games produced had many problems. Spin was also refusing to complete all of the tasks required for a commercial release and unilaterally changing the work

they would complete and disrupt FCGI and FCGLTD's business and marketing plans. However, Spin was not really communicating with Mahon, but instead was secretly communicating with Munger and others. It appears that once Spin realized they were going to be able to integrate with Bastian's casinos in the Bahamas, they were focused only on getting that accomplished.

295. On April 7, 2017, Spin finally released the full integration schedule entitled "Integrations 4.6.17.xlsx" listing of all SPIN Games ROC RGS integrations revealing, for the first time ever, the ROC2 vs ROC3 distribution plans details detailing why FCGLTD could not go live because FC21 was built on ROC3 vs. ROC 2. Among the integrations that were scheduled, Spin revealed that during the last several months, while it repeatedly blamed others for its delay in completing Full Color work, Spin had already secretly completed a direct integration between Spin and Bastian's RSL (ILG) platform, completely bypassing Full Color's Kingfisher RGS, which was still in a long queue for integration.

296. On information and belief, Spin and Bastian had conspired to circumvent Mahon and FCGI with Munger's assistance via secret emails and meetings in March and April, 2017, including a meeting that Mahon later discovered that took place on April 26, 2017, at the Aria Hotel in Las Vegas, Nevada. Despite not speaking to Mahon for 23 days, Bastian flew all the way from the Bahamas for the secret meeting.

297. Spin never completed the integration of Kingfisher RGS as promised nor did they complete the bidirectional integration under the FCGI and FCGLTD contracts. Once they had circumvented Full Color and directly integrated into Bastian's RSL (ILG) in the Bahamas, they seemed to lack any motivation to complete their contracts.

298. In addition to Munger's secret meetings with Spin and Bastian to circumvent the Counter-claimants, Munger began secretly sending Linham, FCGI's CFO, versions of a "burn down" budget from his private personal email.

299. On April 2, 2017, Munger had more secret email discussions with Linham.

300. On April 2, 2017, at 11:02am PST, Munger begins to start secretly sending Linham versions of a "burn down" budget from his private personal email and Linham secretly responded back with his own thoughts and comments.

301. On information and belief, Munger also sent this budget to Bastian. In February, 2017, Bastian had agreed to put additional money into FCGLTD, but had still not done so, and Mahon was in the Bahamas for a meeting with Bastian to discuss the budget and his additional investment to maintain the company's cash flow until they can realize additional revenue streams.

302. On April 3, 2017, Mahon discovered that Munger had engaged in unauthorized budget discussions with Bastian and shared the "burn down" budget with him and sent him an email notifying him that this was not proper. Mahon had been in the Bahamas for twelve days waiting complete the additional funding by Bastian.

303. By April 4, 2017, Bastian had still not shown up for their final funding meeting. Mahon was perplexed and began to do a comprehensive review the budget Munger had wrongfully sent to Bastian. Immediately Mahon discovered that Munger's unapproved budget had significant and obvious errors that caused the budget to show negative cash flow and misrepresented the actual status of the company. Munger failed to add the "revenue" to the "bank balance" after the "expenses." Based on this information, it appears that Munger had given this false information to Bastian, and as a result Mahon was left to draw the conclusion that Bastian failed to appear for his meetings with Mahon as a result of Munger's incompetence or deliberate sabotage of FCGLTD'S budget..

304. Based on Bastian's failure to put in the additional capital he had promised earlier in the year, Mahon turned to report the issues he was now having to FCGI investors.

305. On April 17, 2017, all FCGI investors including Munger was notified of a company investor call for FCGI to deal with the financial crisis of FCGLTD as outlined in the email.

306. On April 19, 2017, Mahon had a company-wide call with FCGI investors and outlined the progressive complications and epic failures detailed in above. Mahon advises that the company file lawsuits against Linham, Newman, Multislot, Bastian and Spin and lays out the explicit details to the claims and their merits that were ultimately filed herein and in the Mahon et. al. vs. Newman et a. lawsuit filed on August 17, 2018, in the Eighth Judicial District Court for the State of Nevada.

307. Before the call, Mahon and Howard, did not know that Munger, Bastian, and Linham had all been contacting FCGI investors and business partners, including Spin, behind the scenes in secret calls and meetings planting the false narrative that Mahon had embezzled hundreds of thousands of dollars out of FCGLTD as the reason why the company had run out of money, and that Mahon was the reason that FCGI and FCGLTD were failing. On information and belief, Munger and Linham began to spread the story that Mahon, as the CEO was the cause of FCGI and FCGLTD's failures, and began sharing strategies that could be utilized to attempt to render Mahon unsuitable for casino gaming licenses by character assassination and thereby wrongfully remove Mahon from FCGI via frivolous lawsuit and coerces threats as set forth in more detail below.

VII. NEWMAN'S RACKETEERING SCHEME

308. Between November of 2008 and March of 2010, Mahon had met many potential investors who had seen his inventions in the Full Color IP and the FCGS. Everyone that would see his inventions would become mesmerized with its potential and attempt to promise him money, relationship, and launch plans to make billions off of his inventions if they could only get a piece of the pie.

309. During that time Mahon began to file for copyright, trademark and patent applications in his name as the sole inventor in order to protect his inventions, proprietary and ownership rights.

310. On or about March 17, 2010, a few months after Mahon had moved to Las Vegas, Nevada, still grappling with the debt and concerns about losing the IPR with the USPTO patent filings knowing that if he didn't get his three non-provisional patents filed by May 7, 2010. When Mahon was no longer able to afford his original intellectual property attorney to complete these tasks, he was referred to Newman as a local Practitioner that could file them.

311. At all times between March of 2010 and ending on or about October 21, 2014, Newman was employed as an attorney for Howard & Howard Attorneys ("H2")

312. H2's website advertised Newman as an attorney licensed to practice in New York (2000), Connecticut (2000), Nevada (2008), and licensed to practice before the USPTO (1997).

313. "has over 10 years of experience working with clients of all types (such as large corporate entities, start-ups, emerging and established businesses as well as investors) to develop, acquire and enforce worldwide patent, trademark, copyright and trade secret rights, negotiating collaborations and transactions involving intellectual property, preparing patentability, invalidity, clearance and non-infringement opinions, evaluating patent portfolios, providing design-alternative advisement, and performing due diligence for mergers and acquisitions. Mr. Newman draws on his considerable experience to provide the guidance and protection plans that will best address the client's particular situation and needs." It went on further to stay that "[p]rior to joining Howard & Howard, Mr. Newman was in-house counsel for a major gaming product supplier in Las Vegas where he was involved in handling worldwide intellectual property matters. Mr. Newman also optimized and administered an invention submission program, worked with product developers, engineers and business managers to develop a strategic

portfolio of worldwide patents, trained and supervised a patent agent team, conducted intellectual property due diligence, advised company executives on potential mergers and acquisitions, and obtained worldwide trademark protection for the company's marks."

314. On or about March 16, 2010, Mahon met Newman at H2's Wells Fargo Tower offices where Mahon presented Newman his entire suite of unique and proprietary intellectual property and inventions in Full Color IP, the FCGS and his Multi-Play™ Bingo game (collectively "IPR") for 4 ½ hours.

315. Mahon also advised Newman that he could not currently afford to pay any legal fees and explained his entire story of his financial struggles caused by the initial investors, and that his patents pending were about to expire and the most he could afford to pay for the foreseeable future was the hard costs of the USPTO fees to convert his provisional patents into non-provisional applications.

316. Newman informed Mahon that he had never worked on a sweat equity deal for legal services for any else before but that he would be interested in working for a sweat equity deal in the IPR. Newman told Mahon that he would be willing to do all of his USPTO and USCO work at no upfront legal cost to Mahon if Mahon was willing to pay the "hard costs" in filing fees with the governmental agencies, the Copyright Office and the USPTO in exchange for 5% interest in the net profits from the IPR.

317. On March 24, 2010, Mahon sent Newman a draft copy of an Assignment of Gross Revenue Interests ("AGRI") agreement to Newman's rnewman@howardandhoward.com email address at H2.

318. Although the AGRI speaks for itself, the agreement ensures H2 and Newman will perform all necessary legal representation to obtain, prosecute, execute and defend the IPR that includes but is not limited to the copyright, trademark and patent work in perpetuity in order for the 5% assignment of gross revenue interests and tag-a-long rights to the IPR.

319. On or about April 1, 2010, Newman and Mahon fully executed the AGRI.

320. Beginning on May 5, 2010 and through October 28, 2014, Newman and H2, through over 40 of their employees, used the United States Postal Service ("USPS") to mail bills for the hard costs of their work to Mahon, Intellectual Properties Holdings, LLC ("IPH"), FCGI, and other affiliated entities with 65 unique invoices with internal billing ID numbers starting at 348498 and ending in 462111 using the Client ID numbers 060857-00001 and ending in 060857-00999 for approximately 24 different client matters.

321. The total billing amounts ranged from as small as $35.00 to as large as $5,345.00.

322. These invoices sent through the USPS by Newman and H2 totaled $21,956.00 paid and these were directly or indirectly paid by Mahon, IPH, and/or FCGI.

323. On or about October 20, 2014, Newman notices Mahon, completely out of the blue, that he has terminated his working relationship with H2 and that Mahon must transfer all of his legal representation over to his new company, Newman Law.

324. Despite the fact that Newman had no offices, no employees, no support staff of any kind, no infrastructure, no planning of any kind or any sort, Newman aggressively reassured Mahon that everything would be fine. Mahon's patent portfolio was then over 6 years old and not a single patent has been issued. Mahon wanted to stay with H2 because he wanted the protection of what he believed was a major law firm with a full support staff but has absolutely no choice in the matter but to agree to discharge H2 and ask to transfer all of his files due to the AGRI agreement. Unbeknownst to Mahon or any of his entities, both H2 and Newman had already caused grave and irreparable harm to his inventions and businesses due to the abandonments of his IPR that had already occurred to date.

325. On or about August 1, 2015, all necessary documents included but not limited to the Amended and Restated Bylaws of August 1, 2015 whereby FCGI implemented the new Share Repurchase Agreement ("SRA") that was an attachment and condition to any and all Share Issuance Agreements ("SIA") were executed by all common stock shareholders of FCGI.

326. On or about August 1, 2015, as part of the evolution, Mahon, in good faith, believing that Newman's professional legal representation on all of his m IPR was in fact fully protected as represented and as such Newman would have in fact rightfully earned the shares Mahon was about to grant him thru the conversion and make him a shareholder with rights in FCGI, agreed to voluntarily terminate the AGRI agreement with Newman and did in fact exchange it with 5% equivalent of IPH'S original 20 million shares in FCGI which equaled a distribution to Newman of 1,000,000 shares of FCGI and was documented in a new fully executed SIA and SRA with Newman, which also included a new Mutual Non-Disclosure Agreement ("MNDA") and a Voting Trust Agreement ("VTA") assigning 100% of Newman's voting rights in the new SIA to Mahon. In addition to these documents, however, Newman agreed to continue to do all the legal work and protect all the FCG-IP like he had promised to do in the original AGRI as detailed in Recital A to the SIA, or there would have been no purpose in terminating the AGRI as not a single patent had been issued in 5 years.

327. On or about August 1, 2015, NEWMAN further wanted his FCGI shares to be issued in the name of his alter ego, "Cooper Blackstone, LLC" ("CBL") and they were in fact issued to CBL.

328. On or about August 1, 2015, Newman further entered into an additional Non-Disclosure and Confidentiality Agreement with FCGI of the same date of August 1, 2015.

329. As a further result of owning the FCGI shares, Newman obtained a shareholder interest in FCGI that would exceed 3% and any application on any UKGC

casino gaming license application would force NEWMAN to obtain a Personal Management Application ("PML") and be deeply investigated through background checks and due diligence in order to be found suitable in order for Mahon or any of the relevant Counter-claimants to also further be found suitable as an entity due to a single party having more than 3% of the company.

330. On or about August 17, 2016, , FCGLTD submitted RSGL Application #3949 to the UKGC with Mahon, Linham, Newman, Munger and Murphy's attached PML. These applications included Newman as a Director and an Officer of FCGLTD and a shareholder of FCGI.

331. After the UKGC applications were submitted, Linham contacted Mahon and began pressing him extremely hard on what the status of the Full Color IP was as it was needed for due diligence matters for the PPM and major investors that were interested in engaging in a Series A investment that were requesting it.

332. On August 18, 2016, when Newman and Newman Law failed to deliver any of the contract work by its deadline date, three weeks after he had been paid $10,000, he was confronted by LINHAM who put him on notice over his failures.

333. On August 19, 2016, a day later, Newman responded to Linham with an additional demand of $10,000 on the first of every month. Considering that Newman had been paid $10,000 on July 29, 2016 not even 21 days before his email, Newman's unexpected response forced Mahon to look more closely at Newman's activities for the last 6 years.

334. On August 19, 2016, as a result of Newman's defiant and extortionate stance, Mahon began an audit on his FCG-IP protection work. By the end of the night, MAHON had taught himself how to work through the USPTO TESS and PAIR search engines in the USPTO and discovered the abandonment of 5 patent applications (12/776,273, 12/776,336, 12/776,342, 13/083,408 and 13/747,727), the end of 2 PCT applications (PCT/US11/31836 and PCT/US11/31826), the abandonment of two

trademark applications (85503833 and 86258846) and the inexplicable suspension of 86258846. A public search of the USCO also revealed failures equally as bad as H2 and Newman had further failed to obtain a single copyright on any of the 12 Full Color® Cards applications, setting off an intellectual property crisis of unparalleled proportions for Mahon and his entities.

335. On August 25, 2016, Mahon, Linham and Murphy, after a series of emergency FCGLTD BOD meetings, concluded that they must immediately terminate Newman in every capacity he had with FCGLTD, the Full Color IP and the UKGC license application. FCGI did the same.

336. On August 25, 2016, Mahon emailed Newman a termination letter notifying Newman that he was terminated from all of his roles and duties at FCGLTD. A specific demand was made upon Newman to turn over all the Full Color IP files.

337. On August 25, 2016, Newman emailed the entire FCGLTD BOD with delusional, exorbitant, and unsupported demands for monetary payments he claimed were owed.

338. On August 26, 2016, Mahon sent Newman a second notice and demand to turn over all of the H2 files and all of his Newman Law FCG-IP property as time is of the essence to attempt to discover the full extent of, address and fix the copyright, trademark and patent failures Newman had created.

339. On August 27, 2016, Newman sent a 2-page email that demanded a cash payment in order for Mahon to get his intellectual property files used for the copyright, trademark and patent filings.

340. Newman's email demanded immediate cash payment or he threatened to "lien" Mahon's Full Color IP assets. Given the nature of the relationship, the indisputable history and inescapable facts, the FCGI and Mahon believed the threat to lien Mahon's Full Color IP was an act of extortion considering that Newman had received 1,000,000 shares of stock, a full 5% of FCGI as consideration for his work, and

had failed to obtain a single patent or a single registered copyright and at best, only two trademarks registered.

341. Newman knew that he could exploit the Mahon, FCGI, and other affiliated entities if they did not settle with him and knew that he could hold up FCGLTD'S licensing application and injure the Counter-claimants for years on end with disputes and attempted to extort the Counter-claimants and their investors with his tactics.

342. Newman's unreasonable demand for settlement and release and related extortion was successful in putting FCGI, FCGLTD, IPHLTD and other affiliated entities out of business causing investor losses of well over $3,000,000 in cash and causing over $1,000,000 in subcontractor debts to go unpaid.

343. On August 27, 2016, Mahon asked Newman to send him a copy of the "employment contract" he was claiming he is owed money on, one of which he knows does not exist.

344. On August 27, 2016, at 5:52pm PST, Newman continues his attempted extortion of money from FCTLD by claiming he is an employee by way of his self-written, self-signed employment contract that he claims is "ratified by the PPM."

345. On August 27, 2016, Mahon emails Newman asking him to send him a copy of the "retainer agreements" that show the "engagements terms and conditions for all of the entities Newman and Newman Law had done legal work for. Newman failed to produce any such documents. This is because there are no such contracts or documents. Newman has concocted them to further extort money from FCGI or FCGLTD.

346. On August 30, 2016, Linham emailed the UGKC and notifies them of the fact that Newman has been removed from PML and the RSGL applications.

347. In order to mitigate his damages, on September 6, 2016 MAHON, on his own, obtained a full registration of Full Color® Cards in VA 2-016-156 from the US Copyright Office, a mere 7 days after he filed his application.

348. On or about October 10, 2017, the UKGC acknowledges the full disclosure that Newman had been terminated from his roles and his share allotment in FCGLTD terminated but required more disclosures and proof as quoted.

349. The UKGC contacted Newman directly. Although it is unknown what assertions Newman made, it is clear that he caused the license issuance to be delayed as a result of his actions.

350. Pursuant to the SRA, FCGI had the right to trigger the cancellation, repurchase and termination of his shares for engaging in a multitude of "non-compliance events," but FCGI could not do so as FCGI did not have the funds to buy them back based on the current share value. Further, even if it did, Newman had threatened to lien the Full Color IP which would have ensured litigation which would be a non-compliance event within a "non-compliance event" causing even greater damage. Newman was fully aware of the conundrum he had created for Mahon and FCGI used this to leverage extortionate demands.

351. As a result, Mahon received extraordinary pressure from Bastian and other shareholders in FCGI to find a way to settle with Newman.

352. On or about November 17, 2016, Linham, as a Director of FCGLTD sent a formal written notice from Isle of Man to the investors in the United States at FCGI and warned FCGI to remove Newman as an individual shareholder or be removed as a whole entity for failing to remove their bad actor and wrongfully causing the delay of FCGLTD'S licensing application.

353. On November 17, 2016, Mahon learned or new conditions for settlement, including threats of liens and litigation, and other demands. Newman's demands demonstrated that he knew he could hold Mahon and FCGI hostage with his

threats. Mahon could not and would not agree to Newman's conditions for settlement because he was still evaluating the damage caused by Newman's failures and, a result Newman's FCGI shares issued to CBL remained in limbo. Newman was in violation of the SRA he executed because of non-compliance events, but FCGI did not have the funds to purchase CBL's shares on one hand and on the other hand CBL wrongfully obtained the shares in the first place which wouldn't necessitate a repurchase in the first place, but the UKGC required a disposition, one way or the other, a matter that Newman complicated all the more with his extortionate threats and ransom demands.

354. On or about November 30, 2016, Linham, on behalf of FCGLTD responded to the UKGC letter by seeking an extension of time to resolve the disposition of Newman's shares.

355. By the end of February 2017, Newman's affiliation with FCGI through CBL's shares was still not resolved. FCGLTD was running out of money as a result of the crisis that Newman had created with his extortionate demands and adding yet another level of progressive complications to the overall challenge of trying to obtain proper licensing and release product, Bastian wanted resolution to the matters while at the same time not fully supporting or funding the release of FCG-IP product as he had agreed.

356. On February 21, 2017 in the afternoon, Bastian demanded that Mahon resolve and settle the dispute with Newman. Mahon noted that FCGI did not have the funds to reach a settlement or even attempt to purchase Newman's shares. Bastian offered $35,000 to $50,000 to settle with Newman. Mahon did not want to settle with Newman by paying anything, but the business was now experiencing impossible demands on all fronts and it was clear Mahon and FCGI were being victimized from every side. It was not until later that Mahon recognized that he was being exploited from within the company, especially via Munger, Bastian, and Linham.

357. On February 21, 2017, Newman sent Mahon an email with his $50,000 settlement demand terms and conditions, including requiring Mahon to forego all of his rights against Newman. Mahon forwarded the settlement demand to Bastian.

358. Bastian had discussed a new agreement to fund the company with an additional $500,000.00 that would result in a "fire sale" additional ownership interest to Bastian. On February 23, 2017, Mahon sent Bastian the full proposal of their newly agreed "fire sale" of additional FCGLTD stock to raise additional capital from Bastian to pay off Newman, avoid litigation, and provide additional funds to keep the company a float until more revenue streams are developed.

359. Between February and March, 2017, Bastian, Munger, and other investors have pushed Mahon to attempt a settlement resolution with Newman while Newman increases his demand and continuously harasses Mahon. Newman would explode in yelling expletives at Mahon on the phone and, when Mahon refused to speak to him, he would send him strings of harassing emails. Mahon ultimately left the settlement discussions to Bastian. Although Bastian agreed to $50,000 at one point to resolve matters, they were never resolved because Bastian ultimately refused to put more money into the company, making it impossible to settle and impossible to resolve Newman's shares in a way that would satisfy the UKCG.

IX. LINHAM RACKETEERING SCHEME

360. On April 3, 2017, Mahon sent an official notice to Bastian and Simmons stating that FCG LTD was in breach of the CLA with IPH LTD.

361. On April 4, 2017, after Bastian made no attempt to meet with Mahon to resolve the issue of the company's cash flow for nearly 20 days, Mahon flew back to Las Vegas, and made plans with Howard to address the issues with FCGI investors in the concerning the crisis the next day in a FCGI company-wide call to address how FCGI could mitigate the current crisis by either (1) investing more money on their own to cure

the inevitable insolvency, (2) taking legal action against Newman, Mutlislot, Bastian, Spin and potentially others; or (3) face the consequences of the loss of the CLA.

362. On April 5, 2017, Linham emailed Mahon and formally noticed him that he had resigned as the Director and the CFO of FCGLTD. In his resignation, he noted he had been made aware that Mahon, as the principle of IPH or IPHLTD had sent out notice of a breach of the CLA which, if true, would but FCGLTD into insolvency. Linham, therefore was resigning his position.

363. As noted above, Linham had "permanently deleted" as well as his entire Google Cloud account files. Mahon's recovery of these documents revealed that Linham had regularly and secretly communicated with Munger concerning the company. This was just the beginning of the discovery of Linham's fraud, his money laundering, his drug problems, and his conspiracy with Munger and Bastian to benefit himself and Munger rather than the company.

364. In addition to his resignation on April 4, 2017, Linham fraudulently, and without authorization cancelled FCGLTD D&O Policy. Although Linham had earlier notified the D&O agent FCGLTD's intent to renew the policy and pay the $21,000 premium --- and had even informed Mahon in writing that the $21,000 invoice for the premium on the 2017 D&O policy had been paid --- the insurance agent's office had put Linham on notice that the premium had not been paid in February and March, 2017. In April, 2017, instead of ensuring that the D&O policy was renewed, Linham cancelled it without any authorization as one of his final acts before resignation.

X. MUNGER'S RACKETEERING SCHEME (SEBAS' SIXTH ACT)

365. Because of Linham's resignation, on April 7, 2017, Mahon took over the UKGC license applications where Linham had previously been the sole point of contact and representative, and was able to get in contact with the UKGC contact overseeing FCGLTD's applications and explained that, as they had previously informed the UKGC

that the company was still in the process of utilizing the share buy-back provisions in the SRA to divest Newman/CBL of the shares they fraudulently obtained in FCGI. In this scenario, however, the option of divesting Newman/CBL of the shares issued in their name required his voluntary surrender, the filing of this lawsuit or utilizing the share repurchase options. Since Newman was extorting Mahon and FCGI, the latter two options could take years and as such, kill FCGI and FCGLTD by delaying the issuance of the UKGC licensed application. It was clear that reaching a settlement with Newman, was impossible because neither FCGI nor FCGLTD had the funds to pay Newman's ransom demands and further, it would require the waiver of the rights to seek relief against Newman for the damage he had done to the Full Color IP with his patent Ponzi scheme as detailed in this Nevada Nevada District Court Case #A-18-779686-C.

366. Bastian wanted to force Mahon, FCGI, and other affiliated companies into a settlement with Newman and had agreed to put up some money to reach a settlement, which would wrongfully force Mahon into granting Newman a full and final release of his malpractice and malfeasance in failing to adequately pursue and maintain the IPR with the UPSTO and other applicable agencies. However, Bastian had not, as of April, actually put in any additional money $500,000 into FCGLTD he had agreed to in February 2017 so that a settlement could even be negotiated or agreed to or that any of the new money could be used for a Newman settlement even if Counter-claimants had agreed to forgo seeking the relief they ultimately claim in Nevada District Court Case #A-18-779686-C.

367. Without additional funding to resolve the disposition of Newman's CBL shares via (1) settlement, (2) share repurchase, or (3) summarily revocation under the promise of litigation in order to satisfy the UKGC that his ownership shares had been disposed of, long before even attempting to preserve any rights that FCGI, Mahon, and other affiliated entities might have against Newman because FCGTLD was inevitably

going to run out of money without the UKGC license or any other available revenue streams that Munger, Bastian, Multislot and Spin had prevented from occurring.

368. The UKGC licensing requirements, FCGLTD's inability to reach any revenue stream, caused in part by the conspiracy between Munger, Bastian, Spin and others to circumvent FCGI and FCGLTD in their integrations, and FCGLTD's inability to obtain additional investment dollars from Bastian, also caused in part by Munger activities, set the stage for Munger and Bastian to turn other FCGI investors against Mahon to defame and blame Mahon for the collapse of the company and coerce Mahon into giving up property rights or face a barrage of false attacks on his character and reputation, and unending frivolous litigation.

369. Because of the precarious situation they were in, Mahon and Howard immediately began to prepare a report to all FCGI investors and advise them of the complete situation as they understood it, and discuss what relief could be sought against the bad actors that Mahon and Howard were currently aware of who had created and progressed the situation in the first place.

370. On April 19, 2017, FCGI held an emergency conference call that was set two days earlier at which Mahon and Howard addressed the crisis the company's stock value was facing and attempt to find a solution and a path forward, if any, while confronting the possibility of losing their entire investment because of the actions of Bastian, Spin, Multislot, and others.

371. At the time, Mahon was not fully aware of Munger's involvement in all of these issues, but Munger was on the call and received a full disclosure of the plans to file suit against all of his racketeering partners in the Bastian Casino Gaming Enterprise. Neither Mahon nor Howard was aware of the extent of Munger's malfeasance in the case. It was this phone call that forced Munger to reveal his long planned schemes. Mahon and Howard knew that Spin had circumvented FCGI and FCGLTD's FULL COLOR KINGFISHER RGS integration when Spin revealed these facts in the email of

their full integration schedule on April 7, 2017 where it showed that IslandLuck.com Spin RGS integration into RSL / ILG had already occurred, which happened somewhere after ICE London 2017 between middle of February and April 7, 2017. It was clear that Munger, Bastian, Young and Mishral had circumvented FCGI and FCGLTD and the only person common between it all was Munger. Upon information and belief, Howard and Mahon had the facts now from Spin that proved Munger was the bad actor and the mole inside FCGI that was creating all of the delays, sabotaging the company and acting on behalf of Bastian and his racketeering enterprise and the only way Mahon could truly prove it was to expose these truths on the company wide call and that is exactly what happened. What Mahon and Howard did not expect or account for was for Munger to actively begin to recruit other good actors of FCGI investors.

372. Upon information and belief, Linham, Munger, and Bastian, among others, knew that their racketeering activities were going to get exposed, and, in anticipation of the call, had already begun to recruit the existing FCGI investors to join an "investor revolt" by planting the false narrative that FCGLTD was running out of money because Mahon had embezzled money and was shutting down the company to run off with their money and the Full Color IP, and if they didn't join together to stop Mahon, remove him from corporate power, and take over the Full Color IP they would never see their money back. And that is exactly what they did.

373. On April 17, 2017, ahead of the conference call, Solso emailed Howard with a list of documents he would like to have, which included corporate documents, agreements, with vendors, and an income statement balance sheet for FCGLTD and each of its subsidiaries, among other things. In preparation for the call, Mahon did, in good faith prepare all of the documents and put them in a Corporate Google Drive folder to be released to all FCGI Investors.

374. On April 19, 2017, as Mahon began to lead a call on FCGI's conference line to address the progressive complications as already detailed herein and the urgent

need to deal with FCGLTD's inability to comply with the outstanding compliance issues for the UKGC RSLA, he was verbally attacked by Solso.

375. Even before Mahon had completed the disclosures of the facts, Solso was already on the offensive and viscously verbally attacked and berated Mahon, so much so that another shareholder, who was not in the collusion with Munger, demanded that Solso stop his verbal attacks or get off the call. Despite the attack, Mahon set forth the full details of what had taken place to date, including the wrongful activities of Newman, Multislot, Bastian, and Spin, in their failure to launch and release FC21, and to let them know if FCGI's intent to root out the wrongdoers and seek relief against them.

376. While still on the call, Mahon also released all of the documents and information Solso was requesting for the FCGI investors to review.

377. Between April 19, 2017 and April 24, 2017, Solso and Eckles engaged in series of acrimonious and caustic emails with Mahon, insuring that all the investors were copied on each email to make sure that all of the false and misleading accusations were panned before every other investor to convince them that Mahon needed to be removed and replaced, and determine ways to obtain control of not only FCGI, but the Full Color IP. The instant flaw in their conspiracy was and still is the fact that Mahon invented the Full Color IP, Mahon owned the Full Color IP, and any attempt to obtain ownership of the Full Color IP, whether by legal process or other means, would be wrongful taking of his property.

378. On information and belief, Munger and Linham (who had already resigned by then) was poisoning the well, and Solso and Eckles were not only taking the bait, but fully participating in the conspiracy to remove Mahon and extort him out of his property rights. Munger, at that time, had dropped out of any open discussions.

379. Over the next few days, Howard had a flurry of calls, emails and communications with FCGI investors including Munger, Solso, Eckles, Brock, Sr., and

Brock, Jr., and each of them heavily recruited Howard to join them in seeking to oust Mahon.

380. On April 20, 2017, Mahon made one last attempt to get Bastian to take action on his prior (now failed) commitments to invest an additional $500,000 and advised him of the consequences of no action. Mahon never received a response.

381. On April 21, 2017, FCGLTD received correspondence from UKGC putting it on final notice that failure to respond with full compliance of the RSLA application by April 28, 2017 from the October 10, 2016 notice, would result in an automatic refusal and permanent denial of the application.

382. This information was forwarded on to everyone, including Bastian in order to ensure that everyone knew the seriousness of the situation and the irreversible damage a refusal would cause that would cause the CLA to be terminated.

383. Some of the FCGI investors, including Solso responded to the final notice from the UKCG in a nonchalant manor, indicating their lack of understanding.

384. On April 22, 2017, Mahon responded to the investors making it clear that FCGI needed to remove Newman as a shareholder and provide evidence of financial sustainability in order to fully respond to the UKGC, and inquired as to whether anyone was willing to contribute funds to resolve Newman's claims and complete the UKCG application or the company would have to cease operations.

385. Not a single investor responded to this email or took any action. Instead the group of investors joined Bastian and Munger's criminal enterprise seeking to coerce Mahon out via illegal and extortionate threats.

386. Starting on April 21 and going through April 23, Brock Jr. and Brock Sr. reach out to Howard privately seeking a solution to the dispute with the shareholders. They have a phone conference with Howard and later send an initial draft of some proposals for reaching a resolution. Brock Sr. was the CEO and Chairman of Coca-Cola Worldwide Enterprises and although Mahon had never met him, Mahon was over the

moon when Brock Sr. became a significant shareholder as he was famous for having more intellectual property licensing experience than anyone Mahon had ever met and more importantly, over the #1 single most licensed brand on the planet, Coca-Cola and there was no one in the company that Mahon trusted more than Brock Sr. to be the voice of reason in how licensing works and the pitfalls people face when they do wrongful acts that could subject a license to be terminated which was the case in FCGI and FCGLTD in the egregious attempted coup that was going on by Solso and Eckles (being driven by Munger and Bastian).

387. On April 23, 2017, Brock Jr. emails Howard an "updated draft" with a new attachment entitled "**FCG plan v1.2.docx**," which outlines the basics of potential proposals for resolving the parties' differences.

388. The "**FCG plan v1.2.docx**" is visual organogram that acknowledges Mahon's ownership of the Full Color-IP and that it is licensed to FCGLTD from Mahon's holding company IPH. The organogram also acknowledges the current structure where IPH or IPHLTD has a 50% revenue share with FCGLTD, and further acknowledges that IPH owns 68% of FCGI with 51 other investors, including themselves own the other 32% affirming that they had no legal standing to effectuate any of their plans to get Mahon to surrender any of his rights with or without coercion, but still outlining the threats against him if he did not cooperate with extortionate threats and demands.

389. The organogram makes several suggestions about restructuring the business which would require Mahon to give up his ownership interest in FCGI, but maintain ownership of the Full Color IP and IPH, but issues a perpetual license to FCGI with a revenue share. However, the organogram suggests that Mahon give up his 68% ownership in FCGI and 100% of his ownership interests in FCGLTD despite having to issue a CLA for all knowns and unknown Full Color-IP for no upfront licensing fees and no future rights.

390. The organogram further attempted to place fear in Mahon by setting forth the potential consequences. It specifically noted several "Reasons for D[avid] M[ahon] to settle," which included statements that the potential litigation would "cost him years of revenue" and "cost him his career." The Brocks also noted the potential types of lawsuits including a potential claim to ownership of the Full Color IP, but admitted that Mahon would "likely" win such a suit. Such statements implicitly seek to strike fear in to Mahon.

391. On April 24, 2017, Brock Sr. emails Brock Jr. and Howard and this time they include Solso on the email to set up a phone conference, which is held later that day set up a call on Brock's Coca Cola Worldwide Enterprises recorded teleconference line using his Coca-Cola email address no less.

392. Immediately after the conference, Howard contacted Mahon with Brock Sr.'s request to speak with him and Mahon agreed. Thereafter, Brock Sr. sent an introductory email to Mahon requesting a phone conference.

393. On April 25, 2017, Mahon spoke with Brock Sr. on the phone. During the phone call, Brock Sr. acknowledged that there will ultimately be a lawsuit by the FCGI investor against Mahon if he doesn't come to any terms with them without stating his legal basis for the lawsuit. Mahon asked for Brock to put all of his conditions in writing and send it to him. Brock Sr. and Brock Jr. said they did not have anything writing yet, which turned out to be untrue. They said they would like to revert back and have additional conversations. Mahon agreed to take additional calls when they were ready but gave told them they were running out of time with the UKGC.

394. Brock Sr. spoke with Howard to see which side he was on. Howard indicated he was an aggrieved investor because he and his family stood to lose nearly $500,000 if FCGI failed. This led the Brocks and all others to believe that Howard would join them.

395. On information and belief Brocks then circled back with Solso, Eckles, Munger, Linham and others and reported the details of their call with Mahon.

396. On information and belief, between April 25, 2017 and April 26, 2017, Brock Sr. and Brock Jr., Solso, Munger, and others continued to hold conference calls and develop the demands that Brock Sr. had initially brought to Mahon including both Brock's written plan as set forth in FCG plan v1.2.docx and an additional prepared documents including the "Recapitalization" plan that Brock Sr. read from and revisions thereto were developed during the calls.

397. On information and belief, On April 26, 2017, Solso took everything that Brock Sr. and Brock Jr. had concocted in **FCG plan v1.2.docx** and explicitly memorialized all of their calls, plots, plans and racketeering schemes over the previous two days, and indisputably put the summation of it all in writing that was called **Principles_2017 04 26 v 2.pdf.**" This document included all of Brocks' original scheme and demands already outlined above while and adding a host of new demands, and identified most of them as "non-negotiable."

398. Solso began circulating **Principles_2017 04 26 v 2.pdf** amongst Brock Sr. Brock Jr. Eckles, Solso, Linham, Bastian, and Howard, believing that Howard was supporting them in their efforts to wrongfully remove Mahon and take his property.

399. Upon information and belief, the indication of "**v2**" on the updated version of the new racketeering scheme being co-authored by Solso and others, including Brock Sr., Brock Jr., and Munger, and had been secretly circulating between all of these individuals.

400. The primary two points, both of which were non-negotiable and from which the other points extended were (1) that Mahon give up all rights and title to the Full Color UP and (2) that Mahon resign his position as officer and give up all shares in the company.

401. During email exchanges concerning the document, Munger actually adds suggested conditions to the **Principles_2017 04 26 v 2.pdf** plan by noting additional information that he is aware that Mahon has that would need to be turned over, including confidential and top secret mathematical gaming "reports" as certified real money casino game play by BMM & GLI Independent test labs. Munger's suggestions in this manner are breaches of several confidentiality agreements and his fiduciary duties to the company.

402. Munger's additional conditions is a tacit admission that they could not succeed without Mahon's involuntary submission, involuntary servitude and his brain power to continue inventing new unique and proprietary intellectual property so they could exploit it to their benefit and to his detriment and effectively place him into forced labor.

403. Essentially, the demands that Solso, Munger, and others are pushing on Mahon through Brock Sr. is that he is to give up completely the Full Color IP, his life's work, and property that he owned before any of the investors were a part of any company, in order for Mahon to avoid years of frivolous litigation that would tie up the Full Color IP and potentially ruin his chances for obtaining gaming licenses. Further, at the time, Mahon believed that the CLA to FCGLTD was still effective and did not yet have any basis for unilaterally terminating any of the licenses already issued only to comply with the extortionate threats of Brock Sr., Brock Jr., Eckles, Munger, Bastian or anyone for that matter.

404. Similarly, the demand that Mahon give up his shares in every company he owns on top of that was also not something that the parties could accomplish in litigation, or any other method unless the shares were purchased for value neither Mahon nor any of the named can be forced to give up tens of thousands of hours of work they produced over 10 years to he avoid the threat of frivolous and unending litigation that would not result in Mahon losing his shares. Such threats are extortion. During this

same time period, also on April 26, 2017, Munger set up a secret meeting where he involved Spin and Bastian and their principles to meet. On information and belief, this meeting was not only to consider the best way to extort concession from Mahon, but was also to discuss Spin's and Bastian's desire to get Spin's ROC 3 server with the Full Color IP integrated on Bastian's RSL / ILG RGS so they could exploit it once they extorted it out of Mahon.

405. On April 26, 2017, one hour after Munger's secret meeting, and after receiving the updated **Principles_2017 04 26 v 2.pdf** , Brock Sr. and Brock Jr. sought to have another follow-up conversation with Mahon.

406. Brock Sr. and Brock Jr. in their new call, reasserted just how amazing the Full Color IP was in an attempt to "prime" Mahon with who and why he should go along with their (unconscionable and extortion) plans. Brock Jr. went on and on about "just how much money could be made" if Mahon would agree to their new plans (as if Mahon wasn't aware of the value of his own inventions). Brock Sr. then made it unequivocally clear just how bad it would be for Mahon if he didn't and was sued and Mahon he should listen to their plan and consider agreeing to it.

407. Brock Sr. goes through a list of conditions that go even beyond the prior conditions set forth in the FCG plan v1.2.docx that are identical to those in the **Principles_2017 04 26 v 2.pdf** plan despite the fact that Brock continued to assert in the phone call that he did not have anything writing.

408. Not only does Brock Sr. verbally request Mahon resign from his positions with FCGI and FCGLTD, Brock Sr. tells Mahon to grant FCGI all title, rights and ownership in the Full Color IP and relinquish his shares in FCGI in exchange for a smaller revenue share than he already has.

409. Above all else, the proposal demanded that Mahon give up his property rights, including both his intellectual property rights and his ownership rights in the

company, which he held long before any investor put money into FCGI, or endure endless litigation tying up his property rights that they admit Mahon would likely win.

410. Brock Sr. was suggesting that Mahon give up valuable property rights at the threat of litigation that would likely not succeed, and could not result in Mahon losing the very property rights that Brock Sr. was asking him to concede.

411. On April 27, 2017 at 9:15am PST, Brock Sr. set up another call on Brock's Coca Cola Worldwide Enterprises recorded teleconference line number at 888-296-2049 with Code 5350695319 (that he set up using his john.brock@ccep.com Coca-Cola email address no less) and Mahon called into it in response to their request from the day before. Although they never sent Mahon a copy of the written out "**Principles_2017 04 26 v 2.pdf**" and its amendments by Munger, Brock Sr. clearly read off every demand and condition in a near word for word replica affirming that this were there (wrongful) demands. Mahon knew he was being extorted and was beyond shocked that Brock Sr. stupid enough to not only threaten Mahon with such unlawful demands that, but that he would do it on a recorded teleconference line of Coca-Cola making them an accessory to his crimes using their emails and telephone lines and further, that all of Brock Sr.'s investment docs used the same plus their address as the official address of his investment trust.

412. In email to Mahon after the last call, Brock Sr. kept reiterating how litigation was not a good course and that Mahon should "avoid imminent litigation." This endless cycle of what had to be done to avoid litigation was his suave way of indisputably engaging in the extortion. Brock Sr. made it unequivocally clear that the "investor group" wasn't offering Mahon an opportunity to negotiate. His message was these were the terms, or "this is the way it's going to be" if you wish to "avoid the litigation." Mahon ends the call by requesting the proposal in writing.

413. On April 28, 2017, Brock Sr. continued to email Mahon and requests another phone call continue the conversations with the hope that “we can find some kind of solution to our issues with FCG.”

414. On April 28, 2017, Mahon responds to Brock Sr. that he wanted their plans that they had repeated during their phone call in writing and further explained that the companies are officially beginning to shut down and cancel contracts since there is no funding and FCGLTD cannot pursue the UKGC license.

415. On April 29, 2017, Brock Sr. responds in an email and again (falsely) reiterates that there is nothing writing yet and that Mahon’s not agreeing to the requests coming from the investors leads "down a tortuous path that will likely result in FCG shutting down and then imminent litigation” solidifying the threat that if Mahon refuses the terms and conditions already proposed, tortuous and frivolous litigation will ensue.

416. The communications engendered by Solso, Brock Sr., Brock Jr., Munger and others were an attempt to coerce Mahon into giving up property rights that they could not succeed in obtaining in litigation with the threat of frivolous and unending litigation that, although it could never achieve what was demanded, would tie up Mahon’s property rights for years to come and potentially destroy his career. Such a threat can only be designed to instill fear in Mahon and coerce his cooperation in wrongfully obtaining Mahon’s property rights, and the rights if FCGI and its other shareholders who were not aligned with Munger. Mahon could not be voted out of office as he had the voting shares and owned a majority interest. Yet Brock Sr., Brock Jr., Solso, Eckles, Castaldo, Brazer, Moores, Munger, and others demands on Mahon were designed to wrongfully obtain property rights that they could not legally obtain via any litigation, with the threat of endless, frivolous, career-ending litigation.

XI. MUNGER & LINHAM CONSPIRE TO DEFRAUD INVESTORS FOR $320,000 IN FALSE "BACK SALARY" EMPLOYMENT CLAIMS

417. Munger filed individual claims, verifying four different times in the verified pleadings submitted to the Court in this litigation claims he is owed back pay between 2015 and 2017 for alleged work for FCGI.

418. Munger was paid in full from both FCGI and FCGNA, that Munger was loaned $5,225.00 from FCGNA as an emergency loan to pay his property taxes in December of 2015 that he failed to ever pay back.

419. Munger and Linham conspired to claim Munger was an employee accruing $20,000 a month in "Back Salary" through a fraudulent billing scheme starting on January 1, 2016 as detailed in full below.

420. On November 23, 2016, Munger and Linham conspired to defraud FCGI and future investors by claiming that Munger was accruing 80% a month of unpaid salary with the (fraudulent) intent to collect it upon a successful closing of FCGLTD'S Series A funding round as witnessed in a letter that Linham, signed, and sent to Munger, requesting that Munger keep the letter between Linham and Munger.

421. The fraudulent letter attached to the email created and signed by the two both Linham and Munger which suggested that Munger's current remuneration was a reduced rate and was only 20% of his appropriate salary. Since Munger was receiving $5,000 a month for his services, this letter suggested that Munger should actually be receiving $25,000 a month.

XII. MARCUS SUPPORTS BASTIAN CASINO GAMING RACKETEERING ENTEPRISES & PERJURES HIMSELF IN SWORN DECLARATION

422. Marcus is a licensed attorney by the State Bar of California and before the USPTO. Marcus is further a self-certified accredited investor. Marcus is beyond skilled in the relevant art of copyright, trademark and patent law with regards to

intellectual property and the licensing of it. Marcus invested into the CNOTES of FCGI, three different times on April 3, 2015, June 12, 2015 and again on November 9, 2015.

423. On November 23, 2017, Marcus makes three perjurious statements in a sworn Declaration before this Court in ¶7 and ¶9, specifically, *"...I had no knowledge that the company I was investing in merely had a revocable license, and did not own, the intellectual property or assets I was investing to develop and market*" furthered with "*The first I learned of the existence of the license agreement, defining the ownership of the assets I invested to develop and market, was on June 29, 2017.*

424. Marcus' sworn declaration has provided a supporting role to the racketeering activities of Munger, Bastian and the rest of the Bastian Casino Gaming Enterprise and continues to tortiously interfere with the Counter-claimants' rights.

425. Between November 23, 2017 and January 10, 2018, the ARCC Report of Brian Marcus dated January 10, 2018 was produced, certified and approved by the Board of Directors of FCGI detailing all of the non-compliance events resulting from Brian Marcus' as alleged herein and in the ARCC Report.

426. On January 12, 2018, Marcus was notified on his wrong doings and sent a Notice of Non-Compliance Events, and thereafter provided with access to the full 305 page ARCC Report. Marcus never responded after that.

427. Marcus' sworn Declarations claims in the derivative lawsuit echo all of the other Plaintiff's false and frivolous claims.

FEDERAL RACKETEERING CLAIMS
(VIOLATIONS OF FEDERAL RACKETEERING STATUTE)
(18 U.S.C. § 1961 et seq.)

Allegations Common to First, Second, Third, Fourth, Fifth and Sixth Claims for Relief

428. "Racketeering activity" for purposes of the RICO Act means any act "chargeable" under several generically described state criminal laws, any act

"indictable" under numerous specific federal criminal provisions, including wire fraud and money laundering. The RICO Act specifically states at 18 U.S.C 1961(b):

> It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce.

429. The RICO Act specifically defines a "pattern of racketeering" at 18 U.S.C: 1961(5):

> "pattern of racketeering activity" for purposes of the RICO Act means requires at least two acts of racketeering activity, one of which occurred after the effective date of this chapter and the last of which occurred within ten years (excluding any period of imprisonment) after the commission of a prior act of racketeering activity.

430. A claim under 18 U.S.C. §1962(b), (c) and (d), re:

(1) Counter-claimants must prove that Counter-defendants engaged in a ***"pattern of racketeering activity".***

(2) Counter-claimants must prove that through the pattern of racketeering activity, Counter-defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise.

(3) Third, Counter-claimants must prove that the Counter-claimant's enterprise engaged in, or had some effect on, interstate or foreign commerce.

431. To establish a pattern of racketeering activity as defined in 18 U.S.C. §1961(1) and succeed on these claims under 18 U.S.C. §1961(5), the Counter-Claimants must prove each of the following by a preponderance of the evidence:

(1) at least ***"two predicate acts"*** of racketeering were committed;

(2) the predicate acts of racketeering had a relationship to each other which posed a threat of continued criminal activity; and

(3) the predicate acts of racketeering embraced the same or similar purposes, results, participants, victims, or methods of commission, or were otherwise interrelated by distinguishing characteristics.

A. The Federal RICO Enterprise

432. Counter-Defendants and Third-Party Defendants are each involved in an "enterprise" as defined in 18 U.S.C. §1961 (4).

433. With respect to all allegations common to the First, Second, Third and Fourth Claims of violations of sections 18 U.S.C. §§ 1962(b), (c) and (d), Counter-Defendants' and Third-Party Defendants' "enterprise" includes Bastian, Simmons, Munger, Linham, Playtech, Island Luck, DTG, DHL, ILG, M&A, Valcros, Jungels, Horan and Multislot, collectively known as the "Bastian Gaming and Casino Enterprise."

434. With respect to all allegations common to Fifth and Sixth Claims of violations of sections 18 U.S.C. §§ 1962(b), (c) and (d) Counter-Defendants' and Third-Party Defendants' "enterprise" includes Munger , M&A, Valcros, Eckles, DHWT, Solso, Millennium Trust, Brazer, Brazer Trust, BLM, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock Jr., Castaldo, and Marcus, known as the "Investor Enterprise."

435. With respect to all allegations common to the Fifth Claim in the violations of sections 18 U.S.C. §§ 1962(b), (c) and (d), Counter-defendant's "enterprise" includes the Bastian Casino Gaming Enterprise, and the Investor Enterprise.

436. With respect to all allegations common to the Sixth Claim in the violations of sections 18 U.S.C. §§ 1962(b), Counter-defendant's "enterprise" includes H2, Newman, Newman Law, and CBL, collectively hereinafter known as the "Newman Law Group."

437. Counter-Defendants or Third-Party Defendants Bastian, Simmons, Munger, M&A, Valcros, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso, 958 Partners, Millennium Trust, Brazer, Brazer Trust, BLM, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock Jr., Castaldo, Marcus, Newman, Newman Law and CBL are "persons" within the meaning of 18 U.S.C. § 1961(3).

438. Counter-Defendants and/or Third-party Defendants Bastian, Simmons, Munger, M&A, Valcros, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso, , Millennium Trust, Brazer, Brazer Trust, BLM, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock Jr., Castaldo Marcus, Newman, Newman Law, CBL, and Bastian Casino Gaming Enterprise are each an "enterprise that affects interstate commerce" pursuant to 18 U.S.C. § l961(4) and §1962(b), (c) and (d).

439. Each of the Counter-Defendants and Third-Party Defendants are associated with or are in fact members of the Bastian Casino Gaming Enterprise that engages in legitimate and illegitimate activities, including the racketeering activities herein alleged and pursuant to 18 U.S.C. § 1961 et. seq.

440. Bastian is the head of the Bastian Casino Gaming Enterprise, and adds the following paragraphs and facts in how the Counter-Defendants and Third-Party Complaint have engaged in violating the federal RICO Acts of 18 U.S.C. §§1961 (b), (c) and (d) and have engaged in a continuing and concerted course of conduct involving with the purpose and effect of willfully causing injury to the FCGI and interfering with their interstate and foreign commerce as set forth here above and further here below.

441. At all times relevant to this Counter-Claim and Third-Party Complaint, the Bastian Casino Gaming Enterprise and other parties, including Counter-Defendants and/or Third-party Defendants Bastian, Simmons, Munger, M&A, Valcros, Linham, Playtech, Island Luck, DTG, DHL, Multislot, Eckles, DHWT, Solso, Millennium Trust, Brazer, Brazer Trust, T Moore, L Moore, Moore Family Trust, Brock Sr., Brock Jr., Castaldo, Marcus, Newman, Newman Law, and CBL, with the approval and/or

acquiescence of Bastian, exercised authority over the conduct and activities, both legitimate and illegitimate.

B. Federal RICO Predicate Acts

442. The predicate acts forming the pattern of racketeering and the specific statutes common to the First, Second, Third Claims, Fourth, Fifth, Sixth and Seventh Claims include:

a. Definition of "scheme or artifice to defraud (18 U.S. Code § 1346)"

443. The predicate acts forming the pattern of racketeering and the specific statutes common to the First, Second, Third, Fourth, Fifth, Sixth and Seventh Claims include:

a. Fraud by wire (18 U.S.C. §1343, §1346);

444. The predicate acts forming the pattern of racketeering and the specific statutes common to the First, Second and Third Claims include:

a. Laundering of Monetary Instruments (money laundering) (18 U.S.C. § 1956, §1346);

445. The predicate acts forming the pattern of racketeering and the specific statutes common to the Fourth, Fifth, Sixth and Seventh Claims include:

a. Interference with commerce by threats or violence (18 U.S.C § 1951)

446. The predicate acts forming the pattern of racketeering and the specific statutes common to the Fifth Claims include:

a. Theft of trade secrets (18 U.S.C § 1832)

b. Forced labor (18 U.S.C § 1589)

447. The predicate acts forming the pattern of racketeering and the specific statutes common to the Sixth Claims include:

a. Frauds and Swindles (18 U.S.C § 1341)

C. Scheme or Artifices

448. The Counter-defendants have engaged in scheme or artifices that have violated the Federal RICO statute 18 U.S.C. § 1346, which states in pertinent part:

> For the purposes of this chapter, the term "scheme or artifice to defraud" includes a scheme or artifice to deprive another of the intangible right of honest services.

(1) 18 U.S. Code § 1346 -– Frauds by wire

Scheme or Artifice

449. The Counter-defendants have violated the Federal RICO statute 18 U.S.C. §§ 1341, 1346, which states in pertinent part:

> Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined under this title or imprisoned not more than 20 years, or both.

(2) 18 U.S. Code § 1956 – Laundering of Monetary Instruments (money laundering)

Scheme or Artifice

450. The Counter-defendants have violated the Federal RICO statute 18 U.S.C. § 1956, which states in pertinent part:

> (1) Whoever, knowing that the property involved in a financial transaction represents the proceeds of some form of unlawful

activity, conducts or attempts to conduct such a financial transaction which in fact involves the proceeds of specified unlawful activity—

(A)

(i) with the intent to promote the carrying on of specified unlawful activity; or

(ii) with intent to engage in conduct constituting a violation of section 7201 or 7206 of the Internal Revenue Code of 1986; or

(B) knowing that the transaction is designed in whole or in part—

(i) to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity; or

(ii) to avoid a transaction reporting requirement under State or Federal law,

shall be sentenced to a fine of not more than $500,000 or twice the value of the property involved in the transaction, whichever is greater, or imprisonment for not more than twenty years, or both. For purposes of this paragraph, a financial transaction shall be considered to be one involving the proceeds of specified unlawful activity if it is part of a set of parallel or dependent transactions, any one of which involves the proceeds of specified unlawful activity, and all of which are part of a single plan or arrangement.

(3) <u>18 U.S. Code § 1951 – Interference with commerce by threats or violence</u>

451. The Counter-defendants have violated the Federal RICO statute 18 U.S.C. § 1951, which states in pertinent part:

(a) Whoever in any way or degree obstructs, delays, or affects commerce or the movement of any article or commodity in commerce, by robbery or extortion or attempts or conspires so to do, or commits or threatens physical violence to any person or property in furtherance of a plan or purpose to do anything in violation of this section shall be fined under this title or imprisoned not more than twenty years, or both.

(b) As used in this section—

(2) The term "extortion" means the obtaining of property from another, with his consent, induced by wrongful use of actual or threatened force, violence, or fear, or under color of official right.

(3) The term "commerce" means commerce within the District of Columbia, or any Territory or Possession of the United States; all commerce between any point in a State, Territory, Possession, or the District of Columbia and any point outside thereof; all commerce between points within the same State through any place outside such State; and all other commerce over which the United States has jurisdiction.

(4) <u>18 U.S. Code § 1832 – Theft of trade secrets</u>

452. The Counter-defendants have violated the Federal RICO statute 18 U.S.C. § 1832, which states in pertinent part:

(a) Whoever, with intent to convert a trade secret, that is related to a product or service used in or intended for use in interstate or foreign commerce, to the economic benefit of anyone other than the owner thereof, and intending or knowing that the offense will, injure any owner of that trade secret, knowingly—

(1) steals, or without authorization appropriates, takes, carries away, or conceals, or by fraud, artifice, or deception obtains such information;

(2) without authorization copies, duplicates, sketches, draws, photographs, downloads, uploads, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates, or conveys such information;

(3) receives, buys, or possesses such information, knowing the same to have been stolen or appropriated, obtained, or converted without authorization;

(4) attempts to commit any offense described in paragraphs (1) through (3); or

(5) conspires with one or more other persons to commit any offense described in paragraphs (1) through (3), and one or more of such persons do any act to effect the object of the, shall, except as provided in subsection (b), be fined under this title or imprisoned more than 10 years, or both.

(b) Any organization that commits any offense described in subsection (a) shall be fined not more than the greater of $5,000,000 or 3 times the value of the stolen trade secret to the organization, including expenses for research and design and other costs of reproducing the trade secret that the organization has thereby avoided.

(5) <u>18 U.S. Code § 1341 – Frauds and swindles</u>

453. The Counter-defendants have violated the Federal RICO statute 18 U.S.C. § 1341, which states in pertinent part:

> Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, or to sell, dispose of, loan, exchange, alter, give away, distribute, supply, or furnish or procure for unlawful use any counterfeit or spurious coin, obligation, security, or other article, or anything represented to be or intimated or held out to be such counterfeit or spurious article, for the purpose of executing such scheme or artifice or attempting so to do, places in any post office or authorized depository for mail matter, any matter or thing whatever to be sent or delivered by the Postal Service, or deposits or causes to be deposited any matter or thing whatever to be sent or delivered by any private or commercial interstate carrier, or takes or receives therefrom, any such matter or thing, or knowingly causes to be delivered by mail or such carrier according to the direction thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, any such matter or thing, shall be fined under this title or imprisoned not more than 20 years, or both.

C. Federal Pattern of Racketeering

454. The predicate acts form a pattern of racketeering activity in that:

(i) they were all done by the members Counter-Defendants and Third-Party Defendants at the direction of Bastian on behalf of the Bastian Casino Gaming Enterprise for their individual and collective benefit;

(ii) they all included individual Counter-Defendants and Third-Party Defendants as directed by Bastian, with the approval/and or acquiescence of Bastian and/or Simmons

(iii) they were all performed by each individual Counter-defendants outside of the scope of the legitimate authority of their office or employment and/or for their personal and / or to the benefit of their individual entity or entities;

(iv) they were all performed by such corporations in a manner that favored their individual, corporate, partnership, trust, enterprising or collective benefit to the disadvantage of the FCGI and its non-party shareholders;

(v) they were all directed to operate in such a manner that they each knew that their actions, if discovered, would cause the FCGI ultimate harm or injury;

(vi) they all related to each other as part of a common course of conduct, plan, and objective to engage in a continued and concerted course of conduct with the purpose and effect of defrauding the FCGI;

(vii) they all included acts of concealment, conversion, and/or coercion, the illegitimate economic effect of which was the act of acquiring, maintaining and controlling security interests and income from Mahon's Full Color IP, as well as from FCGI and FCGLTD upon the successful completion of their criminal racketeering activities

(viii) they had sufficient continuity, repetition and duration in that they occurred at least since 2015 up to and including 2019, and

(ix) they each posed a threat of continued repetition against the FCGI and did indeed do so as set forth further here below in the other Claims of racketeering.

D. Federal RICO Injury

455. FCGI has been injured by the actions of the Bastian Casino Gaming Enterprise and the individual members of the enterprise and the individual members of the Investor Enterprise, both as a direct result of the individual predicate acts committed by the Counter-Defendants and Third-Party Defendants individually and acting collectively in the Bastian Casino Gaming Enterprise or the Investor Enterprise whereby

FCGI has sustained losses as direct result of the individual predicate acts and the racketeering activity, in an amount to be determined at trial as:

(a) intentionally and willfully depriving Mahon, FCGI and other FCGI affiliates from the ability to be found suitable for licensing before any regulated casino gaming control board with the UKGC (and others) by causing them to reluctantly and against their will become a part of Bastian's and the Bastian Casino Gaming Enterprise's criminal activities by aiding and abetting them in billing fraud, wire fraud and money laundering for the purpose of tax evasion through the wrongful purchase of securities;

(d) Causing the loss of FCGI'S property rights interests in the profits of their investments into the Full Color IP due to the failure of FCGLTD causing its stock value to plummet to $0.00 and the loss of over $2 million dollars in investor cash and other incalculable investments made by FCGI;

(e) Damage to the FCGI and its affiliated entities good name, brand, reputation, stature and likeness;

Conspiracy to Engage in Federal Racketeering

456. The RICO Act specifically states at 18 U.S.C 1961(d): "It shall be unlawful for any person to conspire to violate any of the provisions of subsection (a), (b), or (c) of this section."

457. Generally, a RICO "conspiracy" is an agreement by two or more people to commit an unlawful act. Put an-other way, it's a kind of partnership for illegal purposes. Every member of the conspiracy becomes the agent or partner of every other member. Counter-claimants don't have to prove that all the people named in the complaint were members of the conspiracy—or that those who were members made any kind of formal agreement. The heart of the conspiracy is the making of the unlawful plan itself. And the Counter-claimants don't have to prove that the conspirators were successful in carrying out the plan.

458. A conspiracy is a kind of criminal partnership – an agreement of two or more persons to commit one or more crimes. The crime of conspiracy is the agreement to do something unlawful; it does not matter whether the crime agreed upon was committed.

459. For a conspiracy to have existed, it is not necessary that the conspirators made a formal agreement or that they agreed on every detail of the conspiracy. It is not enough, however, that the Counter-defendants simply met, discussed matters of common interest, acted in similar ways, or perhaps helped one another. The Counter-claimants must prove that there was a plan to commit at least one of the crimes alleged in the indictment as an object of the conspiracy with all of the Counter-defendants agreeing as to the particular crime which the conspirators agreed to commit.

460. One becomes a member of a conspiracy by willfully participating in the unlawful plan with the intent to advance or further some object or purpose of the conspiracy, even though the person does not have full knowledge of all the details of the conspiracy.

461. Furthermore, one who willfully joins an existing conspiracy is as responsible for it as the originators.

FIRST CLAIM FOR RELIEF (Money Laundering & Securities Fraud)

VIOLATION OF FEDERAL RACKETEERING STATUTE (18 U.S.C. 1962(d))

(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech, Island Luck, DHL, DTG Multislot, Horan, and Jungels)

462. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

463. Section 1962(d) of the Racketeer Influenced and Corrupt Organizations Act ('"RlCO"), 18 U.S.C. § 1961 et seq., in its pertinent part states:

> "It shall be unlawful for any person to conspire to violate any of the provisions of subsection (a), (b), or (c) of this section"

464. The below named Counter-Defendants and Third-Party Defendants have conspired to violate 18 U.S.C. §1962(b) which is a violation of 18 U.S.C. § 1962(d) as set forth fully herein.

465. The predicate acts alleged above constituted substantial acts of money laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356, laundering of monetary instruments (money laundering).

466. Bastian, Simmons, Linham, Munger, Playtech, Island Luck, DHL, DTG are "persons" within the meaning of 18 U.S.C. § 1961(3).

467. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech, Island Luck, DHL, DTL, Multislot, Horan, and Jungels are an "enterprise" within the meaning of 18 U.S.C. § 1961(4) and §1962(a).

-Conspiracy to violate 18 U.S.C. §1962(b)

468. Counter-Defendants and Third-Party Defendants have conspired to violate the 18 U.S.C. §1962(b) and in order to succeed on this claim under 18 U.S.C. §1962(d) the Counter-claimants hereby prove each of the following three facts by a preponderance of the evidence and is hereby detailed with specificity and particularity already fully set forth herein:

(1) Counter-Defendants and Third-Party Defendants engaged in a pattern of racketeering activity beginning:

a. On October 1, 2015 when Munger introduced Bastian to the FCGO and Mahon in complete conflict of his NDACA and his fiduciary duties to FCGI

b. November 11, 2015 the Counter-defendants racketeering activity began with the signed contract to invest $1 million into FCGI and then canceling the investment under the guise and scheme of tax evasion;

c. On November 17, 2015 when Bastian directed Multislot to produce the Full Color IP on their RGS to the benefit of the Bastian Casino Gaming Enterprise at no cost to FCGI or its affiliates as part of his scheme to begin to control and influence FCGI;

d. On November 18, 2015 when SEBAS demanded that FCGI change its entire corporate structure and move its assets and operations to a foreign country that would ultimately facilitate the Bastian's tax evasion scheme;

e. On December 8, 2015 when Counter-defendants Bastian, Simmons, Playtech, and Island Luck, first attempted to get Mahon to conspire with them to avoid $120,000 in BIT in order to conceal the purchase of their securities in FCGI and gain rights to the Full Color IP;

f. On June 7, 2016 when Bastian, Simmons, and Munger seduced, corrupted and conspired with Linham, CFO of FCGI and FCGLTD, to engage in a scheme of creating a fraudulent billing invoice for the sale of computer equipment that none neither FCGI nor FCGLTD owned, would sell nor ship to the Bastian Casino Gaming Enterprise, nor would they receive so the Bastian Casino Gaming Enterprise could submit the fraudulent commercial invoice to the Bank of Bahamas and get the funds fraudulently wire transferred to FCGLTD'S bank account in the IOM, concealing the purchase of BASTIAN'S casino gaming enterprise purchase of 15% of FCGI'S securities interest in FCGLTD and avoiding the $120,000 in BIT.

g. On June 7, 2016 when Bastian, Simmons, and Munger, the CTO of FCGI and FCGLTD conspired to aid and abet Linham in taking an Island Luck quote in the amount of $444,770.01 and assist him in creating the false billing invoice;

h. On June 7, 2016 when Linham did in fact produce the fraudulent invoice in the amount of $444,770.00 and did in fact email it back to Simmons and the Bastian Casino Gaming Enterprise;

i. Bastian and his entire Bastian Casino Gaming Enterprise owed FCGI and FCGLTD the duty to lawfully execute the terms and conditions of the DHL SIA he signed on May 31, 2016 and legally and lawfully transferring the $1 million dollars of cash into DHL in the Isle of Man through Nedbank and cause DHL in the Ilse of man to simply do an interbank transfer into the bank account of FCGLTD.

(2) Counter-defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise.

FCGI re-alleges and incorporates ¶468(1) and its sub-references herein and indisputably prove that Bastian and his Bastian Casino Gaming Enterprise attempted to wrongfully conspire to acquire the ownership interests of FCGI's ownership interests in FCGLTD;

(3) Counter-claimant's enterprise engaged in, or had some effect on, interstate or foreign commerce.

a. FCGI re-alleges and incorporates ¶4768(1) and (2) and their sub-references herein allege that Bastian and his Bastian Casino Gaming Enterprise attempted to wrongfully conspire to acquire the Counter-claimants' ownership interests of FCGI'S ownership interests in FCGLTD;

b. The conspired transactions include using the internet to communicate, send copies of the Island Luck quote, the false FCGLTD invoice, the coordination of the scheme, the cancelation of it and the affirmation of it all that consisted between FCGI a USA entity, the Bahamian Bastian Casino Gaming Enterprise and the Isle of Man FCGLTD proving beyond the shadow of any doubt the engagement of interstate and foreign commerce.

469. As a collective result, the Counter-Defendants are guilty of violating the federal RICO Acts of 18 U.S.C. §§1961(b) whereby they conspired to:

> acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce.

470. Counter-Defendants and Third-Party Defendants willfully conspired to and did in fact engage in a continuing and concerted course of conduct involving with the purpose and effect of intentionally, whose actions, had they completed would have caused irreparable and incalculable harm to the FCGI knowingly depriving them from being found suitable for licensing before the UKGC and all the other 450+ jurisdictions around the world that the FCGI and its affiliates could seek, and their investors investments relied upon prior to making their investments to FCGI.

471. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of the Counter-Defendants' and Third-Party Defendants' individual predicate acts as well as the racketeering activity alleged herein. Accordingly, FCGI seeks an award of treble damages from the racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

SECOND CLAIM FOR RELIEF (Wells Fargo Money Laundering)

VIOLATION OF FEDERAL RACKETEERING STATUTE (18 U.S.C. 1962(b))

(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech, Island Luck, DHL, DTG Multislot, Horan, and Jungels)

472. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

473. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations Act ('"RlCO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

> "It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce."

474. The above named Counter-defendants have conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

475. The predicate acts alleged above constituted substantial acts of money laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356, laundering of monetary instruments (money laundering).

476. Defendants Bastian, Simmons, Linham, Munger, Playtech, Island Luck, DHL, and DTG are "persons" within the meaning of 18 U.S.C. § 1961(3).

477. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech, Island Luck, DHL, DTG, Multislot, Horan, and Jungels are an "enterprise" within the meaning of 18 U.S.C. § 1961(4) and §1962(a).

478. At all times relevant to this Counter-Claim and Third-Party Complaint, Counter-Defendants and Third-Party Defendants Bastian, Simmons, Linham, Munger, Playtech, Island Luck, DHL, and DTG were associated with, and participated in the

affairs of the Bastian Casino Gaming Enterprise through a pattern of racketeering activity.

479. FCGI does business in interstate and foreign commerce.

480. FCGI has already alleged Counter-Defendants and Third-Party Plaintiffs have violated the Federal RICO Act of18 U.S.C. §1962(b) in order to succeed in proving all elements necessary to succeed on this claim under 18 U.S.C. §1962(d). Here, FCGI, further alleges that Counter-Defendants and Third-Party Defendants continued their scheme to engage in wire fraud and money laundering in an ongoing racketeering pattern except this time the conspiracy actually successfully completed their racketeering acts.

481. As such, Counter-claimants, in order to succeed on this claim under 18 U.S.C. §1962(b) the Counter-claimants re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein and allege as follows:

(1) Counter-Defendants and Third-Party Defendants engaged in a "pattern of racketeering activity" whereby:

a. On June 22, 2016, Counter-defendant, a Bahamian citizen, who self admittedly refuses to do business in the United States for the purpose of avoiding paying United States taxes, surprisingly not only has a United States bank account, but has over $500,000 United States dollars in the account.

b. On June 22, 2016, Bastian ordered Wells Fargo Bank, N.A., through a "Wire Transfer Service – Outgoing Wire Transfer Request," through bank account number 1010173095067, in the account holder's name of Sebastian Bastian, made a fraudulent wire transfer to the Beneficiary of FCGLTD in the Isle of Man to their Nedbank account 2260060590 for the fraudulently stated

"Purpose of Funds" as "INVESTMENT FOR DAVINCI TRADING" in the amount of $500,000 for the purposes of avoiding paying the $120,000 in BIT taxes and more importantly the concealment of the DHL'S purchase of 15% FCGI'S securities interest in FCGLTD.

c. It is indisputable that Davinci Trading, already established as DTG, is Bastian's Grand Cayman Island entity as detailed here above.

d. DTG has no contact or dealings with FCGLTD.

e. The statement of the "purpose of funds" by Bastian is fraudulent.

f. On June 23, 2016, FCGLTD did in fact receive a $500,000 USD incoming wire transfer from Bastian's United States Wells Fargo Account.

g. It is indisputable that Bastian fraudulently used the US Federal Reserve banking system to perpetuate his wire fraud and engaged in money laundering rather than having DHL make a single $1 million wire transfer from DHL'S Isle of Man bank account to FCGLTD'S Isle of Man bank account as contemplated by the agreement between the parties.

(2) <u>Through the pattern of racketeering activity, Counter-Defendants and Third-Party Defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise whereby.</u>

FCGI re-alleges and incorporates ¶481(1) and its sub-references herein that Bastian and his Bastian Casino Gaming Enterprise attempted to engaged in Claim One and now, repeating to a full fruition in Claim Two, the Counter-Defendants and Third-Party

Defendants have indeed began to acquire FCGI'S ownership interests in FCGLTD;

(3) FCGI's enterprise engaged in, or had some effect on, interstate or foreign commerce.

Bastian's Wells Fargo Outgoing Wire Transaction includes using the internet and telecommunications systems in order to complete the fraudulent wire transfer, further to communicate with others, to send copies of the wire transfer details, to coordinate the scheme, consisted between the United States entity in Wells Fargo Bank, FCGI a USA entity, the Bahamian Bastian Casino Gaming Enterprise and the Isle of Man FCG LTD demonstrating the engagement of interstate and foreign commerce.

482. As a result, Counter-Defendants and Third-Party Defendants set forth herein are guilty of 18 U.S.C. §1962(b) herein this Second Claim.

483. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of the Counter-Defendants and Third-Party Defendants individual predicate acts as well as the racketeering activity alleged herein. Accordingly, FCGI seeks an award of treble damages from the racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

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THIRD CLAIM FOR RELIEF (Bank of Bahamas Money Laundering)

VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C. 1962(b))

(As to Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech, Island Luck, DHL, DTG Multislot, Horan, and Jungels)

484. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

485. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations Act ("RlCO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

> "It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce."

486. The above named Counter-defendants have conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

487. The predicate acts alleged above constituted substantial acts of money laundering in violation of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1356, laundering of monetary instruments (money laundering).

488. Defendants Bastian, Simmons, Linham, Munger, Playtech, Island Luck, DHL, and DTG are "persons" within the meaning of 18 U.S.C. § 1961(3).

489. Defendants Bastian, Simmons, Linham, Munger, M&A, Valcros, Playtech, Island Luck, DHL, DTG, Multislot, Horan, and Jungels are an "enterprise" within the meaning of 18 U.S.C. § 1961(4) and §1962(b).

490. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein, hereby allege each of the

following three facts with new and additional specificity and particularity already fully set forth herein:

(1) Counter-Defendants and Third-Party Defendants continued to engaged in a continued "pattern of racketeering activity" whereby:

a. Nearly 9 months after the formation of DHL in the Isle of Man, Bastian still had failed to apparently put his own investment funds into DHL in order to make a direct bank to bank transfer from DHL to FCGLTD in their Nedbank accounts in IOM.

b. On or about September 20, 2016, Bastian ordered the Bank of Bahamas, through the Shirley Street branch in Nassau, New Providence, Bahamas, to engage in an "External Payment Request" ("EPR"), through bank account number 3310002822, in the Applicant's name of Sebastian Bastian and made a fraudulent bank wire transfer request to beneficiary of FCGLTD in the Isle of Man to their Nedbank account 2260060590.

c. On September 22, 2015, the EPR was stamped by BOB as received, whereby the "Signature of the Applicant" line includes one known signature of Bastian, whereby the signatures directed the BOB to make an EPR in the form of a bank wire transfer in the amount of $500,000 payable to Full Color Games Ltd in the Isle of Man.

d. The EPR makes clear false declarations to BOB, who is regulated by the Central Bank of Bahamas ("CBB"), in the CBB'S Exchange Control Reporting ("ECR") section of the EPR as CAT Code 2084 (Commission, Advert. Subscript., Prof Service, Misc., e.g. visas, pay Bahamians abroad) all of which was indisputably

false and in fact, was truly for the purposes of ECR CAT Code 5010 (Share Purchase).

e. FCGLTD did not charge Bastian or any party in the Bastian Casino Gaming Enterprise any "commission," did not buy any "advertising subscription, purchase any "professional service", or any other "miscellaneous items, e.g., visa or pay any Bahamian abroad."

f. The false ECR CAT CODE declaration as stated in the BOB EPR is for the purpose for tax evasion of the BIT by Bastian, Simmons, Playtech, and/or Island Luck in order to conceal DHL'S purchase of FCGI'S ownership shares of FCGLTD'S stock and further to avoid reporting it to the Bahamian Government as required by the ECR which in that controls the "Outward Direct Investments" in purchases of securities as further detailed in the Bahamas Exchange Control Reporting Act of 1952.

g. This purchase of securities is a false statement by Bastian and the second signatory in order to induce BOB to wire the funds as a falsely stated ECR CAT CODE.

h. On October 3, 2016, Linham confirmed that FCGLTD did in fact receive the $500,000 into its Nedbank account in Isle of Man validating the act of racketeering of money laundering through fraud by wire violating 18 U.S.C §1962(b) through the two predicate acts of 18 U.S.C.§1956 and §1343.

i. It is indisputable that Bastian fraudulently used BOB who then used the Central Bank of the Bahamas ("CBOC") who then used the US Federal Reserve banking system to perpetuate the wire fraud and engaged in money laundering rather than having DHL

make a proper wire transfer from DHL'S Isle of man bank account to FCGLTD'S Isle of Man bank account.

j. FCGLTD did not engage in any business with Bastian or the Bastian Casino Gaming enterprise pursuant to their declaration under ECR CAT CODE 2084.

k. The statement of the "purpose of funds" by Bastian is fraudulent.

l. This BOB EPR in the amount of $500,000 was for the continued and ongoing pattern of racketeering activities for the purposes of avoiding paying the $120,000 in BIT taxes and more importantly the concealment of the DHL'S purchase of 15% of FCGI'S securities interest in FCGLTD.

(2) Through the pattern of racketeering activity, Counter-Defendants and Third-Party Plaintiffs acquired or maintained, directly or indirectly, an interest in or control of an enterprise whereby.

The Counter-claimants re-alleges and incorporates ¶490(1) and its sub-references herein and indisputably prove that Bastian and his Bastian Casino Gaming Enterprise attempted to engaged in Claim One, Claim Two now, repeating to a full fruition in Claim Three, the Counter-Defendants and Third-Party Defendants have indeed continued to wrongfully acquire more of the FCGI'S ownership interests in FCGLTD;

(3) FCGI's enterprise engaged in, or had some effect on, interstate or foreign commerce:

a. The Counter-claimants re-alleges and incorporates ¶490(1) and (2) and their sub-references herein and indisputably prove that Bastian and his Bastian Casino Gaming Enterprise attempted to engage in Claim One, Claim Two and now, repeating to a full

fruition in Claim Three, the Counter-defendants have indeed continued to wrongfully acquire the Counter-claimants ownership interests of FCGI'S ownership interests in FCGLTD;

b. Bastian's Bank of Bahamas Outgoing Wire Transaction includes using the internet and telecommunications systems in order to complete the fraudulent wire transfer, further to communicate with others, to send copies of the wire transfer details, to coordinate the scheme, consisted between the Bahamian bank of BOB, the USA Federal Reserved banking system to facilitate the wire, FCGI a USA entity, the Bahamian BASTIAN casino gaming enterprises and the Isle of Man FCGLTD demonstrating the engagement of interstate and foreign commerce.

491. As a result, FCGO has alleged with specificity and particularity that the Counter-Defendants and Third-Party Defendants are guilty of 18 U.S.C. §1962(b) herein this Third Claim.

492. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's individual predicate acts as well as the racketeering activity alleged herein. Accordingly, FCGI seeks an award of treble damages from the racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

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FOURTH CLAIM FOR RELIEF (Multislot Extortion)

VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C. 1962(b))

(Counter-defendants Bastian, Simmons, Munger, Linham, Playtech, Island Luck, DTG, DHL, Horan, Jungels, Multislot, M&A, Valcros)

493. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

494. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations Act ("RlCO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

> "It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce."

495. The above named Counter-defendants and Third-Party Plaintiffs have conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

496. The predicate acts alleged above constituted substantial acts of extortion in violation of the Hobbs Act in violations of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1951, interference with commerce by threats or violence.

497. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b) the FCGI re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein, hereby prove each of the following three elements by a preponderance of the evidence with new and additional specificity and particularity already as follows:

(1) Counter-Defendants and Third-Party Defendants continued to engaged in a continued "pattern of racketeering activity" whereby:

a. On January 31, 2017, as fully detailed in ¶237 Multislot, engaged in extortion when they attempted to wrongfully extort the FCGI and its affiliates out of their HTML5 property rights to the Full Color IP and prevent them from globally releasing FCG21 through Videoslots et al. as expected if the FCGI and its affiliates did not comply with Multislot demands, ultimately depriving the FCGI and its affiliates of all income.

b. By contract, Multislot attempted to acquire or maintain, directly and indirectly, an interest in and control of the Full Color IP, specifically FC21 which is the property of Mahon and licensed to FCGI and its affiliates, all of whom have their own beneficial property rights in the Full Color IP.

c. The Full Color IP could not be released on its own without the GBB or UKGC license of Multislot while on their RGS that they controlled and in so doing, controlled the FCGI and its affiliates.

d. The FCGI and its affiliates and their property rights in the Full Color IP, which is engaged in, or the activities of which affect, interstate or foreign commerce would generate revenue that Multislot controlled through their contracts with Videoslots.com, BetConstruct, EveryMatrix, et al., who would then charge a fee for their control and pay the FCGI and its affiliates. Multislot was, therefore,, in every step of the commerce, in control and attempted to wrongfully extort FCGI and its affiliates out of their free rights to give certain revenue streams property rights of the Full Color IP commerce, specifically, the HTML5 rights to the Tier 1 operators, which constitute approximately 80% of all future revenues in which Multislot had no rightful claim to.

(2) Through the pattern of racketeering activity, Counter-defendants and Third-Party Defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise whereby.

a. The Counter-claimants re-alleges and incorporates ¶497(1) and its sub-references herein and indisputably prove that Multislot not only threatened to pull the release of the Full Color IP to Videoslots, BetConstruct, EveryMatrix et al. as a result of failing to comply with the Multislots' demands, but they repeated it by failing to release it on BetConstruct, EveryMatrix et al. and even failed to ever release it on Bastian's IslandLuck.com despite saying they would.

b. Despite the fact that FCGI and its affiliates had paid to have the games fully certified for release through BMM and translated into 24 languages, over $110,000, and 15 months of direct development time invested into the build and release, Multislot deliberately never released the product at all, proving that their pattern is going on indefinitely by wrongfully owning and controlling the interests and property rights of FCGI and its affiliates and their lawful enterprises.

(3) <u>FCGI's enterprise engaged in, or had some effect on, interstate or foreign commerce:</u>

FCGI re-alleges and incorporates ¶497(1) and (2) and their sub-references herein and indisputably prove that the failure to globally release the Full Color IP of FC21 on Videoslots.com, BetConstruct, EveryMatrix, IslandLuck.com or anywhere, ever, even to this day, is proof on its face that the Counter-defendants have interfered with interstate and foreign commerce.

498. FCGI further alleges that Multislot violated 18 U.S.C. §1951 through interference with commerce by threats or violence or better known as the "Hobbs Act extortion by the wrongful use of actual or threatened force, violence, or fear."

499. More, specifically, Multislot wrongfully demanded that Counter-claimants give up all HTM5 property rights they had already assigned to another party.

500. Multislot demanded that Counter-claimants in control of the Full Color IP give up the HTML5 Tier 1 rights or they would pull the product releases to all other operators which would cause great economic harm to the Counter-claimants if they refused to do so.

501. Multislot not only wrongfully obstructed the release of the Counter-claimants Full Color IP that they spent approximately $110,000 in corporate funds, over 15 months of time developing in good faith, but they permanently delayed the release of all Full Color IP not just through the Island Luck platform, but to all other interstate and foreign commerce through Videoslots, Betconstruct, EveryMatrix and Pinnacle after getting the games fully certified and translated for global release because FCGI and its affiliates would not give in to the extortion demands. Multislot knew that the FCGI and its affiliates would fail to reach revenue as a result, would run out of money and go out of business within months and as a result believed that FCGI and its affiliates would succumb to their wrongful demands as the only alternative to save themselves. FCGI and its affiliates did not give into the wrongful demands and subsequently did in fact go out of business and experience a total loss of all of its investments that exceeded $3 million cash and nearly 10 years of business development as a result.

502. Multislot's actions and threats were wrongful because Multislot had no lawful claim to the property. Multislot had no lawful claim to the property rights of the HMTL5 rights in either oral or written contract. In fact Multislot turned down the opportunity when it had it in July, 2016 and knew that others, specifically Spin, had the HTML5 rights to the Tier 1 product. Multislot retained all other distributors and

operators that only wanted FLASH developed Full Color IP product and those that were already integrated into the MULTISLOT RGS. Only Mahon and his licensees owned all all rights to its revenue streams from the Full Color IP pursuant to their respective licensing agreements with Mahon.

503. As a result, FCGI alleges with specificity and particularity, alleged the Counter-claimants are guilty of violations of 18 U.S.C. §1962(b) herein this Fourth Claim.

504. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's individual predicate acts as well as the racketeering activity alleged herein. Accordingly, FCGI seeks an award of treble damages from the racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

FIFTH CLAIM FOR RELIEF (Munger, Bastian, Brock Sr., Brock Jr., Eckles & Solso. Extortion)

VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C. 1962(b))

(All Counter-Defendants and Third-Party Defendants)

505. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

506. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations Act ("RlCO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

> "It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce."

507. The above named Counter-Defendants and Third-Party Defendants have conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

508. The predicate acts alleged above constituted substantial acts of extortion in violation of the Hobbs Act in violations of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C. § 1832, theft of trade secrets; 18 U.S.C. § 1589, forced labor.

509. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein with new and additional specificity and particularity already fully set forth herein:

(1) <u>Counter-defendants and Third-Party Defendants continued to engaged in a continued "pattern of racketeering activity" whereby:</u>

a. Beginning on or about April 19, 2017, in here above, Counter-Defendants and Third-Party Defendants, and each of them, engaged in frauds by wire, attempted extortion with the wrongful taking of FCGI's and its affiliates property rights and interests in the IPR and Full Color IP in order to acquire and maintain an interest in it in order to wrongfully profit off of it through interstate and foreign commerce as detailed in their racketeering activities in written documents "**FCG plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**" and furthered by verbal assertion and reaffirmation of it by Brock Jr. and then furthered by the Investor Enterprise by the promise of Munger to engage in the theft of Mahon's trade secrets furthered by the Investor Enterprise in order for the Counter-Defendants and Third-Party Defendants to

maintain their extorted interests to continue their racketeering activity in perpetuity.

b. The Counter-Defendants and Third-Party Defendants further attempted to extort Mahon out of his rightful property rights of his stock ownership in the FCGI and affiliated entities in order to obtain the voting shares and majority interest in order to wrongfully force Mahon to unlawfully relinquish his employment, directorships and positions with FCGI and affiliated entities that he spent a lifetime building in order to lawfully obtain and maintain.

c. The Counter-Defendants and Third-Party Defendants conspired to extort Mahon out of his Full Color IP, other intellectual property rights and stock ownership property and FCGI and its affiliates relevant revenue and licensing rights thereto by acting on their threats to engage in tortuous litigation for the sole intent of depriving MAHON and the Counter-claimants of their property rights and revenue streams by filing a baseless, meritless, frivolous and wrongful lawsuit as conceived in and detailed in no less than four different schemes as detailed in **FCG plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf** and over a long period of time showing an ongoing pattern in their racketeering activity.

d. FCGI and its affiliates, with respect to their property interest and rights in the IPR, are engaged in, or the activities of which affect, interstate or foreign commerce would generate revenue that the Counter-Defendants and Third-Party Defendants controlled through their contracts with Multislot, Spin,

Videoslots.com, BetConstruct, Every Matrix, et al., who would then charge a fee for their control and pay FCGI and its affiliates proving that Counter-Defendants and Third-Party Defendants in acquiring rights and interests in the IPR and stock securities in FCGI and its affiliates, in every step of the commerce, was in control and attempted to wrongfully extort the FCGI and its affiliates out of their free rights to give certain revenue streams property rights of the IPR in commerce and the rightful ownership of the property FCGI and its affiliates that the Counter-Defendants and Third-party Defendants racketeering activity sought to, has and continues to deprive the FCGI and its affiliates of, all of which was explicitly detailed in FCG plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf.

(2) Through the pattern of racketeering activity, Counter-Defendants and Third-Party Defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise whereby.

FCGI re-alleges and incorporates ¶509(1) and its sub-references herein and indisputably prove that the Counter-Defendants and Third-Party Defendants have wrongfully engaged in racketeering activity to acquire and maintain, both directly and indirectly an interest in and control of the IPR property and stock in its enterprises.

(3) Counter-claimants have proven that the Counter-claimant's enterprise engaged in, or had some effect on, interstate or foreign commerce:

FCGI re-alleges and incorporates ¶509(1) and (2) and their sub-references herein and indisputably prove that their plans were well known and admitted to in advance as explicitly detailed in FCG

plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf and it would affect and or deprive the FCGI and its affiliates of their rights of income through interstate and foreign commerce proof on its face that the Counter-defendants have interfered with interstate and foreign commerce and equally as damaging designed to ensure that their racketeering activities ***"will cost him [MAHON] years of revenue and … cost him his career"***.

510. FCGI further alleges that Multislot violated 18 U.S.C. §1951 through interference with commerce by threats or violence or better known as the "Hobbs Act extortion by the wrongful use of actual or threatened force, violence, or fear."

511. The Counter-Defendants and Third-Party Defendants as explicitly demanded in their "non-negotiable" demands **FCG plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf** have wrongfully demanded that Mahon give up his property rights and further FCGI's and its affiliates' rights to revenues and their licenses related thereto that the Counter-Defendants and Third-Party Defendants did not have any lawful rights to beyond their already explicitly agreed to terms and conditions of their stock ownership rights in any of the named entities but sought to obtain 100% ownership Mahon's IPR and Mahon's (majority in interest) stock ownership in FCGI , his 100% voting control in FCGI not only without paying for it but under the threat of extortion if they did not give into the Counter-Defendants' and Third-Party Defendants' demands and were threatened with the damage that would ensure in a tortuous lawsuit that would follow if they did not comply with their demands.

512. The Counter-claimants re-alleges all paragraphs herein as indisputable proof that the Counter-defendants, through their explicitly detailed plans in **FCG plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**, their threats to cause Mahon harm was designed to and did obstruct, delay and affect interstate and foreign commerce in quantifiable means that caused the FCGI's business entities to have casino

gaming license applications refused, licenses to be terminated, products fail to launch and businesses to fail in their entirety causing the loss of millions of dollars of real money by the FCGI and its affiliates.

513. The Counter-defendants' and Third-Party Defendants' actions of threats were wrongful. The Counter-Defendants and Third-Party Defendants had no lawful claim to the property rights to the demands that they explicitly made in **FCG plan.docx, FCG plan v1.2.docx, Principles_2017 04 26 v 2.pdf**. Only Mahon owned all Full Color IP property and had owned all this property for years upon years as further evidenced in licensing contracts, on public record, in product manufactured, published and distributed in over 160 countries in over 13 languages and through public recordings of perfected securities interests in UCC-1 filings with the Nevada Secretary of State and all rights to its revenue streams were the property of the FCGI and its affiliates, pursuant to their respective Licensing agreements with Mahon as the master licensor. The Counter-defendants' and Third-Party Defendants' actions therefor had no lawful claim to Mahan's property much more to FCGI's licensing and stock ownership rights to the property rights afforded to them in the relevant licensing agreements.

514. As a result, FCGI alleges, with specificity and particularity, that the Counter-Defendants and Third-Party Defendants are guilty of 18 U.S.C. §1962(b) herein this Fifth Claim.

515. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of the Counter-defendant's individual predicate acts as well as the racketeering activity alleged herein. Accordingly, FCGI seeks an award of treble damages from the racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

SIXTH CLAIM FOR RELIEF (Newman Securities Extortion)

VIOLATION OF FEDERAL RACKETEERING STATUTE 18 U.S.C. 1962(b))

(Counter-defendants Newman, Newman Law, CBL and H2)

516. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

517. Section 1962(b) of the Racketeer Influenced and Corrupt Organizations Act ("RlCO"), 18 U.S.C. § 1961 et seq. in its pertinent part states:

> "It shall be unlawful for any person through a pattern of racketeering activity or through collection of an unlawful debt to acquire or maintain, directly or indirectly, any interest in or control of any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce."

518. The above named Counter-Defendants and Third-Party Defendants have conspired to violate 18 U.S.C. §1962(b) as set forth fully herein.

519. The predicate acts alleged above constituted substantial acts of extortion in violation of the Hobbs Act and through fraud in violations of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C. § 1341, frauds and swindles.

520. FCGI, in order to succeed on this claim under 18 U.S.C. §1962(b), re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein, hereby allege following three elements with new and additional specificity and particularity already fully set forth herein:

(1) Third-Party Defendants continued to engaged in a continued "pattern of racketeering activity" whereby:

a. Beginning on or about March 17, 2010, the Third-Party Defendants and each of them engaged in frauds by swindle, frauds by wire and attempted extortion with the wrongful taking of Mahon's property in the IPR that H2 and Newman were hired to protect and used the AGRI as the means and methods for Newman to obtain FCGI and, purportedly, FCG LTD corporate stock interests. Had Newman truly done the work, he would have been entitled to the shares, but instead he engaged in a patent Ponzi scheme that allowed him to get shareholder rights in FCGI and its affiliates. When his failures were discovered and the Newman Group was terminated, the Newman Group made unlawful and wrongful threats in order to wrongfully exert control over FCGI and its affiliates and wrongfully profit therefrom through interstate and foreign commerce as detailed in the Newman Group's extortionate demands for money on the threat of liening and/or destroying FCGI's and its affiliates' IPR and profits derived therefrom. The extortionate threats include the following communications by Newman as set forth below:

(1) On August 27, 2016 at 4:04pm PST, in a document entitled "**Settlement Agreement.pdf**";

(2) On November 17, 2016 at 5:50pm PST after Newman's phone call with Linham and Howard memorialized in the emailed document entitled "**2016_11_17_Rich_Newman_Settlement_Proposal.docx**";

(3) On February 21, 2017, Newman emailed document titled "**Mutual Termination and Release-2-21-2017.docx**";

(4) On March 8, 2017 at 1:41am PST, in an email from Newman to Mahon changing his terms back to a new demand of $50K to $75K.

b. The Newman Group, with its extortionate demands, held FCGI and its affiliates property rights and corporate stock ransom in order to prevent the FCGI and its affiliates from being able to obtain a UKGC casino gaming license and prevent them from obtaining revenue streams through interstate and foreign commerce.

(2) Through the pattern of racketeering activity, Third-Party Defendants acquired or maintained, directly or indirectly, an interest in or control of an enterprise whereby.

FCGI re-alleges and incorporates ¶520(1) and its sub-references herein allege Third-Party Defendants have wrongfully engaged in racketeering activity to acquire and maintain, both directly and indirectly an interest in and control of the FCGI and its affiliates and its property rights and they would not return the fraudulently obtained stock until FCGI paid them a ransom in order to deprive the FCGI and its affiliates the right to obtain a UKGC casino gaming license, release the Full Color IP and obtain revenue in interstate and foreign commerce.

(3) FCGI's enterprise engaged in, or had some effect on, interstate or foreign commerce:

FCGI re-alleges and incorporates ¶520(1) and (2) and their sub-references herein and alleges that their plans were well known and admitted to in advance as explicitly detailed Newman's repetitive pattern of ever changing extortion demands as witnessed in his

emails, settlement proposals seeking to interfere with and/or destroy FCGI's and its affiliates rights of income through interstate and foreign commerce.

521. Third-Party Defendants have a violated of 18 U.S.C. §1951 through interference with commerce by threats or violence or better known as the "Hobbs Act extortion by the wrongful use of actual or threatened force, violence, or fear."

522. Third-Party Defendants, as explicitly demanded in their "non-negotiable" demands in the emails and wires communications explicitly detailed in the "Settlement Agreement.pdf", "2016_11_17_Rich_Newman_Settlement_Proposal.docx", and "Mutual Termination and Release-2-21-2017.docx" have wrongfully demanded that FCGI and its affiliates give up their property rights as defined in the related licenses to the IPR and the shares that Newman Group wrongfully obtained and was holding hostage that Third-Party Defendants did not have any lawful right to as he knowingly obtained the shares by fraud and/or failed to meet the conditions for stock ownership, and sought to wrongfully assert influence over FCGI and its affiliates by making extortionate threats against the IPR and FCGI's business if they did not comply with their demands.

523. FCGI re-alleges all paragraphs that the Third-Party Defendants not only intended to inflict fear and cause economic harm in perpetuity, but intended to cause the fear of the loss of the protection of his inventions due to Newman Group's fraud and they inflicted economic damages on Mahon and FCGI and its other affiliates, which inhibited FCGI and its affiliates from obtaining the UKGC license and wrongfully deprives Mahon and FCGI of revenue streams.

524. FCGI re-alleges all paragraphs herein that the Counter-Defendants, their threats, coercion and attempted extortion did in fact obstruct, delay and affect interstate and foreign commerce in quantifiable means that caused the Counter-claimants business entities to have casino gaming license applications refused, licenses to be terminated,

products fail to launch and businesses to fail in their entirety causing the loss of millions of dollars of real money by the Counter-claimants entities individually and as investing shareholders.

525. Third-Party Defendants' actions of threats were wrongful because Third-Party Defendants have no lawful claim to the property rights to the demands because Newman fraudulently obtained the money and shares from the Counter-claimants and as such had no legal right to the shares. It is indisputable that only the Mahon invented all Full Color IP property and had owned all this property for years upon years before even meeting Newman as further evidenced in the original copyright, trademark and patent filings by Mahon that are all on public record. The Counter-defendants' actions therefor had no lawful claim to FCGI's property much more to Third-Party Defendants licensing income and stock ownership rights to the property rights afforded to them in the relevant licensing agreements.

526. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of Third-Party Defendants individual predicate acts as well as the racketeering activity alleged herein. Accordingly, FCGI seeks an award of treble damages from the racketeering activity, costs of this litigation, and further, reasonable attorneys' fees as provided by 18 U.S.C. 1964(d).

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NEVADA RACKETEERING CLAIMS

(VIOLATIONS OF NEVADA RACKETEERING STATUTE)
(N.R.S. § 207.400, et seq.)

Allegations Common to Seventh, Eighth, Ninth, Tenth, Eleventh and Twelfth Causes of Action

527. Racketeering in Nevada pursuant to N.R.S. § 207.400 is defined as quoted in pertinent part below:

> 1. It is unlawful for a person:
> (b) Through racketeering activity to acquire or maintain, directly or indirectly, any interest in or control of any enterprise.
> (c) Who is employed by or associated with any enterprise to conduct or participate, directly or indirectly, in:
> (i) The affairs of the enterprise through racketeering activity; or
> (ii) Racketeering activity through the affairs of the enterprise.
> (d) Intentionally to organize, manage, direct, supervise or finance a criminal syndicate.
> (e) Knowingly to incite or induce others to engage in violence or intimidation to promote or further the criminal objectives of the criminal syndicate.
> (f) To furnish advice, assistance or direction in the conduct, financing or management of the affairs of the criminal syndicate with the intent to promote or further the criminal objectives of the syndicate.
> (j) To conspire to violate any of the provisions of this section. The RICO Act specifically states at 18 U.S.C 1961(b):

528. "Racketeering activity" in Nevada pursuant to N.R.S. § 207.390 is defined as quoted in full here below:

> "Racketeering activity" means engaging in at least two crimes related to racketeering that have the same or similar pattern, intents, results, accomplices, victims or methods of commission, or are otherwise interrelated by distinguishing characteristics and are not isolated incidents, if at least one of the incidents occurred after July 1, 1983, and the last of the incidents occurred within 5 years after a prior commission of a crime related to racketeering.

A. The Nevada RICO Enterprise

529. To establish evidence of a racketeering enterprise exists and succeed on these claims under N.R.S. § 207.400 et seq., FCGI must facts that the Counter-

Defendants and Third-Party Defendants have operated as an enterprise as defined in N.R.S. § 207.380 whereby "Enterprise" defined

> Enterprise" includes:
> (1) Any natural person, sole proprietorship, partnership, corporation, business trust or other legal entity; and
> (2) Any union, association or other group of persons associated in fact although not a legal entity.
> —> The term includes illicit as well as licit enterprises and governmental as well as other entities.

530. With respect to all allegations common to the Seventh, Eighth, Ninth, Tenth, Eleventh and Twelfth Claims of violations of sections N.R.S. § 207.400. et sq. all Counter-Defendants' and Third-Party Defendants' "enterprise" includes all named Counter-Defendants and Third-Party Defendants, and named or identified in each relevant section here above and here below as appropriate or relevant to each Claim

B. Nevada RICO Predicate Acts

531. To succeed on claims under state racketeering laws, FCGI must allege two or more predicate acts that have the same or similar pattern, intent, results, accomplices, victims and or methods of commission as has clearly been set forth herein.

532. Unlike the Federal RICO Act that requires a "pattern of racketeering" at 18 U.S.C: 1961(5), there is no pattern/continuity requirement as is required under federal law.

533. The predicate acts of racketeering and the specific Nevada statutes involved those crimes are set forth herein pursuant to N.R.S. §207.360 whereby "Crime related to racketeering" means the commission of, attempt to commit or conspiracy to commit any of the following crimes sections:

> (9) Taking property from another under circumstances not amounting to robbery, including theft and larceny (N.R.S. § 205.380);
> a. Obtaining possession of money or property by means of false pretenses (N.R.S. § 205.380);
> (10) Extortion (N.R.S. § 205.320);

(25) Embezzlement (N.R.S. § 205.300)
a. State securities fraud (N.R.S. § 90.570); and
b. Commercial bribery (N.R.S. § 207.295).
(34) Involuntary servitude (N.R.S. § 200.463)
(35) Multiple transactions involving fraud or deceit in course of enterprise or occupation (N.R.S. § 205.377);

(6) Taking Property from Another under Circumstances Not Amounting to Robbery, including Theft and Larceny

534. The Omnibus Theft Crime statute, N.R.S. § 205.0832 et. seq., which states in part:

a person commits theft if, without lawful authority, he knowingly

(a) Controls any property of another person with the intent to deprive that person of the property.
(b) Converts, makes an unauthorized transfer of an interest in, or without authorization controls any property of another person, or uses the services or property of another person entrusted to him or placed in his possession for a limited use.
(c) Obtains real, personal or intangible property or the services of another person by a material misrepresentation with intent to deprive that person of the property or services.

(7) Extortion

535. The Nevada's extortion statute, N.R.S. § 205.320, which states in pertinent part:

> A person who, with the intent to extort or gain any money or other property ... , or to do or abet ... any illegal or wrongful act, whether or not the purpose is accomplished, threatens directly or indirectly ...to injure a person or property ...is guilty of a category B felony ...

(8) Obtaining Possession of Money or Property by Means of False Pretenses

536. The Nevada N.R.S. § 205.380, which states in part:

> A person who knowingly and designedly by any false pretense obtains from any other person any chose in action, money, goods, wares, chattels, effects or other valuable thing ...with the intent to

> cheat or defraud the other person, is a cheat, and, unless otherwise prescribed by law, shall be punished ...

(9) <u>Grand Larceny</u>

537. The Nevada's grand larceny statute, N.R.S. § 205.220, which states the: following in pertinent part:

> Except as otherwise provided in NRS 205.226 and 205.228, a person commits grand larceny if the person:
>
> 1. Intentionally steals, takes and carries away, leads away or drives away:
>
> (a) Personal goods or property, with a value of $650 or more, owned by another person;
>
> (c) Real property, with a value of $650 or more, that the person has converted into personal property by severing it from real property owned by another person.

(10) <u>Embezzlement</u>

538. The Nevada's embezzlement statute, N.R.S. § 205.300, which states the: following in pertinent part:

> Any bailee of any money, goods or property, who converts it to his or her own use, with the intent to steal it or to defraud the owner or owners thereof and any agent, manager or clerk of any person, corporation, association or partnership, or any person with whom any money, property or effects have been deposited or entrusted, who uses or appropriates the money, property or effects or any part thereof in any manner or for any other purpose than that for which they were deposited or entrusted, is guilty of embezzlement…

(11) <u>State Securities Fraud</u>

539. The foregoing acts of state securities fraud constitute a violation of N.R.S.§ 90.570 and thereby constitute a predicate act under Nevada RICO Statute, N.R.S. §207.360(32), which states in pertinent part:

In connection with the offer to sell, sale, offer to purchase or purchase of a security, a person shall not, directly or indirectly:

1. Employ any device, scheme or artifice to defraud;

3. Engage in an act, practice or course of business which operates or would operate as a fraud or deceit upon a person.

(12) **<u>Statement made in declaration under penalty of perjury.</u>**

540. The foregoing acts of perjury constitute a violation of N.R.S.§ 199.145 and thereby constitute a predicate act under Nevada RICO Statute, N.R.S. §207.360(19) which states in pertinent part: "Makes a willful and false statement in a matter material to the issue or point in question."

(13) **<u>Involuntary servitude; penalties.</u>**

541. The Nevada's embezzlement statute, N.R.S. § 200.463, which states the: following in pertinent part:

(1) A person who knowingly subjects, or attempts to subject, another person to forced labor or services by
   (a) Causing or threatening to cause physical harm to any person;
   (b) Physically restraining or threatening to physically restrain any person;
   (c) Abusing or threatening to abuse the law or legal process;
   (d) Knowingly destroying, concealing, removing, confiscating or possessing any actual or purported passport or other immigration document, or any other actual or purported government identification document, of the person;
   (e) Extortion; or
   (f) Causing or threatening to cause financial harm to any person,

(14) **<u>Multiple transactions involving fraud or deceit in course of enterprise or occupation; penalty.</u>**

542. The Nevada's fraud statute, N.R.S. § 200.377, which states the: following in pertinent part:

(1) A person shall not, in the course of an enterprise or occupation, knowingly and with the intent to defraud, engage in an act, practice or course of business or employ a device, scheme or artifice which

operates or would operate as a fraud or deceit upon a person by means of a false representation or omission of a material fact that:

(a) The person knows to be false or omitted;

(b) The person intends another to rely on; and

(c) Results in a loss to any person who relied on the false representation or omission

(2) Each act which violates subsection 1 constitutes a separate offense.

(3) A person who violates subsection 1 is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20 years, and may be further punished by a fine of not more than $10,000.

(4) In addition to any other penalty, the court shall order a person who violates subsection 1 to pay restitution.

(5) A violation of this section constitutes a deceptive trade practice for the purposes of NRS 598.0903 to 598.0999, inclusive.

(6) As used in this section, "enterprise" has the meaning ascribed to it in NRS 207.380.

(15) **<u>Theft of trade secrets prohibited; criminal penalties</u>**

543. The Nevada's fraud statute, N.R.S. § 600A.035, which states the: following in pertinent part:

A person who, with intent to injure an owner of a trade secret or with reason to believe that his or her actions will injure an owner of a trade secret, without limitation:

(1) Steals, misappropriates, takes or conceals a trade secret or obtains a trade secret through fraud, artifice or deception;

(2) Wrongfully copies, duplicates, sketches, draws, photographs, alters, destroys, photocopies, replicates, transmits, delivers, sends, mails, communicates or conveys a trade secret;

(3) Receives, buys or possesses a trade secret with knowledge or reason to know that the trade secret was obtained as described in subsection 1 or 2;

(4) Attempts to commit an offense described in subsection 1, 2 or 3;

(5) Solicits another person to commit an offense described in subsection 1, 2 or 3; or

(6) Conspires to commit an offense described in subsection 1, 2 or 3, and one of the conspirators performs an act to further the conspiracy,

C. Nevada RICO lnjury

544. FCGI has been injured by the Counter-defendants and Third-Party Defendants both as a direct result of the individual predicate acts committed by the racketeering activity in which they engaged. FCGI has sustained substantial monetary losses; as a direct result of the individual predicate acts and the racketeering activities in an amount in excess of $15,000 be determined at trial.

SEVENTH CLAIM FOR RELIEF (Spin Racketeering Fraud)

VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. § 207.400(1)(c))

(As to Counter-Defendants Young, Mishra & Spin)

545. FGGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

546. Starting in May 2016 and continuing through May, 2017, Spin through their actions and in their conduct engaged in by the Third-Party Defendants Young and Mishra and Spin have conspired to violate N.R.S. § 207.400(1)(b) as set forth in pertinent part herein: "Through racketeering activity to acquire or maintain, directly or indirectly, any interest in or control of any enterprise."

547. The predicate acts alleged above constituted substantial acts of fraud, misrepresentation, concealment and embezzlement of funds that include:

(1) N.R.S. § 205.380 - Taking property from another under circumstances not amounting to robbery, including theft and larceny specifically, "Obtaining possession of money or property by means of false pretenses"
(2) N.R.S. § 205.300 - Embezzlement
(3) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in course of enterprise or occupation ;

548. Beginning on October 10, 2016, the Third-Party Defendants sent the FCGI and its affiliates a **Proposal v1.4.**

549. Spin lived up to their name and spun a web of lies and defrauded the FCGI and its affiliates in the actual amount of $74,000 in cash paid to the Spin with the promise to develop the Full Color IP on their ROC RGS for distribution to real money and virtual money gaming operators worldwide that was allegedly integrated into NYX, GVC and NEKTAN (amongst many others) and ready for real money release upon the completion of the software development of FC21.

550. Spin represented to FCGI and its affiliates to believe that their RGS was integrated into a total of 15 global distribution interactive gaming systems (IGS) that would allow FCGLTD to immediately monetize thru hundreds of real and virtual money casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

551. Spin represented to the FCGI and its affiliates that it would complete all 24 language translations that were fully disclosed to them in person on October 10, 2016 as part of the price for the **Proposal v1.4**

552. Each of these representations made by Spin were false.

553. Spine either knew that each of these representations were false or made the representations with reckless disregard for the truth or falsity of the representations.

554. Spine made each of the misrepresentations with the intent to induce FCGI and its affiliates to act in reliance of the misrepresentations.

555. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set forth herein.

556. FCGI and its affiliates incurred damages as a result of relying upon Spin's misrepresentations.

557. Between October 2016 and April of 2017, MAHON caused SPIN to be paid $54,000, $10,000 and a third time, $10,000 for a total of $74,000 based on the misrepresentations of Spin.

558. As such, FCGI alleges that Spin, Young, and Mishra in their racketeering activity and the schemes they employed are in violation of N.R.S. § 205.377 by engaging in multiple transactions involving fraud or deceit in course of enterprise.

559. Third-Party Defendants Young, Mishra, and Spin have conspired to violate N.R.S. § 207.400(1)(c) as set forth fully herein.

560. Third-Party Defendants Young and Mishra are employed by Spin have each engaged in racketeering activity for the benefit of their income and revenue sharing interests and controlled the affairs of their enterprise.

561. Third-Party Defendants Young, Mishra, and Spin have conspired to violate N.R.S. § 207.400(1)(d) as set forth fully herein.

562. Third-Party Defendants Young and Mishra are employed by Spin and have each intentionally organized, managed, directed, supervised each other and other members of their enterprise to engage in racketeering activity for the benefit of their income and revenue sharing interests and controlled the affairs of their enterprise.

563. In violation of N.R.S. § 205.0832(c), Young, Mishra, and Spin have obtained money or property from FCGI and its affiliates by making material misrepresentations concerning Spin's services as more fully alleged herein.

564. Third-Party Defendants Young, Mishra, and Spin have engaged multiple acts in acts in violation of NRS § 205.380 obtaining money or property by false pretenses, which is a predicate act under the Nevada RICO Statute, N.R.S. §207.360(9).

565. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of individual predicate acts and racketeering activity conducted through the affairs of the Spin. Accordingly, the FCGI seeks treble damages in such amount as may be determined at trial, recovery of the costs of this litigation, and an award of reasonable attorneys' fees as provided under N.R.S. § 207.470.

EIGHTH CLAIM FOR RELIEF (Intentional Recruitment of Racketeering)

VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. § 207.400(d))

(As to Counter-defendants Munger, M&A, Valcros, Linham, Brock Sr., Brock Jr., Solso, Eckles, Bastian, Playtech, DTG, DHL, Island Luck, Multislot, L Moore, T Moore, Castaldo, Marcus, Brazer, Spin, Young, Mishra, DHWT, Millennium Trust, Moore Trust and the Brazer Trust)

566. FCGI are re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

567. Starting around October 2015 and continuing through to this date in time, with specificity and particularity herein, Counter-defendants through their actions and in their conduct engaged to violate N.R.S. § 207.400(d) in pertinent part: "Intentionally to organize, manage, direct, supervise or finance a criminal syndicate."

568. The predicate acts alleged above constituted substantial and intentional acts of fraud, theft, misrepresentation, extortion and indentured servitude to coerce Mahon, FCGI, and its affiliates in order to force Mahon to relinquish his corporate positions and power as CEO and Director, surrender his majority in interest stockholder, surrender all of his stock ownership in all of his entities, engage in the wrongful taking of the Counter-claimants' property, theft of the Full Color IP trade secrets for their benefit in order to ensure the racketeering enterprise can profit off of their wrongful taking of Mahon's property and their unlawful activity in perpetuity as follows:

(1) N.R.S. § 205.380 – Taking property from another under circumstances not amounting to robbery, including theft and larceny specifically, "Obtaining possession of money or property by means of false pretenses"
(2) N.R.S. § 205.320 – Extortion
(3) N.R.S. § 600A.035 – Theft of Trade Secrets
(4) N.R.S. § 205.463 – Indentured Servitude;

569. Beginning on June 7, 2016 until this filing date, Bastian and Simmons organized, managed, directed, supervised and financed Playtech, Island Luck, DHL, DTG and Multislot that recruited Munger and Linham who further organized, managed, directed and recruited Spin, Mishra, Young, Brock Sr., Brock Jr., Solso, and Eckles, who then organized, managed, directed and supervised L Moore and T Moore who then organized, managed, directed, supervised, recruited and financed Castaldo, Brazer (and all of their relevant entities in DHWT, Millennium Trust, Moore Trust and the Brazer Trust) to become a criminal syndicate in order to violate N.R.S. § 207.400(1)(d). Each of them then continued to individually and collectively attempt to recruit, cross-recruit, harass, stalk, badger, intimidate and coerce over 40 other FCGI investors through hundreds of phone calls, emails, text messages and communications over a period of one year between April of 2017 and 2018 creating an incalculable number of violations of this statute upon which only a full discovery process and criminal indictments will ever truly reveal the true magnitude of.

570. Each person, entity and or party of the Counter-defendants and Third-Party Defendants acted on their own free will, knowingly and intentionally to organize, meet, manage, direct, concoct, conspire, collude and scheme together to find a way to extort and wrongfully remove Mahon from power as the Director and CEO of FCGI and take over his majority in interest stock ownership FCGI and other affiliated entities, steal his trade secrets and force him into indentured servitude and forced labor in perpetuity in order to carry out their racketeering activities.

571. Each person, entity and or party of the Counter-defendants and Third-Party Defendants, acted on their own free will, knowingly and intentionally, to organize, meet, manage, direct, concoct, conspire, collude and scheme together to find a way to wrongfully deprive Mahon of his ownership in the Full Color IP and his majority in interest stock ownership in his entities and FCGI's ownership rights to revenue derived from Mahon's property and then, once acquired, force Mahon into indentured servitude

in order to exploit Mahon's Full Color IP as they could not do so without Mahon's intellectual prowess and skill sets. Munger made it clear in his emails that he would reveal all of Mahon's trade secrets in the Full Color IP as he had confidential copies of it in the event that Mahon refused.

572. As a direct result of the racketeering activity the Counter-defendants Third-Party Defendants intentionally engaged in and acted on, the criminal syndicate became an ongoing and ever growing criminal enterprise at each stage of the new recruitments. Counter-defendants and Third-Party Defendants intentionally concocted a scheme and managed, directed, supervised and financed that scheme while continually acting to further that scheme to intentionally engage in the wrongful taking of Mahon's and FCGI's property through extortion as explicitly detailed in the **FCG plan.docx, FCG plan v1.2.docx** and the **Principles_2017 04 26 v 2.pdf** effectuated by the threat of a tortuous litigation, loss of revenue and end of Mahon's career if he and FCGI did not succumb to the Counter-Defendants and Third-Party Defendants wrongful demands.

573. Upon information and belief, Bastian, through his Bastian Casino Gaming Enterprise laundered their money to finance the current "Derivative Lawsuit."

574. Upon information and belief, Bastian laundered their money through the appearance of a legitimate "employment" of Munger, who would sent fraudulent invoices to Playtech, Island Luck DTC, DHL, and others, who then wired those funds through the MUNGER GROUP'S bank accounts beginning with M&A and Valcros.

575. On January 18, 2018, upon information and belief, Munger formed a new and separate entity in Valcros for the Bastian Casino Gaming Enterprise to launder their money in wire transfers into Valcros for the purposes of funding the litigation, making the payment of money appear to be for legitimate purposes.

576. FCGI's business and property interests have suffered and continue to suffer injury as a direct, proximate, and foreseeable result of individual predicate acts and racketeering activity conducted through the affairs of the Spin. Accordingly, the

FCGI seeks treble damages in such amount as may be determined at trial, recovery of the costs of this litigation, and an award of reasonable attorneys' fees as provided under N.R.S. § 207.470.

NINTH CAUSE OF ACTION (Embezzlement & Grand Larceny)

VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. § 207.400(c)(1))

(As to Counter-Defendant Munger)

577. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

578. Starting in January 2017 and continuing through May of 2017, with specificity and explicit particularity herein, Munger through his actions and in his conduct engaged to violate N.R.S. § 207.400(c)(2) in pertinent part:

> (c) Who is employed by or associated with any enterprise to conduct or participate, directly or indirectly, in:
>
> (2) Racketeering activity through the affairs of the enterprise.

579. The predicate acts alleged above constituted substantial acts of grand larceny and embezzlement in the racketeering activity through the affairs of their enterprise

(7) N.R.S. § 205.220 – Grand Larceny
(8) N.R.S. § 205.206 – Burglary
(9) N.R.S. § 205.300 – Embezzlement

580. Beginning on or about January 1, 2017 through May of 2017 Munger engaged in a racketeering scheme that led to the embezzlement of $1,350 of funds, burglary of the Counter-claimant's office space at 3773 Howard Hughes Parkway, Las Vegas, NV 89169 and the grand larceny of three (3) Macbook Pro computers whose

serial number and information and event details are on file in the Las Vegas Metropolitan Police Report Case #LLV180119003003.

581. As a result of the racketeering activity by Munger, he either directly or indirectly induced, through information, directives and organization two other individuals that were deprived of funds they were rightfully due by FCGI or its affiliates for work as independent contractors, to wrongfully file "labor board" claims against FCGI and claim they were employees in order to create more progressive complications and injury to FCGI and its affiliates..

582. The racketeering activity by Munger was part of the grander scheme of Munger through his continued recruitment of others to induce them to knowingly engage in unlawful acts as they continued to organize, manage, direct, supervise and finance their criminal syndicate with FCGI and its affiliates funds and property as fully detailed in the detailed in the 156 page FCGI ARCC Reported entitled "Embezzlement, Grand Larceny and Attempted Fraud report dated December 30, 2017."

583. This racketeering activity violates Nevada RICO Statute, N.R.S. § 207.400(c)(2), which makes it unlawful for a person, through racketeering activity to knowingly incite or induce others to engage in intimidation to promote or further the criminal objectives of the criminal syndicate.

584. FCGI have suffered and continue to suffer injury to their business or property as a direct, proximate, and foreseeable result of the foregoing acts. Accordingly, Counter-claimants seek an award of treble damages, costs of this litigation, and reasonable attorneys' fees as provided by N.R.S. § 207.470.

TENTH CLAIM FOR RELIEF
(Embezzlement & Wire Fraud)

VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. § 207.400(b)

(As to Counter-defendants Newman, Newman Law and CBL)

585. FCGI re re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

586. Counter-defendants through their actions and in their conduct engaged to violate N.R.S. § 207.400(a)(1) in pertinent part:

> (b) Through racketeering activity to acquire or maintain, directly or indirectly, any interest in or control of any enterprise.

587. The predicate acts alleged herein detail the Counter-defendants substantial acts of acquiring, maintaining and directly obtaining an interest in and control of the Counter-claimants lawful enterprises through racketeering activity whereby Newman fraudulently acquired and maintained possession of FCGI corporate shares, positions of power and title of authority in order to exploit them for his own personal and corporate benefit in the Newman Group by engaging in multiple transactions involving fraud throughout the course of Newman's and the Newman Group's racketeering activity.

588. Once discovered, Newman and Newman Law's positions of power and title of authority, along with his FCGI corporate shares were canceled, terminated and repurchased but not before Newman Group engaged in an ongoing scheme of extortion for nearly 9 months after the discovery and confrontation to the point it caused FCGLTD, IPHTLD and FCGI to go out of business as a result of his racketeering when Mahon, FCGI, and its affiliates would not give in to the Newman Group's ransom demands to receive their FCGI shares back with free and clear title all of which constitutes the racketeering activity through the affairs of their enterprise based on the following predicate acts:

> (1) N.R.S. § 205.380 - Taking property from another under circumstances not amounting to robbery, including theft and larceny specifically, "Obtaining possession of money or property by means of false pretenses"
> (2) N.R.S. § 205.300 - Embezzlement

(3) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in course of enterprise or occupation;
(4) N.R.S. § 205.320 – Extortion

589. Starting in March 2010 and continuing through May of 2017, as alleged with specificity and explicit particularity herein Newman, Newman Law and CBL, engaged in a racketeering scheme that led to the embezzlement of $3,000 in FCGI'S corporate funds that were set aside for the purposes of expediting Full Color IP patent filings with the USPTO. Newman failed to ever file this expedited patent and absconded with the funds. Newman obtained his shares issuance under the false pretenses he would apply for, prosecute, obtain and maintain intellectual property protections on behalf of Mahon, FCGI, and their rights to the IPR but instead, obtained in a patent Ponzi scheme along with a plethora of other wrongdoings explicitly detailed in the Nevada District Court Case #A-18-779686-C.

590. This racketeering activity violates Nevada RICO Statute, N.R.S. § 207.400(b) which makes it unlawful for a person, through racketeering activity to acquire or maintain, directly or indirectly, any interest in or control of any enterprise.

591. FCGI has suffered and continue to suffer injury to their business or property as a direct, proximate, and foreseeable result of the foregoing acts. Accordingly, Counter-claimants seek an award of treble damages, costs of this litigation, and reasonable attorneys' fees as provided by N.R.S. § 207.470.

ELEVENTH CLAIM FOR RELIEF
(Securities Fraud & Perjury)

VIOLATION OF NEVADA RACKETEERING STATUTE (N.R.S. § 90.570)

(As to Counter-defendants Sebas, Simmons, Munger, Linham, Playtech, Island Luck, DTG, DHL, ILG, M&A, Valcros, and Marcus)

592. FCGI re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

593. Starting in October 2015 and continuing through to this date in time, with specificity and explicit particularity herein, the Counter-Defendants and Third-Party Defendants through their actions knowingly, willingly and fraudulently engaged in billing fraud, wire fraud for the purposes of tax evasion in order to conceal the purchase of FCGI securities in four different acts of money laundering, then destroyed the evidence of it and engaged in making false statements made in sworn declarations under the penalty of perjury and in their conduct engaged in violation of N.R.S. § 207.400(1)(b) as set forth in pertinent part herein:

> "Through racketeering activity to acquire or maintain, directly or indirectly, any interest in or control of any enterprise."

594. The predicate acts alleged above constituted substantial acts of fraud, misrepresentation, concealment and embezzlement of funds that include:

(1) N.R.S. § 90.570 -- Offer, sale and purchase (State Securities Fraud)
(2) N.R.S. § 205.377 - Multiple transactions involving fraud or deceit in course of enterprise or occupation;
(3) N.R.S. § 197.030 –Asking or receiving bribe by public officer or employee
(4) N.R.S. § 199.145 –Statement made in declaration under penalty of perjury

595. As alleged herein, in violation of N.R.S. § 90.570, Bastian and Simmons employed devices, schemes, and artifices to defraud FCGI four different times beginning on June 7, 2016 that it was the intention of Bastian and Simmons at all times to carry out the money laundering scheme for the purchase of FCGI'S securities four different times.

(1) First in person directly to Mahon who believed it was an integrity test to determine Mahon's "suitability" for licensing in their first business transaction together, when in fact, time and evidence proved it was a real and quantifiable solicitation to Mahon to participate, but Mahon refused as alleged herein;

(2) Second with Munger and Linham who did carry out the scheme to produce the false billing invoice and wire fraud scheme to effectuate the transfer, but it was withdrawn before it was fully carried out after Mahon learned of the attempt;

(3) Third with Munger who assisted in facilitating the Wells Fargo fraudulently stated purpose of the $500,000 wire fraud that resulted in money laundering;

(4) Fourth with Bastian and an unidentified second signatory who engaged in the Bank of Bahamas fraudulently stated purpose of a $500,000 wire fraud that resulted in money laundering.

596. On April 4, 2017, right before Linham abruptly resigned from FCGI he permanently destroyed over 3,000 of his corporate emails which made up his entire account, along with the destruction of 100% of his digital Google Drive cloud account --- files that were subsequently restored by Google G-Suite Superadmins on June 5, 2017 when Munger was terminated from FCGI --- in order to cover up the entire history of his money laundering and racketeering activities.

597. On November 24, 2017, Linham in the sworn Declarations made under the penalty of perjury before the court, ¶¶61-63 LINHAM admitted to the money laundering followed by the preposterous and false claims that Mahon made him do it, despite the clear evidence in the email and Skype messages to Simmons, and other documents refuting the assertion.

598. The Counter-defendants' and Third-Party Defendants' violations of the four predicate acts listed here above in N.R.S. § 90.570, N.R.S. § 205.377, N.R.S. § 197.030 and N.R.S. § 199.145, have caused the Counter-claimants immediate and quantifiable injury, including, but not limited to loss of commercial revenue, loss of a casino gaming license application, injury to their reputation, name, brand, likeness, career, millions of dollars in shareholder investments and years of development work in the loss of relationships, market timing, position and business opportunities.

599. This racketeering activity violates Nevada RICO Statute, N.R.S. §

207.400(b) which makes it unlawful for a person, through racketeering activity to acquire or maintain, directly or indirectly, any interest in or control of any enterprise.

600. FCGI has suffered and continues to suffer injury to its business or property as a direct, proximate, and foreseeable result of the foregoing acts. Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and reasonable attorneys' fees as provided by N.R.S. § 207.470.

Other General Claims

TWELFTH CLAIM FOR RELIEF

(Inducing lawsuit pursuant to N.R.S. § 199.320)

(As to Counter-Defendants and Third-Party Defendants Munger, Linham, Brock Sr., Brock Jr., Solso, Eckles, Sebas, L-Moore, T-Moore, Castaldo, Brazer, and Marcus)

601. FCGI repeats, re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

602. Starting around April 19, 2017 and continuing through to this date, with specificity and explicit particularity herein, Counter-defendants through their actions and in their conduct engaged to violate N.R.S. § 199.320 in pertinent part:

> "Every person who shall on his or her behalf bring or instigate, incite or encourage another to bring, any false suit at law or in equity, in any court of this State, with intent thereby to distress or harass a defendant therein, shall be guilty of a misdemeanor."

603. The Counter-defendants, and each of them, beginning with the evidence seen in **FCG plan.docx, FCG plan v1.2.docx** and the **Principles_2017 04 26 v 2.pdf,** , on their own behalf, have instigated, incited and encouraged each other to bring a false lawsuit and further, an inequitable one, as tool, means and method carry out their

extortion in an wrongful taking of the Mahon's and FCGI's property admittedly by the documents alone, have indisputably acted with the willful intent to cause distress and harass Mahon and FCGI and other affiliates to a point that was beyond just causing the fear, intimidation and loss of revenue and profits for years and the intent to kill Mahon's career. Further, the non-party to the derivative suit, who upon information and belief has made clear to others throughout the casino gaming industry that they are (wrongfully) funding the derivative lawsuit for mere "blood sport."

604. The Counter-defendants and Third-Party Defendants have succeeded in preventing the Mahon's and FCGI's property rights from the Full Color IP from being released and reaching revenue as threatened and promised with the filing of this derivative lawsuit the intent of destroying Mahon's character by falsely accusing him of fraud, misrepresentation and concealment as the Fourth, Fifth and Sixth Claims state.

605. The Counter-defendants have all violated Nevada RICO Statute, N.R.S. §199.320 which makes it unlawful for a person to engage in wrongfully inducing a lawsuit.

606. FCGI has suffered and continues to suffer injury to their business or property as a direct, proximate, and foreseeable result of the foregoing acts. Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and reasonable attorneys' fees as provided by N.R.S. 18.005 and § NRS 18.020.

THIRTEENTH CLAIM FOR RELIEF

(Abuse of Process)

(As to Counter-defendants Munger, Linham, Brock Sr., Brock Jr., Solso, Eckles, Sebas, L-Moore, T-Moore, Castaldo, Brazer, and Marcus)

607. The Counter-claimants repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

608. Starting around April 19, 2017 and continuing through to this date, with specificity and explicit particularity herein, Counter-defendants through their actions and in their conduct engaged to engage in an abuse of process.

609. The Counter-Defendants and Third-Party Defendants, and each of them, beginning with the evidence seen in **FCG plan.docx, FCG plan v1.2.docx** and the **Principles_2017 04 26 v 2.pdf,** , on their own behalf, have made it unequivocally clear that their purpose was to extort MAHON and the Counter-claimants out of their property rights in forcing him to step down as the CEO and sole Director of FCGI, give 100% of his stock to the Counter-Defendants, turn over all of his trade secrets and be forced into indentured servitude or face a tortuous litigation if Mahon did not comply.

610. Several of the claims in the Derivative Lawsuit have already been dismissed as basically frivolous. The Thirteenth and Fourteenth Claims in to get the Court to award ownership to Mahon's Full Color IP, but are frivolous as they provide no legal or factual basis for recovering the Full Color IP.

611. Counter-Defendants have, however, succeeded in preventing the FCGI and its affiliates from utilizing its property rights and preventing the Full Color IP from being released and reaching revenue as threatened and promised with the filing of this derivative lawsuit with the intent of destroying Mahon's character by falsely accusing him of fraud, misrepresentation and concealment as the Fourth, Fifth and Sixth Claims, which have already been dismissed.

612. The Counter-Defendants have all engaged in an abuse of process.

613. FCGI has suffered and continue to suffer injury to their business or property as a direct, proximate, and foreseeable result of the foregoing acts. Accordingly, FCGI seeks an award of treble damages, costs of this litigation, and reasonable attorneys' fees as provided by N.R.S. 18.005 and § NRS 18.020.

FOURTEENTH CLAIM FOR RELIEF

(Civil Conspiracy)

(As to Counter-defendants Munger, M&A, Valcros, and Linham)

614. FCGI repeats and re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

615. On November 23, 2016 at 1:09pm PST, Munger and Linham conspired to defraud the Counter-claimants and future investors by falsely claiming salary accruals whereby Munger was accruing 80% a month of unpaid salary with the fraudulent intent to collect it upon the successful closing of a Series A funding round as witnessed in the false memorandum that Linham and Munger fraudulently drafted and Linham signed as the Director of FCGLTD.

616. LINHAM and MUNGER'S "Back Salary" letter makes it clear that MUNGER is claiming himself to be an employee getting paid by FCGLTD.

617. On November 24, 2017, a solid year later, it is indisputable, that LINHAM in his ¶2 of his sworn Declarations made it clear the LINHAM was the only employee of FCGLTD.

618. As a result, of Munger's and Linham's civil conspiracy, FCGI has been damaged in an amount in excess $15,000.00 to be proven at trial.

619. The actions of Munger and Linham as alleged herein were malicious, oppressive or fraudulent warranting an award of punitive damages.

620. As a direct result of all of the foregoing, Counter-defendant's actions have required Counter-claimants to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

FIFTEENTH CLAIM FOR RELIEF

(Breach of Contract)

(As to Counter-Defendants and Third-Party Defendants Munger, Bastian, and Spin)

621. FCGI re re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

622. On October 15, 2015, FCGI and Bastian entered into the MNDA.

623. On April 29, 2016, FCGI and Spin entered into the MNDA.

624. July 19, 2011, Munger entered into the NDACA with FCGI's predecessor.

625. Each of the agreements, the MNDAs and the NDADA are binding and enforceable agreements.

626. On October 20, 2016, the Counter-claimants and Spin entered into a contract to provide game development and a mutual bi-directional RGS server game distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming Revenue in Section 2.2.

627. On January 23, 2017, Spin was paid the first half of the bi-directional RGS integration fees.

628. On February 7, 2017, Mahon personally introduced Young of Spin to Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full Color IP on Bastian's platform

629. Spin would pay FCGI and its affiliates a distribution fee for Spin's games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color

IP to be distributed through Spin's integrations to others like NYX, RSI, NEKTAN and others

630. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian conspired with each other to circumvent the contracts and distribution revenues in direct violation of the individual MNDA's between FCGI and SPIN and further FCGI and SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-interference and secrecy" terms as quoted in full.

> ***¶2.5Non-Circumvention, Non-Interference and Secrecy.***
> *During the term of this Agreement and for a period of five years from the date first above written, the Receiving Party covenants not to (a) directly or indirectly circumvent FCGI with respect to its business relationships to compete or facilitate competition with the Disclosing Party, or (b) communicate, transact business or interfere with any of FCGI's business relationships or its enterprises, or with its confidential information used or included in FCGI's business, licenses or copyrights, trademarks, patents pending or any of its derivatives, its software code, statistics or methodologies that it and its affiliates own, license or control or have rights to do so.*

631. The circumvention as also a violation of the NDACA with Munger.

632. FCGI was damaged by Spin's, Munger's, and Bastian's breach of their respective contracts in an amount in excess of $15,000 to be determined at trial.

633. As a direct result of all of the foregoing, Munger's actions have required FCGI to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

SIXTEENTH CLAIM FOR RELIEF

(Breach of Covenant of Good Faith and Fair Dealing)

(As to Counter-Defendants and Third-Party Defendants Munger, Bastian, and Spin)

634. FCGI realleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

635. On October 15, 2015, FCGI and Bastian entered into the MNDA.

636. On April 29, 2016, FCGI and Spin entered into the MNDA.

637. July 19, 2011, Munger entered into the NDACA with FCGI's predecessor.

638. Each of the agreements, the MNDAs and the NDADA are binding and enforceable agreements.

639. On October 20, 2016, the Counter-claimants and Spin entered into a contract to provide game development and a mutual bi-directional RGS server game distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming Revenue in Section 2.2.

640. On January 23, 2017, Spin was paid the first half of the bi-directional RGS integration fees.

641. On February 7, 2017, Mahon personally introduced Young of Spin to Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full Color IP on Bastian's platform

642. Spin would pay FCGI and its affiliates a distribution fee for Spin's games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color IP to be distributed through Spin's integrations to others like NYX, RSI, BWIN, NEKTAN and others.

643. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian conspired with each other to circumvent the contracts and distribution revenues in direct violation of the individual MNDA's between FCGI and SPIN and further FCGI and SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-interference and secrecy" terms as quoted in full.

644. To the extent Spin's, Munger's, and Bastian's circumvention of FCGI and its affiliates was not a technical breach of the MNDAs or the NDACA, the actions denied FCGI its justified and reasonable expectations under the terms of the MDNAs and NDACA.

645. FCGI was damaged by Spin's, Munger's, and Bastian's actions which denied FCGI's reasonable and justified expectations under the contracts in an amount in excess of $15,000 to be determined at trial.

646. As a direct result of all of the foregoing, Munger's actions have required FCGI to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

SEVENTEENTH CLAIM FOR RELIEF

(Civil Conspiracy)

(As to Counter-Defendants and Third-Party Defendants Munger, Bastian, Spin, Young, Mishra, M&A and Valcros)

647. FCGI re re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

648. On October 15, 2015, FCGI and Bastian entered into the MNDA.

649. On April 29, 2016, FCGI and Spin entered into the MNDA.

650. July 19, 2011, Munger entered into the NDACA with FCGI's predecessor.

651. Each of the agreements, the MNDAs and the NDADA are binding and enforceable agreements.

652. On October 20, 2016, the Counter-claimants and Spin entered into a contract to provide game development and a mutual bi-directional RGS server game

distribution agreement that explicitly laid out the terms of a "Monthly Net Gaming Revenue in Section 2.2.

653. On January 23, 2017, Spin was paid the first half of the bi-directional RGS integration fees.

654. On February 7, 2017, Mahon personally introduced Young of Spin to Bastian to discuss the SPIN ROC RGS integration into the FULL COLOR KINGFISHER RGS integration into the ILG / RSL RGS to deliver the full suite of Full Color IP on Bastian's platform

655. Spin would pay FCGI and its affiliates a distribution fee for Spin's games to be delivered through the FULL COLOR KINGFISHER RGS into ILG / RSL throughout Bastian's gaming network in the Bahamas and elsewhere on the exact same basis as the FCGI and its affiliates would pay Spin a distribution fee for the Full Color IP to be distributed through Spin's integrations to others like NYX, RSI, BWIN, NEKTAN and others.

656. Between October 7, 2017 and April 7, 2017, Spin, Munger, and Bastian conspired with each other to circumvent the contracts and distribution revenues in direct violation of the individual MNDA's between FCGI and SPIN and further FCGI and SEBAS specifically including but not limited to Section 2.5 "Non-circumvention, non-interference and secrecy" terms as quoted in full.

> ***¶2.5Non-Circumvention, Non-Interference and Secrecy.***
> *During the term of this Agreement and for a period of five years from the date first above written, the Receiving Party covenants not to (a) directly or indirectly circumvent FCGI with respect to its business relationships to compete or facilitate competition with the Disclosing Party, or (b) communicate, transact business or interfere with any of FCGI's business relationships or its enterprises, or with its confidential information used or included in FCGI's business, licenses or copyrights, trademarks, patents pending or any of its derivatives, its software code, statistics or methodologies that it and its affiliates own, license or control or have rights to do so..*

657. The Spin Group, Munger, and Bastian through his Bastian Casino Gaming Enterprises knowingly, willingly and deliberately, through their agents and through conspired

658. This direct circumvention stood to prevent the Counter-claimants from generating approximately $150,000 a month in revenue or $1.8 million in revenue per year in the Bahamas and the same amount in Jamaica.

659. As a result of the civil conspiracy between Spin, Young, Mishra, Bastian, the Bastian Casino Gaming Enterprise, and Munger, FCGI has incurred damages in excess of $15,000 to be determined at trial.

660. The actions of Spin, Young, Mishra, Bastian, the Bastian Casino Gaming Enterprise, and Munger as alleged herein were malicious, fraudulent, or oppressive and warrant an award of punitive damages.

661. As a direct result of all of the foregoing, Counter-defendant's actions have required Counter-claimants to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Counter-claimants seek an award of reasonable attorneys' fees and costs incurred in this action.

EIGHTEENTH CLAIM FOR RELIEF

(Intentional Interference with Prospective Economic Advantage)

(As to Counter-defendants Munger, M&A, Valcros, Sebas, Simmons, Playtech, DTG, DHL, ILG, Island Luck, Spin, Young, and Mishra)

662. All Counter-claimants re re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

663. As alleged herein, the Counter-Defendants and Third-Party Defendants the Munger Group, Bastian, and the Bastian Casino Gaming Enterprise, and the Spin Group were all separately in multiple contracts with FCGI and its affiliated entities.

664. As alleged herein, Munger Group and the Bastian Casino Gaming Enterprise had knowledge of the separate contractual relationship between each Spin, Bastian, and Munger.

665. The Munger Group, Bastian, the Bastian Casino Gaming Enterpise engaged in wrongful conduct as alleged in herein with the purpose and effect of preventing the integration of the bi-directional RGS to RGS integration between the SPIN ROC RGS and the FULL COLOR KINGFISHER RGS in order to specifically avoid the Spin Group from paying FCGS and its affiliates their revenue streams and relationship interfere with the business relationships and investments between the Bastian Casino Gaming Enterprise and the FCGI.

666. The Spin Group was without any privilege or legal justification for interfering with the contractual relationship between Bastian Casino Gaming Enterprise and the Counter-claimants, but acted upon the unlawful, improper, unfair, and unreasonable motivation of usurping the FCGI's business relationships and revenue streams.

667. In interfering with the Counter-claimant's prospective economic advantage, the SPIN GROUP, along with their co-conspiring enabler of the Munger Group, Bastian, and Bastian Casino Gaming Enterprise employed means that were unlawful, improper, unfair, and unreasonable; namely interfered with

668. The Counter-defendants, and each of them in their commission of these wrongful acts directly and immediately the Full Color IP and the Counter-claimants investments and assets of the FULL COLOR KINGFISHER GRS from being launched and generating and put them out of business as a result. Consequently, The Counter-claimants have all sustained substantial monetary damages in excess of $15,000 as a result of its inability to perform and profit under their contracts in an amount to be determined at trial.

669. The actions of Spin, Young, Mishra, Bastian, the Bastian Casino Gaming Enterprise, and Munger as alleged herein were malicious, fraudulent, or oppressive and warrant the award of punitive damages.

670. As a direct result of all of the foregoing, the Counter-Defendants and Third-Party Defendants have required FCGI to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

NINTEENTH CLAIM FOR RELIEF

(Unjust Enrichment)

(As to Counter-defendants Munger, M&A, Valcros, Bastian, Simmons, Playtech, DTG, DHL, ILG, Island Luck, Spin, Young, amd Mishra)

671. All Counter-claimants realleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

672. As alleged herein, the Counter-defendants MUNGER GROUP, the BASTIAN CASINO GAMING ENTERPRISE and the SPIN group have been unjustly enriched by virtue of the following:

a. circumventing the rightful relationship of the Counter-claimants contractual relationships in order to avoid paying their proper rev-share of the “Monthly Gaming Revenue” through the bi-directional integration of the SPIN ROC RGS into the FULL COLOR KINGFISHER RGS to deliver SPIN’S content they owned and from their third party suppliers into the ILG / RSL RGS to deliver to the BASTIAN CASINO GAMING ENTERPRISE in the BAHAMAS, JAMAICA and beyond;

b. the increase in the value of their corporate stock, services, assets and products, brand, RGS, licenses and goods as a net result of the unjust enrichment of the revenues that belong to the Counter-claimants;

c. any and all interest personally and corporately derived from the unjust enrichment as a result in the wrongfully obtained revenues that belong to the Counter-claimants;

673. Nevada common law requires that the Counter-defendants, and each of them in the MUNGER GROUP, the BASTIAN CASINO GAMING ENTERPRISE and the SPIN GROUP, and all of their affiliate and or assignees disgorge all amounts by which they have been unjustly enriched.

674. As a result of Counter-defendants' civil conspiracy, Counter-claimants have been damaged in an amount in excess $15,000.00 to be proven at trial.

675. As a direct result of all of the foregoing, Counter-defendant's actions have required Counter-claimants to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Counter-claimants seek an award of reasonable attorneys' fees and costs incurred in this action.

TWENTIETH CLAIM FOR RELIEF

(Breach of NDACA and Injunctive Relief against Munger and Breach of NDA and Injunctive Relief against Spin and Bastian)

676. FCGI repeat, re-allege, and incorporate by this reference, the allegations contained in each and every preceding paragraph as though set forth fully herein.

677. Munger entered into the NDACA in which he covenanted that he would not disclose confidential information he received concerning the Full Color IP and other confidential information from FCG LLC, IPH, Mahon, FCGG and other affiliated companies or utilize the confidential information in a manner to interfere with or circumvent the affiliated companies rights to commercially utilize the information, including the Full Color IP.

678. Based on information provided through this lawsuit and other allegations, FCGI is informed and believe that Munger is actively utilizing confidential information in order to compete with and/or interfere with Mahon and his affiliated companies including, but not limited to IPH, FCG LLC, FCGNA, FCGI, and other companies.

679. Based on the facts alleged herein, Munger, Spin and Bastian are also in breach of their respective NDAS and the NDACA because Munger, Spin and Bastian have circumvented FCGI and its affiliates opportunities for revenues streams by integrating Spin into Bastian's RSL platform on the Bahamas without integrating the Full Color RGS and thereby usurping the corporate opportunities of FCGI and its affiliates.

680. As a result of Munger's past breaches of the NDACA, FCGI as an affiliate with Mahon and FCG LLC, and others have been damaged in an amount in excess of $15,000.00.

681. As a result of Spin's and Bastian's past breaches of their respective NDA's, FCGI has been damaged in an amount in excess of $15,000 to be proven at trial.

682. Munger's continued breaches of the NDACA have and will continue to cause irreparable harm to Mahon, FCGI, and other affiliated companies including IPH and FCG LLC.

683. Bastian's and Spin's continued breaches of the NDA have and will continue to cause irreparable harm to Mahon, FCGI, and other affiliated companies including IPH and FCG LLC.

684. FCGI is entitled to temporary, preliminary, and permanent injunctive relief enjoining Munger, Bastian and Spin from continuing to possess and utilize confidential information disclosed to him under the NDACA and from competing or interfering with Mahon, FCG LLC, FCGI, IPH, or any other affiliated entities business interests in the use and commercialization of the Full Color IP.

685. FCGI is entitled to temporary, preliminary, and permanent injunctive relief enjoining Munger, Bastian, and Spin for continuing to utilize Spin's integration onto Bastian's RSL platform without including the Full Color content and from interfering with Mahon, FCGI, and other affiliated entities business interests in the use and commercialization of the Full Color IP.

686. As a direct result of all of the foregoing, Counter-claimants have been caused to retain the services of an attorney to prosecute this claim breach of the NDA and injunctive relief and therefore are entitled to reasonable attorney's fees and costs.

TWENTY-FIRST CLAIM FOR RELIEF

(Declaratory Relief re: Counter-Defendant status as shareholders)

687. FCGI repeats, re-alleges, and incorporates by this reference, the allegations contained in each and every preceding paragraph as though set forth fully herein.

688. An actual existing controversy has arisen and now exists between FCGI and Counter-Defendants concerning each of their ongoing ownership of shares in FCGI. FCGI therefore seek an order from the Court declaring that, based on the facts set forth herein, Counter-Defendants either never were or are no longer a shareholder(s) of FCGI, or that Counter-Defendants' shares should be rescinded because he obtained the shares via fraud.

689. As a direct result of all of the foregoing, Counter-claimants have been caused to retain the services of an attorney to prosecute this claim for declaratory relief and therefore are entitled to reasonable attorney's fees and costs.

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TWENTY-SECOND CLAIM FOR RELIEF

(Breach Of the Of The Covenant Of Good Faith And Fair Dealing)

(As to Mutlislot)

690. All Counter-claimants realleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

691. Counter-defendants and each of them entered a development agreement to produce 21 or Nothing® on the MULTISLOT RGS for delivery in the Bahamas, Jamaica through the Bastian Casino Gaming Enterprise and through Multislot's existing integrations that included but were not limited to Videoslots.com, BetConstruct, EveryMatrix.com, Pinnacle.com.

692. Multislot, Bastian, and the Bastian Casino Gaming Enterprise and each of induced FCGI and its affiliates to spend over 14 months in development and expend over $100,000 in its assets to produce the product for release.

693. FCGI and its affiliates succeeded in getting the games fully developed, translated and approved for real money release by BMM.

694. Multislot failed to sign the contract and release the product by attempting to extort the FCGI and its affiliates out of their rightful ownership of their HTML5 distribution rights.

695. Once Multislot refused to surrender their rights that were already legally contracted to others, and refused to sign the contract to even deliver them through and release them in the Flash version that it was fully developed and approved for release in.

696. As a result of Multislot's actions, FCGI's and its affiliates' justified expectations under the agreements with Multislot were denied.

697. As a result of Multislot's, Bastian's, and the Bastian Casino Gaming Enterprise's breaches of the implied covenant of good faith and fair dealing, FCGI and its affiliates have been damaged in an amount in excess $15,000.00 to be proven at trial.

698. As a direct result of all of the foregoing, Counter-defendant's actions have required Counter-claimants to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

TWENTY-THIRD CLAIM FOR RELIEF

(Negligent Misrepresentation)

(As to Spin, Young and Mishra)

699. FCGI realleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

700. Spin represented to FCGI and its affiliates to believe that their RGS was integrated into a total of 15 global distribution interactive gaming systems (IGS) that would allow FCGLTD to immediately monetize thru hundreds of real and virtual money casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

701. Spin represented to the FCGI and its affiliates that it would complete all 24 language translations that were fully disclosed to them in person on October 10, 2016 as part of the price for the **Proposal v1.4**

702. Each of these representations made by Spin were false.

703. Spine either knew that each of these representations were false or made the representations with reckless disregard for the truth or falsity of the representations.

704. Spine made each of the misrepresentations with the intent to induce FCGI and its affiliates to act in reliance of the misrepresentations.

705. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set forth herein.

706. FCGI and its affiliates incurred damages as a result of relying upon Spin's misrepresentations.

707. Between October 2016 and April of 2017, MAHON caused SPIN to be paid $54,000, $10,000 and a third time, $10,000 for a total of $74,000 based on the misrepresentations of Spin.

708. In fact, the subject representations were negligently made and were untrue. Based on information and belief, inter alia, the true material facts, if known to the Counter-claimants, would not have entered into the contract with the Counter-claimants, much more paid them $74,000 on top of that.

709. As a result of the materially false and misleading information, the Counter-claimants entered into the Proposal v1.4 contract, caused them to be paid $74,000 in cash and introduced them to their confidential relationships Bastian and the Bastian Casino Gaming Enterprise.

710. As a result of Counter-defendants' negligent misrepresentations, Counter-claimants have been damaged in an amount in excess $15,000.00 to be proven at trial.

711. The actions of Spin, Young, and Mishra as alleged herein were malicious, fraudulent, or oppressive and warrant the award of punitive damages.

712. As a direct result of all of the foregoing, Counter-defendant's actions have required Counter-claimants to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Counter-claimants seek an award of reasonable attorneys' fees and costs incurred in this action.

TWENTY-FOURTH CLAIM FOR RELIEF

(Intentional Misrepresentation)

(As to Spin, Young, and Mishra)

713. All Counter-claimants realleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

714. Spin represented to FCGI and its affiliates to believe that their RGS was integrated into a total of 15 global distribution interactive gaming systems (IGS) that would allow FCGLTD to immediately monetize thru hundreds of real and virtual money casino gaming operators around the world as explicitly detailed in the **Proposal v1.4**.

715. Spin represented to the FCGI and its affiliates that it would complete all 24 language translations that were fully disclosed to them in person on October 10, 2016 as part of the price for the **Proposal v1.4**

716. Each of these representations made by Spin was false.

717. Spine either knew that each of these representations were false or made the representations with reckless disregard for the truth or falsity of the representations.

718. Spine made each of the misrepresentations with the intent to induce FCGI and its affiliates to act in reliance of the misrepresentations.

719. FCGI and its affiliates did in fact rely upon Spin's misrepresentations set forth herein.

720. FCGI and its affiliates incurred damages as a result of relying upon Spin's misrepresentations.

721. Between October 2016 and April of 2017, MAHON caused SPIN to be paid $54,000, $10,000 and a third time, $10,000 for a total of $74,000 based on the misrepresentations of Spin.

722. In fact, the subject representations were fraudulently concealed so they would not be discovered in order to induce Mahon, FCGI, and its affiliates entering into a licensing contract with the FCGI or its affiliates in order to have his Full Color IP on their ROC RGS in order to further aid and abet them in gaining integrations elsewhere that they could not get on their own. Based on information and belief, inter alia, the true

material facts, if known and not misrepresented to the FCGI and its affiliates, would not have entered into the contract with the Counter-claimants, much more paid them $74,000 on top of that.

723. As a result of material misrepresentations, the FCGI or its affiliates entered into the Proposal v1.4 contract, caused them to be paid $74,000 in cash and introduced them to their confidential relationships with Bastian and the Bastian Casino Gaming Enterprise.

724. As a result of Counter-defendants' intentional misrepresentations, FCGI has been damaged in an amount in excess $15,000.00 to be proven at trial.

725. Spin's, Young's, and Mishra's actions were malicious, fraudulent, or oppressive warranting an award of punitive damages.

726. As a direct result of all of the foregoing, Counter-defendant's actions have required Counter-claimants to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, Counter-claimants seek an award of reasonable attorneys' fees and costs incurred in this action.

TWENTY-FIFTH CLAIM FOR RELIEF

(Fraudulent Concealment)

(As to Spin, Young, and Mishra)

727. FCGI repeats, re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein

728. As alleged in more detail herein, Spin, Young, and Mishra fraudulently concealed facts from FCGI and its affiliates concerning Spin's inability to release the Full Color IP for real money gaming in Europe and the rest of the world outside of the USA through NYX, Nektan, Amaya, BWIN as agreed and defined in Section 1.0 in Spin's Proposal v1.4.

729. As alleged in more detail herein, Spin, Young, and Mishra fraudulently concealed the fact that they knew that their ROC RGS was not capable of language translations and they would have to build a separate module for it in order to provide it.

730. As alleged in more detail herein, Spin, Young, and Mishra fraudulently concealed the fact that they knew that their ROC RGS was not capable of providing multiple currencies and they would have to build a separate module for it in order to provide it.

731. As alleged in more detail herein, Spin, Young, and Mishra fraudulently concealed the fact that they knew that their ROC RGS was not capable of providing for a common wallet system in a bi-directional format and they would have to build it for the integration into the FULL COLOR KINGFISHER RGS, and, because of this, their ROC RGS was not capable of completing the ROC RGS bi-directional integration to the FULL COLOR KINGFISHER RGS by March 31, 2017 per as they represented in the schedule they published to the Counter-claimants on January 27, 2017.

732. At all relevant times, the Counter-defendants and each of them fraudulently concealed their intent circumvent the FULL COLOR KINGFISHER RGS integration and wrongfully exploit the FCGI's relationship with the Bastian Casino Gaming Enterprise in order to exploit and monetize their own and third party games without completing the integration for FCGI and its affiliates.

733. Had Mahon, FCGI, and its affiliates known of Spin's true intent as set forth above, they not have entered into the contract or maintained their contract and would not have any moneys to Spin for the work Spin had fraudulently represented it would complete.

734. As a result of concealing the materially false and misleading information, the Counter-claimants entered into the Proposal v1.4 contract, caused them to be paid cash payments at different times, and introduced them to their confidential relationships with Bastian and the Bastian Casino Gaming Enterprise.

735. As a result of Spin's, Young's, and Mishra's fraudulent concealment, FCGI has been damaged in an amount in excess $15,000.00 to be proven at trial.

736. The actions of Spin, Young, and Mishra alleged herein were malicious, oppressive or fraudulent and warrant an aware of punitive damages.

737. As a direct result of all of the foregoing, FCGI has been required to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

TWENTY-SIXTH CLAIM FOR RELIEF

(Breach of Fiduciary Duty)

(As to Munger, Linham, and Newman)

738. FCGI repeats, re-alleges and incorporates by reference the allegations set forth in paragraphs herein with specificity and particularity as though set forth fully herein.

739. At all times relevant herein, Munger, Linham, and Newman served as officers of FCGI and some other related affiliated companies until they resigned and/or were removed in or about April or May, 2017, and owe fiduciary duties to FCGI in their capacity as officers.

740. By committing the acts alleged herein, including usurping corporate or business opportunities, putting their own work and business interests ahead of the interests of FCGI, interfering with FCGI's contractual relationships, money laundering, wire and mail fraud, and other activities, Munger and Linham have breached their fiduciary duties to FCGI.

741. As a result of Munger's and Linham's breach of their fiduciary duties, FCGI has been damaged in an amount in excess $15,000.00 to be proven at trial.

742. The actions of Munger and Linham as alleged herein were malicious, oppressive or fraudulent and warrant the aware of punitive damages.

743. As a direct result of all of the foregoing, FCGI has been required to retain the services of an attorney to prosecute this action and has thereby been damaged. Accordingly, FCGI seeks an award of reasonable attorneys' fees and costs incurred in this action.

PRAYER FOR RELIEF

WHEREFORE, the FCGI respectfully demands that judgment be entered in its favor and against Counter-Defendants and Third-Party Defendants as follows:

1. For a declaration that the Counter-Defendants either were never shareholders of FCGI or are no longer shareholders of FCGI.
2. For compensatory damages in an amount in excess of $15,000 to be determined at trial on each breach of contract claim;
3. For general, special, and compensatory damages in excess of $15,000 to be determined at trial, jointly and severally, against each Counter-Defendant and Third-Party Defendant on all tort claims.
4. For general, special, and compensatory damages in excess of $15,000 to be determined at trial, jointly and severally, against each Counter-Defendant and Third-Party Defendant found liable for each Federal RICO claim and Nevada RICO claim.
5. For exemplary and punitive damages in an amount to be determined at trial on all applicable claims;
6. For treble damages on all applicable claims.
7. Preliminary and Permanent Injunctive Relief enjoining Munger, Bastian and Spin from continuing to possess and utilize confidential information disclosed to them under their respective agreements and from competing

or interfering with Mahon, FCG LLC, FCGI, IPH, or any other affiliated entities business interests in the use and commercialization of the Full Color IP.

8. Disgorgement of profits against Munger, Bastian, and Spin for violations of their respective agreements.
9. For reasonable attorneys' fees; and
10. For such other and further relief as the Court may deem just and proper.

DATED this 4th day of February, 2019.

HUTCHISON & STEFFEN, PLLC

/s/ Todd W. Prall
Mark A. Hutchison (4639)
Todd W. Prall (9154)

Attorneys for Defendant/Counterclaimant Full Color Games, Inc.

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of Hutchison & Steffen, PLLC and that on this 4th day February, 2019, I caused the above and foregoing document entitled **DEFENDANT FULL COLOR GAMES, INC.'S AMENDED ANSWER, COUNTERCLAIMS, AND THIRD-PARTY COMPLAINT** to be served as follows:

- ☐ by placing same to be deposited for mailing in the United States Mail, in a sealed envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or
- ☐ to be served via facsimile; and/or
- ☒ pursuant to EDCR 8.05(a) and 8.05(f), to be electronically served through the Eighth Judicial District Court's electronic filing system, with the date and time of the electronic service substituted for the date and place of deposit in the mail; and/or
- ☐ to be hand-delivered;

to the attorneys and/or parties listed below at the address and/or facsimile number indicated below:

Joseph A. Gutierrez
Stephen G. Clough
Maier Gutierrez & Associates
8816 Spanish Ridge Avenue
Las Vegas, NV 89148

Attorneys for Plaintiffs

/s/ Madelyn B. Carnate-Peralta
An employee of Hutchison & Steffen, PLLC

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3/14/2019 12:03 AM
Steven D. Grierson
CLERK OF THE COURT

RICHARD NEWMAN, ESQ.
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7435 S. Eastern Ave., Suite105-431
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Telephone: 917.543.2166
E-mail: rich@newmanlawlv.com

Attorneys for Third-Party Defendants. Richard Newman; Newman Law, LLC; and Cooper Blackstone, LLC

DISTRICT COURT

CLARK COUNTY, NEVADA

In re: FULL COLOR GAMES, INC. MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004; a California Trust: individually and as shareholders of FULL COLOR GAMES, INC.; DOES 1 through 10; and ROE CORPORATIONS 1 through 10, inclusive, Plaintiffs, vs. DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTY HOLDINGS, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD, an Isle of Man corporation; FULL COLOR GAMES, LLC; a Nevada limited liability company; FULL COLOR GAMES LTD., an Isle of Man corporation; FULL COLOR GAMES N.A., INC. a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X, inclusive,	Case No.: A-17-759862-B Dept. No.: XIII **THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PRUSUSANT TO *NEV. REV. STAT. ANN. § 41.650, et seq.*** Hearing Date: Hearing Time:

Docket 79395 Document 2019-39979

Case Number: A-17-759862-B

Defendants.

DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTY HOLDINGS, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD, an Isle of Man corporation; FULL COLOR GAMES, LLC; a Nevada limited liability company; FULL COLOR GAMES LTD., an Isle of Man corporation; FULL COLOR GAMES N.A., INC. a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company; FULL COLOR GAMES, INC.,

Counter-claimants,

vs.

MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimant,

vs.

MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004; a California Trust:

Counter-defendants

FULL COLOR GAMES, INC., a Nevada corporation,

Third-Party Claimant,

vs.

SEBASTION J. BASTIAN, an individual; DIRK SIMMONS; an individual; MARTIN LINHAM;

an individual; PLAYTECH SYSTEMS LTD, a Bahamian limited company; ISANDLUCK.COM, a Bahamian subsidiary of PLAYTECH; DAVINCI TRADING GROUP, a Cayman Islands limited liability company; DAVINCI HOLDINGS LTD, an Isle of Man limited liability company; ILG SOFTWARE LTD, an Isle of Man limited liability company; VALCROS, LLC, a Nevda limited liability company; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual; MARA H. BRAZER, an individual; TERESA MOORE, an individual; LARRY MOORE, an individual; B.L. MOORE CONSTRUCTION INC., a California corporation; BRIAN MARCUS, an individual; JOHN BROCK III, an individual; JOHN BROCK IV, an individual; MUNGER & ASSOCIATES, INC., a Nevada corporation; MULTISLOT, LTD, an Isle of Man Company; ERIC J. JUNGELS, an individual; JEFF HORAN, an individual; SPIN GAMES, LLC, a Nevada limited liability company; KENT YOUNG, an individual; KUNAL MISHRA, an individual; RICHARD NEWMAN, an individual; NEWMAN LAW, LLC, a Nevada limited liability company; COOPER BLACKSTONE, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X,

Third-Party Defendants.

COMES NOW, Third-Party Defendants, RICHARD NEWMAN, NEWMAN LAW, LLC AND COOPER BLACKSTONE, LLC (collectively referred to as "Defendants"), by and through their attorneys of record, the law firm Newman Law, LLC, hereby move this Court for an order striking and dismissing with prejudice the following claims of Third-Party Claimant, FULL COLOR GAMES, INC., ("FCGI" or "Plaintiff") pursuant to Nevada's Anti-SLAPP Statute, codified at *Nev. Rev. Stat. Ann. § 41.650*: (1) Racketeering under 18 USC 1962(b); (2) Extortion under 18 USC 1962(b); (3) Embezzlement and Wire Fraud Racketeering under NRS 207.400; (4) Breach of Fiduciary Duty; (5) Declaratory Relief; and (6) Punitive Damages, as set forth in Plaintiffs Amended Counterclaims And Third-Party Complaint dated February 4, 2019 (the "Third-Party Complaint").

This Motion is made on the ground that FCGI's Third-Party Complaint brought in the existing litigation involving shareholders of FCGI suing its CEO, David Mahon, among others, is a "strategic

lawsuit against public participation" or "SLAPP" and, consequently, must be dismissed because FCGI cannot demonstrate a reasonable probability of prevailing on its claims against any of the Defendants.

PLEASE TAKE FURTHER NOTICE that Defendants will be entitled to recover the reasonable attorneys' fees and costs incurred herein pursuant to *Nev. Rev. Stat. Ann. § 41.670* should the court grant this Motion.

The Motion is based on this Notice of Motion, the Memorandum of Points and Authorities, supporting exhibits, the pleadings and records on file herein, and upon such other oral and documentary evidence as may be presented to the court at the hearing on this motion.

DATED this 13th day of March, 2019.

Respectfully submitted,

NEWMAN LAW LLC

RICHARD NEWMAN, ESQ.
Nevada Bar No. 9943
7435 S. Eastern Ave., Suite105-431
Las Vegas, Nevada 89123
Attorneys for Third-Party Defendants Richard Newman; Newman Law, LLC; and Cooper Blackstone, LLC

NOTICE OF MOTION

TO: ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that the undersigned will bring the foregoing **THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PRUSUSANT TO *NEV. REV. STAT. ANN. § 41.650, et seq.*** on for hearing on the _____ day of _____, 2019, at the hour of _____ _.m., or as soon thereafter as counsel may be heard in Department XIII in the above referenced Court.

DATED this 13th day of March, 2019.

Respectfully submitted,

NEWMAN LAW LLC

RICHARD NEWMAN, ESQ.
Nevada Bar No. 9943
7435 S. Eastern Ave., Suite105-431
Las Vegas, Nevada 89123
Attorneys for Third-Party Defendants Richard Newman; Newman Law, LLC; and Cooper Blackstone, LLC

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

FCGI has brought the instant lawsuit against Richard Newman, his solely owned entity, Newman Law, LLC, which he operates as a law firm in Nevada, and Cooper Blackstone, LLC, a Nevada limited liability company formed by Richard Newman to hold shares in FCGI which were issued to him as a minority partner in the company ("Defendants"), alleging numerous federal and state-law claims for racketeering and extortion predicated directly upon Defendant Richard Newman's communications comprising: (i) a prelitigation demand sent to FCGI's CEO David Mahon, which was contemplated in good faith and under serious consideration of litigation, to seek redress from FCGI, David Mahon and/or Full Color Games, Limited, an Isle of Man company, for damages resulting from a breach of contract, among other things; and (ii) a response to a request for information received from the United Kingdom Gaming Commission, an executive non-departmental agency of the Government of the United Kingdom responsible for regulated gambling and supervising gaming law in Great Britain (the "UKGC") as part of the UKGC's processing of an application for licensure submitted on behalf of Full Color Games Limited.

Plaintiff now alleges to the Court in its Third-Party Complaint that these communications constitute extortion and racketeering by Defendants. In response, Defendants contend these communications are clearly privileged communications, and further that Plaintiffs have named Newman Law, LLC and Cooper Blackstone, LLC, despite neither entity having any nexus to any of the aforementioned communications upon which the allegations of extortion and racketeering are based. Thus, Defendants move this Court for an order striking and dismissing with prejudice each of Plaintiff's claims against Defendants pursuant to *Nevada*'s Anti-SLAPP Statute, codified at *Nev. Rev. Stat. Ann. § 41.650, et seq*.

II. STATEMENT OF FACTS

Background

Defendant Richard Newman partnered with David Mahon in 2010 on a business venture intended to commercialize various live wagering games at regulated casinos which relied on non-standard playing cards and table layouts. It became clear that there was little interest in placing the games in casino pits so the focus of the business venture shifted to creating online social games. Defendant Richard Newman

continued to work with Mahon as a minority partner handling various business and legal matters along with another attorney partner.

Mahon had many quirks. He was often overly intense and egotistical. He tended to go on long rants and make wild claims in business meetings to try to impress. Perhaps most troubling about Mahon's "quirks" was his demonstrated penchant for creating and escalating crises and conflicts with almost everyone around him. By mid-2016, Mahon seemed to be regularly damaging important business relationships beyond repair. His behavior was also becoming increasingly bizarre and hostile. Meetings and calls were made and Mahon would not participate or participate to derail the meeting by making exaggerated accusations and going on long rants. Mahon had become so paranoid that he installed hidden cameras in the office and would spy on people in the office from his home. He would set meetings, not show up and instead spy on the attendees at the meeting who were all wondering where he was. Almost everyone who worked with Mahon were having similar experiences and difficulties dealing with Mahon. The situation with Mahon was further frustrated by the fact that Mahon was at all times the sole officer of FCGI, sole decision maker for FCGI, and had sole unchecked access and control over all company funds.

As a result Defendant Richard Newman had developed serious concerns about Mahon. Mahon somewhat eased these concerns by promising that he would step down as CEO when a planned, large round of funding was completed. Thus, a substantial effort went into developing the requisite investment documents and seeking out potential investors. However, while these efforts continued Defendant Richard Newman kept discovering issues involving Mahon which were of increasingly greater concern. In July and August of 2016 Richard Newman discovered certain issues that he believed represented major violations of corporate governance and issues with regard to Mahon's use of company funds. Richard Newman brought these issues directly to Mahon, which set into motion a series of events that sent Mahon into a panic and attack mode. While Richard Newman was away on a planned vacation, Mahon acted to wrongly terminate and oust Richard Newman from the business that he helped Mahon to build.

Almost one year before, in December 2015, Mahon asked Richard Newman to become even more heavily involved in company operations. The focus of the business was changing once again to pursue lawful online gaming outside of the United States. Richard Newman agreed, provided that he would be compensated for the expected loss of income that he would suffer due to additional time

being spent working with Mahon on advancing the business outside of the United States. Richard Newman and Mahon agreed that the compensation would $10,000 per month, which then became the basis and consideration for Richard Newman agreeing to become a director and Chief Legal Officer for Full Color Games, Limited, which was formed pursuant to the laws of the Isle of Man. As shown by the Employment Agreement of January 21, 2016 included as Exhibit 1, compensation terms of £160,000 were agreed upon. In reliance on the Employment Agreement, Richard Newman became and served as a director of Full Color Games, Limited, performing services including *inter alia* attending trade shows, meetings and involvement in almost all, if not all, business and legal matters on behalf of Full Color Games, Limited. Richard Newman was also involved in business pitches and supported funding efforts during which time he was presented to others as the Chief Legal Officer of Full Color Games, Limited. See Exhibit 2 for examples, including David Mahon's email of February 24, 2106 identifying Richard Newman as a Director and "CLO", and the first five pages of the thirty-three page Full Color Games Limited Employee Handbook dated March 2016 identifying Richard Newman as Director and Chief Legal Officer on Page 2 thereof.

It is important to note that there is substantial other evidence, such as business cards, pitch decks and presentations and email correspondence, which support Richard Newman's claims to fulfilling his obligations as Chief Legal Officer as set forth in the Employment Agreement. Some of these may be confidential and have been withheld but the majority of such correspondence and files were maintained on a company drive or sent to the email address of rich@fullcolorgames.com which was made inaccessible to Richard Newman upon his wrongful ouster.

Returning to August of 2016, Richard Newman had been damaged as a result of his sudden ouster. Furthermore, Richard Newman had not been paid as agreed in the Employment Agreement. Based thereon, Richard Newman sent on August 27, 2016 a prelitigation demand letter by email regarding the contractual dispute and failure to pay as agreed pursuant to the Employment Agreement. The demand letter was sent with the good faith belief in the claims for redress presented. The demand included a demand for payment due to the breach of contract, a proposed settlement agreement that included a mutual release and waiver, and in contemplation of a potential suit, set a deadline for response so that Richard Newman could quickly decide on the next steps, with all rights and remedies

being reserved in case litigation became necessary. A copy of the email is provided herein as Exhibit 3.

Unbeknownst to Richard Newman, David Mahon purposely never countersigned the Employment Agreement. Despite Richard Newman having served as a Director and Chief Legal Officer of Full Color Games, Limited for many months in reliance on the Employment Agreement, Mahon now pretended that there was no Employment Agreement and therefore no obligation to pay pursuant to the Agreement. Eventually Mahon indicated a desire to reach a settlement, though Mahon continues to argue that no Employment Agreement exists, see ¶343 of the Third Party Complaint for example.

The parties subsequently agreed on terms to settle the dispute which included a mutual release and waiver, payment of $50,000 to Richard Newman, and a release of all shares of FCGI held by Richard Newman's holding company and fellow Defendant, Cooper Blackstone, LLC. While Richard Newman was serious and diligent in resolving the matter, it soon became evident that Mahon was delaying settlement, not being forthright or proceeding towards settlement in good faith. In Mahon's email dated March 19 2017, Mahon indicates that the "original terms and the $50k [payment to be made to Richard Newman] had been agreed to…" Mahon also then included a threat by stating that "If you do not wish to keep moving forward based on the original docs and terms… then you should let me know now and then Thompson & Coburn, LLP out of LA who is handling the matter will move forward." See Exhibit 4.

Despite Mahon indicating the settlement terms had been agreed upon, the dispute between the parties were never resolved or settled. Richard Newman subsequently discovered that David Mahon was indeed stalling and not being forthright. Mahon was not attempting to settle the dispute in good faith but rather Mahon was instead using the existence of the dispute as pretext to demand more money from shareholders and investors when there should have been sufficient company funds available. However, in June of 2017 Richard Newman was notified that FCGI was being dissolved.

<u>Response to the UKGC</u>

Mahon became paranoid that Richard Newman would disclose the issues he discovered to the UKGC, and upon information and belief, contrived a completely fictional scenario that involved

Richard Newman having told the UKGC something that caused a delay in the processing of Full Color Games Limited application for licensure. While the UKGC did contact Richard Newman and requested information, any information provided by Richard Newman in response to the UKGC request would be either privileged and/or protected communication. Despite the nature of this communication being protected, Mahon now uses the alleged communication between Richard Newman and the UKGC as support for his claims of extortion and racketeering against the Defendants, as set forth in ¶349 of the Third Party Complaint. For example, Mahon claims that the UKGC was requiring a settlement with Richard Newman involving the repurchase of shares from Cooper Blackstone, LLC, and that Full Color Games Limited could not be licensed without such a settlement. However, on information and belief the UKGC made no such demand for a settlement involving the repurchase of shares, and Mahon cannot provide any evidentiary support for this allegation. On information and belief the application was rejected on other grounds that are completely unrelated to any communication Richard Newman had with the UKGC.

Background for this Motion

Defendants note that at least some of the issues detailed in the above background - that is, whether or not there was a breach of an Employment Agreement for example - are not the primary issues presented for consideration by this Motion. However, the background does demonstrate the origins, good faith basis and legitimacy of Richard Newman's claims to damages, and the demand having been made and contemplated in good faith with serious consideration of pursuing litigation. The background also demonstrates probable cause for Richard Newman to pursue redress through such prelitigation communication with Mahon.

Significantly, each of FCGI's causes of action are predicated directly upon prelitigation communications made to settle a legitimate dispute and protected communication made in response to the UKGC request. While FCGI makes repeated references to Richard Newman's communications as constituting "extortion," and "racketeering", this inflammatory characterization is conclusively negated by the fact that there are no communications that threaten a crime, but rather, only provide notice of the dispute and attempts at settlement. For example, in ¶588 of Plaintiff's Third-Party Complaint, with regard to Defendants, Plaintiff alleges as its Tenth Claim For Relief that the Newman

Group engaged in an ongoing scheme of extortion… to the point it caused FCGLTD, IPHLTD and FCGI to go out of business as a result of his racketeering when Mahon, FCGI and its affiliates would not give in to the Newman Group's ransom demands to receive their FCGI shares back with free and clear title, all of which constitutes the racketeering activity…" .

Under the circumstances, as a Director under contract for the affiliated entity Full Color Games, Limited, a shareholder in Plaintiff FCGI second only in shares to David Mahon, Defendant Richard Newman clearly had probable cause to send a prelitigation demand letter to David Mahon, Plaintiff FCGI and its affiliates. Now that David Mahon is being sued by shareholders for his fraud and abuses, he hides behind FCGI in bringing these meritless claims of racketeering and extortion as an *in terrorem* litigation tactic against Defendants, despite Richard Newman's communications being privileged and/or protected, and Newman Law, LLC and Cooper Blackstone, LLC having no nexus to the communications the Plaintiff's extortion and racketeering claims are predicated on.

Defendant Richard Newman's prelitigation demand letter, follow up communications and communication in response to the UKGC request, form the sole basis for the claims in the Third Party Complaint. Mahon has no other basis for what he perceived as "an ongoing scheme of extortion" other than the demand letter Richard Newman sent to settle a dispute in good faith in serious contemplation of litigation. If there is evidentiary support for his wild claims of extortion and racketeering that he's asserted against Defendants, then the Court should make Mahon show it, rather than force plaintiffs to suffer through this litigation for meritless claims.

FCGI's action is a paradigm SLAPP suit ("strategic lawsuit against public participation") – tailor made for the Nevada anti-SLAPP statute – and must be stricken as a matter of law. Although procedural in nature, the Ninth Circuit has concluded that an Anti-SLAPP motion may be brought in Federal Court. *See Hilton v. Hallmark Cards*, 580 F.3d 874, 880 n.2 (9th Cir., 2009) ("we have long held that the anti-SLAPP statute applies to state law claims that federal courts hear pursuant to their diversity jurisdiction.").

In deciding the instant motion, it is important that the Court keep the procedural ground rules of the anti-SLAPP statute in mind. Put simply, when a claim is shown to be based on protected petitioning activity, the statute freezes the complaint and requires that the Court test it <u>*both*</u>: (1) in

terms of legal sufficiency, *and* (2) in terms of evidentiary support. If the complaint fails in either manner, the Court *must* grant the motion and dismiss the challenged claims. Significantly, under the statute, the plaintiff has the burden of bringing forward sufficient admissible evidence to establish a probability of prevailing. If a claim is legally deficient (subject to a complete defense) *or* without evidentiary support, it must be stricken.

Here, as set forth in detail below, all of FCGI's claims against Defendants are based on Defendant Richard Newman's attempt to resolve a dispute by sending a prelitigation demand letter in good faith and protected communication with UKGC, all of which is protected activity that, under applicable precedent, triggers the anti-SLAPP statute. Accordingly, the burden shifts to FCGI to establish a probability of success on all of its claims for all Defendants. FCGI cannot meet this burden, however, as each of FCGI's claims are barred by the litigation privilege or otherwise defective. Thus, FCGI's instant action is completely without merit and must be dismissed.

III. STATEMENT OF THE LAW REGARDING THE SPECIAL MOTION TO STRIKE UNDER NRS 41.635 *et seq*

Pursuant to *Nevada*'s Anti-SLAPP Statute "[a] person who engages in a good faith communication in furtherance of the right to petition is immune from civil liability for claims based upon the communication." *See Nev. Rev. Stat. Ann. § 41.650*.

First, the defendant must show, by a preponderance of evidence, that the plaintiff's claim "is based upon a good faith communication in furtherance of the right to petition or the right to free speech in direct connection with an issue of public concern" *Nev. Rev. Stat. Ann. § 41.660(3)(a)*. A "good faith communication in furtherance of the right to petition or the right to free speech in direct connection with an issue of public concern means any:

> 1. Communication that is aimed at procuring any governmental or electoral action, result or outcome;
>
> 2. Communication of information or a complaint to a Legislator, officer or employee of the Federal Government, this state or a political subdivision of this state, regarding a matter reasonably of concern to the respective governmental entity;

3. Written or oral statement made in direct connection with an issue under consideration by a legislative, executive or judicial body, or any other official proceeding authorized by law; or

4. Communication made in direct connection with an issue of public interest in a place open to the public or in a public forum, which is truthful or is made without knowledge of its falsehood."

See Nev. Rev. Stat. Ann. § 41.637.

Second, if defendant meets its burden on the first prong, the burden then shifts to plaintiff, who must make a sufficient evidentiary showing that he has a probability of prevailing on his claim. NRS 41.660(3)(b).

A court should treat a special motion to dismiss under NRS 41.660 as a motion for summary judgment. *See Stubbs v. Strickland*, 297 P.3d 326, 329 (2013 Nev.) If the court grants the special motion to dismiss, the defendant is entitled to an award of reasonable costs and attorneys' fees, as well as an award of up to $10,000.00. NRS 41.670(1)(a)-(b).

Due to a relative lack of case law applying Nevada's Anti-SLAPP statute, Nevada courts have recognized that it is instructive to look to case law applying California's Anti-SLAPP statute, Cal. Code Civ. Proc. § 425.16, which shares many similarities with Nevada's law. *See John v. Douglas Cnty. Sch. Dist.*, 125 Nev. 746, 756 (2009) (stating that "we consider California caselaw because California's anti-SLAPP statute is similar in purpose and language to Nevada's anti-SLAPP statute").[1] Based thereon, this Court may look to California decisional authority as a guide to identifying the Statute's objectives, as well as the standards relating to the Statute's application and operation.[2]

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[1] The Nevada Legislature specifically provides for California Anti-SLAPP jurisprudence to serve as the basis for interpreting Nevada's Anti-SLAPP law: *When a plaintiff must demonstrate a probability of success of prevailing on a claim pursuant to NRS 41.660, the Legislature intends that in determining whether the plaintiff "has demonstrated with prima facie evidence a probability of prevailing on the claim" the plaintiff must meet the same burden of proof that a plaintiff has been required to meet pursuant to California's anti-Strategic Lawsuits Against Public Participation law as of the effective date of this act*.

[2] This is consistent with the recent directive of the Ninth Circuit, which concluded that "[w]here Nevada law is lacking, its courts have looked to the law of other jurisdictions, particularly California, for guidance." *See Crockett & Myers v. Napier*, 583 F.3d 1232, 1237 (9th Cir., 2009). In *Crockett* , the court relied on California authority regarding the scope of the litigation privilege – the very defense which Defendant asserts in this action.

A. Objectives of Nevada's Anti-SLAPP Statute

"A SLAPP lawsuit is characterized as 'a meritless suit filed primarily to chill the defendant's exercise of First Amendment rights.'" *See John*, 219 P.3d at 1280 (citing *Dickens v. Provident Life and Acc. Ins. Co.*, 117 Cal. App. 4th 705, 713 (2004)). SLAPP suits are brought to chill various forms of protected First Amendment petitioning activity, including activities associated with the filing of a lawsuit. *See Mattel, Inc. v. Luce, Forward, Hamilton & Scripps*, 99 Cal. App. 4th 1179, 1188 (2002) ("It is well established that filing a lawsuit is an exercise of a party's constitutional right of petition."); *CKE Restaurants, Inc. v. Moore*, 159 Cal. App. 4th 262, 269, 271 (2008) (holding that "[i]t is established that the filing of Proposition 65 intent-to-sue notices is a protected activity.").

Thus, the objective of the Anti-SLAPP statute is to "eliminate meritless litigation at an early stage" [*Bradbury v. Superior Court*, 49 Cal. App. 4th 1108, 1113 (1996)], and accomplishes this goal by "provid[ing] an economical and expeditious remedy to SLAPP suits." *See Church of Scientology v. Wollersheim*, 42 Cal. App. 4th 628, 647 (1996). The statute achieves its objective by "creat[ing] a procedural mechanism to prevent wasteful and abusive litigation by requiring the [SLAPP] plaintiff to make an initial showing of merit" prior to being permitted to proceed with discovery. *See John*, 219 P.3d at 1284; Nev. Rev. Stat. Ann. § 41.660(3). Moreover, the statute seeks to make the SLAPP defendant whole by including a mandatory fee provision. *See Nev. Rev. Stat. Ann. § 41.670* ("If the court grants a special motion to dismiss filed pursuant to NRS 41.660 … [t]he court shall award reasonable costs and attorney's fees to the person against whom the action was brought…."). The award of attorney fees is a material component of the statute, as it reinforces the Anti-SLAPP's statute's deterrent effect. *See Ketchum v. Moses*, 24 Cal. 4th 1122, 1131 (Cal. 2001) (holding that "any SLAPP defendant who brings a successful motion to strike is entitled to ***mandatory*** attorney fees" as "[t]he fee-shifting provision was apparently intended to discourage such strategic lawsuits against public participation").

Application of the statute entails a two-step process. First, "[t]he burden of production is initially on the defendant who must demonstrate the applicability of the statute." *See John*, 219 P.3d at 1284 ("the moving party must first make a threshold showing that the lawsuit is based on 'good faith communication[s made] in furtherance of the right to petition' the government."). "Once he meets his

initial burden, the burden shifts to the plaintiff who must show that his claim has merit." *See John*, 219 P.3d at 1284; *Navellier*, 29 Cal. 4th at 88. "[A] cause of action that satisfies *both* prongs of the anti-SLAPP statute – i.e., that arises from protected speech or petitioning *and* lacks even minimal merit – is a SLAPP, subject to being stricken under the statute." *See Navellier*, 29 Cal. 4th at 89 (*emphasis in original*).

Here, each of FCGI's claims against Defendants are predicated directly upon Defendant Richard Newman's communication of prelitigation demands and communication with the UKGC, a governmental agency in response to the UKGC request for information – both are acknowledged protected petitioning activity or otherwise within the scope of NRS 41.637 that triggers the first prong of the Anti-SLAPP statute. *See Navellier at 90 (*"The constitutional right of petition [protected by the anti-SLAPP statute] encompasses " 'the basic act of filing litigation' " ' "”; *Rusheen v. Cohen* (2006) 37 Cal.4th 1048, 1056 ("the filing . . . and prosecution of a civil action" is included as "any written or oral statement or writing made before a . . . judicial proceeding.")

FCGI cannot establish a probability of prevailing on any of its causes of action – its burden under the second prong – as Richard Newman's communications which Plaintiff bases its claims consist of prelitigation communication contemplated in good faith and under serious consideration of litigation and communication with the UKGC pursuant to a UKGC request, all of which is afforded absolute immunity under the litigation privilege and First amendment rights, and there was no communication on these issues made by or on behalf of the other Defendants Newman Law, LLC and Cooper Blackstone, LLC. Therefore, all of FCGI's claims must be stricken.

IV. FCGI'S ACTION IS PREDICATED UPON ABSOLUTELY PRIVILEGED PRELITIGATION ACTIVITY, AND THEREON, MUST BE DISMISSED PURSUANT TO *NEVADA*'S ANTI-SLAPP STATUTE

A. FCGI's Claims Arise Directly From Constitutionally Protected Petitioning Activity Engaged in by Defendant Richard Newman in Good Faith, And Therefore, Triggers The First Prong Of The Anti-SLAPP Statute

Plaintiff FCGI's instant lawsuit is based directly on a communication by Richard Newman of prelitigation demands contemplated in good faith and under serious consideration of litigation sent to

David Mahon, the CEO of FCGI. As demonstrated below, it is well established that a lawsuit predicated upon a prelitigation demand letter triggers the first prong of the Anti-SLAPP statute. Defendants clearly meet the requisite threshold of "good faith" necessary to satisfy the first prong of the SLAPP statute by virtue of the fact Defendant Richard Newman possessed probable cause to pursue the breach of contract and other legal claims on which the communication with Plaintiff was based. Based thereon, Defendants establish the requisite showing necessary to shift the burden to Plaintiff to prove that each of its claims (all of which are predicated directly upon Defendant Richard Newman's communications) have merit.

i. <u>FCGI's Claims Arise Directly From Defendant Richard Newman's Protected Petitioning Activity</u>

With regard to the first element, the court must "decide[] whether the defendant has made a threshold showing that the challenged cause of action is one arising from protected activity." *See Navellier v. Sletten*, 29 Cal. 4th 82, 88 (2002); *John*, 219 P.3d at 1282 ("Nevada's anti-SLAPP statute filters unmeritorious claims in an effort to protect citizens from costly retaliatory lawsuits *arising from their right to free speech under both the Nevada and Federal Constitutions*."). "'A defendant meets this burden by demonstrating that the act underlying the plaintiff's cause fits one of the categories spelled out in [the Anti-SLAPP Statute].'" *See Navellier*, 29 Cal. 4th at 88. In making its evaluation, the court must be mindful that "[t]he anti-SLAPP statute's definitional focus is not the form of the [SLAPP] plaintiff's cause of action but, rather, the defendant's activity that gives rise to his or her asserted liability – and whether that activity constitutes protected speech or petitioning." *See id.*, at 92. *See also, Blanchard v. DIRECTV, Inc.*, 123 Cal. App. 4th 903, 918 (2004) ("plaintiffs cannot successfully argue that their complaint does not arise from DIRECTV's constitutionally protected right to petition for redress of grievances" as "[t]he entire lawsuit is premised on DIRECTV's demand letter, sent in advance of, or to avoid, litigation to vindicate its right not to have its programming pirated.").

Here, as discussed in detail above, each of FCGI's claims are predicated directly upon the prelitigation demand communications sent by Defendant Richard Newman or communication with UKGC made pursuant to a request for information by the UKGC.

Communications sent in good faith to resolve a legitimate dispute comes within the scope of *Nevada Revised Statute § 41.637(3)* – a provision which is materially identical *California Code Civil Procedure § 425.16(e)(2).*[3]

Thus, based on the forgoing, each of FCGI's causes of action are predicated directly on well-established protected petitioning activity that comes within the ambit of NRS Section 41.637. As such, Defendants are entitled to avail themselves the protections afforded by Nevada Anti-SLAPP statute.

ii. <u>Defendants' Protected Prelitigation Notice Was Substantiated by Probable Cause</u>

In addition to the forgoing, a defendant also bears the burden of establishing that the communication was made in "good faith." A defendant establishes this burden by demonstrating that the communication "is truthful or is made without knowledge of its falsehood." *See Nev. Rev. Stat. Ann. § 41.637*. A defendant's burden necessarily entails establishing only one of the two alternatives, as it is well settled that "the use of disjunctive in a statute indicates alternatives and requires that they be treated separately." *See Bunker Hill Co. Lead & Zinc Smelter v. U. S. Environmental Protection Agency*, 658 F.2d 1280, 1283 fn. 1 (9th Cir., 1981) (citing *Azure v. Morton*, 514 F.2d 897, 900 (9th Cir., 1975); *Reiter v. Sonotone Corp*., 442 U.S. 330, 338-39, 99 S. Ct. 2326, 2330, 60 L. Ed. 2d 931 (1979)).

Where, as here, the underlying communication involves a dispute to be resolved by way of civil litigation, a defendant will be entitled to avail itself of Anti-SLAPP protection so long as the communication was "made without knowledge of its falsehood." This is consistent with minimal standards of "probable cause" – the applicable standard by which "good faith" is measured when bringing a civil claim. *See Leonardini v. Shell Oil Co.*, 216 Cal. App. 3d 547, 568 (1989) ("A litigant

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[3] Specifically, section 425.16(e)(2) of the California statute states that "[a]s used in this section, 'act in furtherance of a person's right of petition or free speech under the United States or California Constitution in connection with a public issue' includes: …(2) <u>*any written or oral statement or writing made in connection with an issue under consideration or review by a legislative, executive, or judicial body, or any other official proceeding authorized by law*</u>." See Cal Code Civ Proc § 425.16(e)(2). This is identical to section 41.637(3) of the Nevada statute, which states that a "'[g]ood faith communication in furtherance of the right to petition" means <u>*any*: *… [w]ritten or oral* statement made in direct connection with an issue under consideration by a legislative, executive or judicial body, or any other official proceeding authorized by law</u>…" See Nev. Rev. Stat. Ann. § 41.637(3).

will lack probable cause for his action if he relies upon facts which he has no reasonable cause to believe to be true or seeks recovery upon a legal theory which is untenable under the facts known to him.").[4]

Here, Defendants easily meet this minimal showing, as Defendant Richard Newman entered into an Employment Agreement, had been director and was ousted after approaching Mahon with concerns about Mahon's compliance with corporate governance and his use of company funds, and thereafter clearly sent correspondence based on a good faith claim to settle a legitimate dispute. These facts standing alone demonstrate Richard Newman had an ample good faith basis to pursue a breach of contract claim.

Thus, the requisite degree of probable cause at all times existed to pursue a claim against Plaintiff FCGI. This fact, coupled with the fact that each of Plaintiff's causes of action are predicated directly on petitioning activity that comes within the ambit of NRS Section 41.637, satisfy Defendants' obligations under the first prong of the anti-SLAPP statute.

B. FCGI CANNOT ESTABLISH A PROBABILITY OF PREVAILING ON ANY CLAIMS, AS DEFENDANTS' CHALLENGED CONDUCT TRIGGERS ABSOLUTE IMMUNITY UNDER THE LITIGATION PRIVILEGE

"Once he meets his initial burden, the burden shifts to the plaintiff who must show that his claim has merit." *See John*, 219 P.3d at 1284. Under this second prong of the analysis, "the burden of production shifts to the plaintiff to show that there is a genuine issue of material fact." *See John*, 219 P.3d at 1284. In this regard, the second prong operates like "summary judgment in reverse" [*Briggs v. Eden Council For Hope & Opportunity*, 19 Cal. 4th 1106, 1123 (1999)], as it is the party opposing the motion – the plaintiff – who has the initial burden to come forward with evidence sufficient to

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[4] Importantly, the standard for "probable cause" sets a **very low** threshold. Indeed, "[p]robable cause may be present even where a suit lacks merit." *See Jarrow Formulas, Inc. v. LaMarche*, 31 Cal. 4th 728, 742-743, n13 (2003). As a general rule, a lack of probable cause will exist only where there is an absolute negation of any arguable basis. *See Jarrow Formulas, Inc. v. LaMarche*, 31 Cal. 4th 728, 742-743, n13 (2003) ("Suits which all reasonable lawyers agree totally lack merit - that is, those which lack probable cause - are the least meritorious of all meritless suits. Only this subgroup of meritless suits present no probable cause."). Such a low threshold is required, as "[c]ounsel and their clients have a [constitutional] right to present issues that are arguably correct, even if it is extremely unlikely that they will win." *See Sheldon Appel Co. v. Albert & Oliker*, 47 Cal. 3d 863, 885 (Cal. 1989).

demonstrate its claims have merit. *See College Hospital Inc. v. Superior Court*, 8 Cal. 4th 704 704, 719 (1994). "In making its determination, the court shall consider the pleadings, and supporting and opposing affidavits stating the facts upon which the liability or defense is based." *See John*, 219 P.3d at 1284. Dismissal is required where the plaintiff "fails to show a genuine issue of material fact" [*See John*, 219 P.3d at 1286], or where such claims are barred as a matter of law. *See e.g. Hansen v. Department of Corrections & Rehabilitation*, 171 Cal. App. 4th 1537, 1547 (2008) (concluding "the objected-to statements … were absolutely privileged under Civil Code section 47, subdivision (b)" and as such, "Hansen cannot maintain an action against CDCR based on those statements."); *Kemps v. Beshwate*, 180 Cal. App. 4th 1012 (2009) (holding that "appellant's tort claims against respondents are barred by Civil Code section 47, subdivision (b)" and as such "appellant has failed to demonstrate she probably would prevail in the present action.").

Here, Plaintiff cannot establish a probability of prevailing on any of its claims as a matter of law, as Defendant Richard Newman's communication is cloaked with absolute immunity under the "litigation privilege." Based thereon, Plaintiff's claims will necessarily fail regardless of any proof that Plaintiff submits in support of such claims.

Pursuant to the litigation privilege – which is a common law rule in Nevada[5] and is codified by statute at Civil Code §47(b) in California – "publications made in the course of a judicial proceeding are absolutely privileged." *See Albertson v. Raboff*, 46 Cal. 2d 375, 379 (1956); *see also Fink v. Oshins*, 118 Nev. 428, 434 (2002). "For well over a century, communications with 'some relation' to judicial proceedings have been absolutely immune from tort liability by the [litigation] privilege…." *See Rubin v. Green*, 4 Cal. 4th 1187, 1193 (1993). Relevant here, "[t]he privilege has been broadly construed to apply to **demand letters** and **prelitigation communications** by an attorney." *See Knoell*

[5] "Nevada recognizes 'the long-standing common law rule that communications uttered or published in the course of judicial proceedings are absolutely privileged….'" *See Crockett & Myers v. Napier*, 583 F.3d 1232, 1236 (9th Cir., 2009) (quoting *Fink v. Oshins*, 118 Nev. 428, 434 (2002)). As the case under California law, "[t]he privilege applies not only to communications made during actual judicial proceedings, but also to 'communications preliminary to a proposed judicial proceeding.'" *See id*. (quoting *Fink*, 118 Nev. at 434). Moreover, the Ninth Circuit has concluded that "[w]here Nevada law is lacking [on issues relating to the litigation privilege], its courts have looked to the law of other jurisdictions, particularly California, for guidance." *See Crockett*, 583 F.3d at 1237.

v. Petrovich, 76 Cal. App. 4th 164, 169 (1999) (citing *Rubin v. Green*, 4 Cal. 4th 1187, 1193-94 (1993)).

Importantly, Plaintiff cannot abrogate the privilege, even were Plaintiff able to come forward with evidence establishing the requisite elements of each of its claims (which, as demonstrated herein, it cannot). "Underlying the recognition of this privilege is the important public policy of affording the utmost freedom of access to the courts." *See Kachig v. Boothe*, 22 Cal. App. 3d 626, 641 (1971); *Fink*, 118 Nev. at 432 ("The policy behind the absolute privilege, as it applies to attorneys participating in judicial proceedings, is to grant them 'as officers of the court the utmost freedom in their efforts to obtain justice for their clients.'"). Based thereon, "the absolute privilege provides unconditional immunity, even for statements made with 'personal ill will'" because "[i]n a true absolute privilege situation, liability is totally foreclosed without regard to the fault or mental state of the defendant." *See Fink*, 118 Nev. at 433 n.7. "To hold otherwise would be inconsistent with the general public purpose of the privilege to encourage the utmost freedom of access to the courts and quasi-judicial bodies." *See Jacob B. v. County of Shasta*, 40 Cal. 4th 948, 959 (2007).[6]

The bottom line is that Defendants should not be sued for extortion and racketeering for sending a prelitigation demand to Plaintiff's CEO based on a good faith claim seeking redress for its damages. Indeed, the very premise of Plaintiff's lawsuit defies logic, that is, Plaintiff should not be permitted to cause damages by breaching a contract and then sue the damaged party for extortion and racketeering when the damaged party demands that Plaintiff compensate for the harm caused. Plaintiff has named Newman Law, LLC and Cooper Blackstone, LLC without any cause or nexus to the prelitigation communications, which is the epitome of a meritless suit filed primarily to chill the Defendants exercise of First Amendment petitioning rights.

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[6] The breadth of the privilege is itself a testament to the significance of objective which the privilege intends to achieve. "As Prosser notes, 'Absolute immunity has been confined to a very few situations where there is an obvious policy in favor of permitting complete freedom of expression, without any inquiry as to the defendant's motives.'" *See Abraham v. Lancaster Cmty. Hosp.*, 217 Cal. App. 3d 796, 812 (1990) (quoting Prosser & Keeton, Torts (5th ed. 1984) § 114, p. 816.).

As each of Plaintiff's claims are barred by the litigation privilege, Plaintiff is forever foreclosed from establishing a probability of prevailing as to any claim as a matter of law. Based thereon, Plaintiff's complaint must be dismissed in its entirety.

V. CONCLUSION

Based on the foregoing, as discussed in detail below, FCGI's instant lawsuit constitutes a "strategic lawsuit against public participation" ("SLAPP") that impermissibly seeks to punish Defendants for their efforts to exercise their constitutional right to petition the courts for redress and respond to requests from governmental entities. Defendants now seek an order dismissing Plaintiff FCGI's instant lawsuit under Nevada's anti-SLAPP statute.

For the foregoing reasons, Defendants respectfully request that the instant motion be granted in full and that each of FCGI's claims be stricken.

DATED this 13th day of March, 2019.

Respectfully submitted,

NEWMAN LAW LLC

RICHARD NEWMAN, ESQ.
Nevada Bar No. 9943
7435 S. Eastern Ave., Suite105-431
Las Vegas, Nevada 89123
Attorneys for Defendants
Richard Newman; Newman Law, LLC; and
Cooper Blackstone, LLC

CERTIFICATE OF SERVICE

Pursuant to Administrative Order 14-2, a copy of **PLAINTIFFS' MOTION TO COMPEL PENCILS OUT, LLC COMPLIANCE WITH AMENDED SUBPOENA DUCES TECUM** was electronically filed on the 13th day of March, 2019 and served through the Notice of Electronic Filing automatically generated by the Court's facilities to those parties listed on the Court's Master Service List (*Note: All Parties Not Registered Pursuant to Administrative Order 14-2 Have Been Served By Mail.*):

Mark A. Hutchison, Esq.
Todd Prall, Esq.
HUTCHISON & STEFFEN, LLC
10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89145
Attorneys for Defendants & Counter-Claimants David Mahon, Glen Howard, Intellectual Properties Holding, LLC, Full Color Games, LLC, Full Color Games, N.A., Inc., Full Color Games Group, Inc. and Jackpot Productions, LLC

/Richard H Newman/

EXHIBIT 1

THIS AGREEMENT is made the 21st day of January 2016.

BY AND BETWEEN:

(1) **FULL COLOR GAMES LIMITED** being a company incorporated under the laws of the Isle of Man with Registered Company Number 013172V and whose registered office is situated at First Floor, 10-12 Prospect Hill, Douglas, Isle of Man, IM1 1EJ (hereinafter referred to as "the Company" which expression shall include the successors and assigns of the Company); and

(2) **RICHARD HAROLD NEWMAN** being an individual whose normal residential address is 34 Quail Hollow Drive, Henderson, Nevada 89014, United States of America (hereinafter "the Employee" "you" or "your")

(the Company and Employee collectively to be referred to as "the Parties" and each of them a party).

WHEREAS:

(A) The Company wishes to employ the Employee as the Chief Legal Officer (the "CLO") for the Company; and

(B) The Employee has agreed to be employed as the Chief Legal Officer of the Company upon the following terms and conditions.

IT IS HEREBY AGREED as follows:

1. Definitions and interpretation

In this Agreement:

1.1. "the Board"	Means the board of directors for the time being of the Company as registered with the Isle of Man Companies Registry;
1.2. "Confidential Information"	Means information relating to the business products, affairs and finances of the Company for the time being confidential to it or to them and trade secrets (including without limitation technical data and know-how) relating to the business of the Company or of any of its or their suppliers, clients or customers;
1.3. "Incapacity"	Means any illness or other like cause incapacitating the Employee from attending to his duties;
1.4. "Intellectual Property"	Includes letters, patent, trademarks whether registered or unregistered, service marks

		whether registered or not, registered or unregistered designs, utility models, copyrights (including design copyrights), semi-conductor topography rights, database rights and all other intellectual property and similar proprietary rights, applications for any of the foregoing and the right to apply for them in any part of the world and including (without limitation) all such rights in materials, works, prototypes, inventions, discoveries, techniques, computer programs, source codes, data, technical information, trading business brand names, goodwill, the style or presentation of the goods or services, creations, inventions or improvements upon or additions to an invention, confidential information, know-how and any research effort relating to any of the above mentioned business names whether registrable or not, moral rights and any similar rights in any country;
1.5.	"Sensitive Data"	Means personal data consisting of information as to racial or ethnic origin, political opinions, religious beliefs or other beliefs of a similar nature, membership of a trade union physical or mental health or condition, sexual life, the commission or alleged commission of any offence or any proceedings for any offence committed or alleged to have been committed including the disposal of such proceedings or the sentence of any court in such proceedings;
1.6.	"Termination Date"	Means the date of termination of the Employee's employment or, where the Company exercises its rights under Clause 3.3. to require the Employee to remain at home, the last day on which the Employee was required to work;

1.7. Unless the context otherwise requires words importing one gender include all other genders and words importing the singular include the plural and vice versa;

1.8. Any reference to a statutory provision shall be deemed to include a reference to any statutory modification or re-enactment of it;

1.9. The clause headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation;

1.10. Any reference to the Employee shall if appropriate include his personal representatives; and

1.11. References in this Agreement to any clause, sub clause, schedule or paragraph without further designation shall be construed as references to the clause, sub-clause, schedule or paragraph of this Agreement so numbered.

2. Appointment and term of employment

2.1. The Company appoints the Employee and the Employee agrees to act as the Chief Legal Officer of the Company on the terms of this Agreement.

2.2. The employment of the Employee shall commence on the 21st day of January 2016 ("the Commencement Date") and shall continue indefinitely unless and until his employment is terminated in accordance with the terms contained herein.

2.2.1. Notwithstanding Clause 2.2., the employment shall terminate (without any right to notice pay) when the Employee reaches the normal retiring age from time to time applicable, current being the age of 70. Further details relating to retirement are set out in the Company's Staff Handbook.

2.2.2. The Company shall have the discretion to terminate the Employment lawfully without any notice (or part thereof) at any time by paying to the Employee a sum equal to, but no more than, the Salary and the value of contractual benefits including any bonus in respect of that part of the period of notice which the Employee has not worked less any appropriate tax and other statutory deductions. Any such payment in lieu of notice shall be in full and final settlement of all and any claims which the Employee has or may have arising from or in connection with the Employment and / or its termination. The Employee shall not be entitled to any holiday pay which may otherwise have accrued during what would have been the notice period. If the Company terminates the Employment in accordance with this Clause 2 and Clause 16, all of the Employee's post termination obligations contained in this Agreement (for example the restrictive covenants in Clause 19) shall remain in force.

2.2.3. The Company may pay any sums due under Clause 2.2. and Clause 15. as one lump sum or in instalments over what would have been the notice period, had it been served by the Employee. If the Company elects to pay in instalments, the Employee will be under an immediate and ongoing duty to mitigate his losses and a duty to disclose to the Company, on request, details of his efforts to mitigate his losses and the gross amount of any income he has received or is due to receive. The Company reserves the right to reduce the amount of the instalments by the amount of such income.

2.3. For statutory purposes the Employee's period of continuous employment commences from the Commencement Date as defined herein.

2.4. The Employee represents and warrants that he is not bound by or subject to any court order, agreement or undertaking which in any way restricts or prohibits him from entering into this Agreement or from performing his duties under it.

2.5 The first 3 months of your employment will be considered by both Parties to be a probationary period during which your suitability for the position to which you have been appointed will be assessed. The Company reserves the right to extend your probationary period if, in its sole opinion, circumstances so require.

2.6 During the Employee's probationary period your employment may be terminated by the Company on giving one week's written notice.

3. Duties

3.1. The Employee shall during his employment under this Agreement:

3.1.1. faithfully, competently and diligently perform the duties and exercise the powers which the Board may from time to time properly assign to him in his capacity as the CLO in connection with the business of the Company (including performing duties as requested by the Board from time to time);

3.1.2. comply with all the Company's rules, regulations, policies and procedures from time to time in force;

3.1.3. in the absence of any specific directions from the Board (but subject always to the Memorandum and Articles of Association of the Company) have the general control and responsibility for the management of that part of the Company's business in respect of his position as CLO; and

3.1.4. do all in his power to promote, develop and extend the business of the Company and at all times and in all respects conform to and comply with the proper and reasonable directions and regulations of the Board.

3.2. For the purposes of the Data Protection Act 2002 of the Isle of Man the Employee consents to the Company, its agents or administrators, to be provided with, record, keep and process certain personal data, which may include Sensitive Data, of which the Employee is subject details of which are specified in the Company's Communications Policy contained in the Staff Handbook.

3.3. At any time during the Employee's employment the Company shall have the right in its absolute discretion to assign reduced or alternative duties or no duties at all to the Employee and shall be entitled to require the Employee to act at the direction of the Company including the right to exclude the Employee from its premises and / or remove him from any or all offices held by him in the Company (if any) (including if appropriate) the office of trustee of any of the pension schemes of the Company and / or prevent the Employee from discussing its affairs with the Company's Employees, agents, clients or customers. If the Company exercises its rights under this Clause the Employee's entitlements to salary and other contractual benefits shall continue

subject always to the relevant scheme or policy relating to such benefits. For the avoidance of doubt at all times during such period the Employee shall continue to be bound by the same obligations to the Company as were owed prior to the commencement of the notice period.

4. Place of work

4.1. The Employee's normal place of work shall be as directed by the Employer for the proper performance and exercise of the Employees duties and powers and the Employee may be required to travel on the business for the Company. In the event that you are required to travel either inside or outside of the Isle of Man for the proper performance of your duties this will not affect your remuneration or terms and conditions of employment.

4.2. The Employee may be required to work from home or other such remote site away from the normal place of work. In such event, it is agreed that the Employee will work from such remote site and during such time the Employee will devote your whole time, skill and attention to company business as if you were physically working at the normal place of work. Whilst the Company recognises your right to private/home life, you agree that whilst working from home the Company reserves the right to carry out random visits during business hours. At all other times visits will be avoided. If unavoidable you will be given a reasonable period of notice and appointments will be made at mutually convenient times

5. Salary

5.1. Salary: The Employee shall be paid a salary (which shall accrue from day to day) at the rate of £160,000 gross per annum (or such other rate as the Parties may from time to time agree in writing which is appended hereto) payable in arrears by equal monthly instalments on or about the 25th day of every month.

5.2. Salary review: The Employee's salary shall be reviewed by the Board annually from the Commencement Date as defined herein. The Board shall have the discretion to review the Employee's salary and or any other entitlements (if any) which may include but shall not be limited to bonus entitlement, share options, and benefit entitlement under the Company's benefit scheme ("Benefit Scheme") (if any).

5.3. In addition to your annual salary the Company operates a non-contractual discretionary bonus scheme which is aimed at rewarding good performance and the Employee will be considered for a discretionary bonus at the end of each calendar year worked, subject to approval by the Board. The date and payment of any bonus is at the discretion of the Company and the Company reserves the right to exclude the Employee from participating in the bonus scheme.

6. Hours of work

6.1. Your normal core business hours are 08:30hrs to 17:30hrs, Monday through Friday (40hrs/week) weekly or such other hours as may be reasonable and

necessary for the proper performance of your duties which the Board may reasonably require from time to time.

6.2. The Company reserves the right to vary the Employee's start and finish times and the number of hours worked in accordance with the demands of the business of the Company.

6.3. Any overtime worked shall not be paid.

7. Benefits scheme

For details of any benefits pursuant to the Company's Benefits Scheme (if any) please refer to the Company's Staff Handbook and Benefits Brochure or equivalent.

8. Company phone

8.1. During the term of your employment the Company the Company may provide you with the use of a Company mobile phone for use in connection with the performance of your duties under this Agreement. Upon termination of the Employee's employment (for whatever reason), the Employee shall ensure that any mobile phone, if provided, is immediately returned to the Company at its registered office (or any other place the Company may reasonably nominate), unless otherwise agreed in writing.

8.2. If a mobile phone is provided, the Employee shall take good care of the Company phone and ensure that the provisions and conditions of the Company phone policy (if any) from time to time relating to it are observed.

9. Expenses

9.1. The Company shall reimburse the Employee:

9.1.1. all reasonable travelling, hotel and other expenses wholly, exclusively and necessarily incurred by him in or about the performance of his duties under this Agreement;

9.1.2. the Parties hereby agree that should the Employee be required to take a single flight which last for four hours or more in the performance of his duties provide he has obtained the prior written consent of a member of the Board of Directors the Employee shall be able to fly business class for such a flight, and

9.1.3. the cost of subscription to all professional bodies to which he is obliged to belong in order to maintain his professional qualifications,

PROVIDED that the Employee if so required by the Company provides reasonable evidence of the expenditure in respect of which he claims reimbursement.

10. Holidays

10.1. The Employee shall (in addition to the usual Isle of Man public and bank holidays) be entitled to not less than 30 days' paid holiday in each year to be taken at a time or times convenient to the Company with not more than 15 consecutive working days to be taken at any one time, unless agreed specifically with the Board of Directors.

10.2. Entitlement to annual leave will accrue on a monthly basis and for part years, your annual leave entitlement for the year will be pro-rated to the length of service in that year. The holiday year of the Company runs from 1 January to 31 December annually.

10.3. In each calendar year you may carry forward not more than 5 day's annual leave that is unused to the next calendar year. Any holiday entitlement accrued and not used that cannot be carried forward will be paid at the day rate based on your annual salary.

10.4. Subject to the relevant provisions of the Company's Staff Handbook you are entitled to all Isle of Man public holidays in addition to your annual leave allowance and you will be paid for each day.

10.5. On occasion you may be asked to work on public holidays. In this event, the Employee may either (a) accrue an additional one day of annual leave entitlement to be taken in accordance with Clause 10. herein, or (b) request payment additional payment for said public holiday, such payment to be made by the Company to the Employee in the following month.

11. Illness

11.1. The Employee shall continue to be paid during any period or periods of absence due to Incapacity (such payment to be inclusive or any statutory sick pay or social security benefits to which he may be entitled) for a total of up to 26 weeks in any 52 consecutive week period.

11.2. Thereafter the Employee shall continue to be paid salary only at the discretion of the Company and if such absence shall aggregate in all 26 weeks in any 52 consecutive weeks the Company may terminate the employment of the Employee forthwith by notice under Clause 16.2. below given on a date not more than 28 days after the end of the 26th week.

12. Time and attention

12.1 During the continuance of his employment under this Agreement the Employee shall unless (a) prevented by Incapacity, or (b) pursuant to Clause 12.2. of this Agreement, devote his whole time and attention to the business of the Company and shall not without the prior written consent of the Board:

12.1. engage in any other business which competes with that of the Company, or

12.2. be concerned or interested in any other business of a similar nature to or competitive with that carried on by the Company or which is a supplier or customer of the Company in relation to its goods or services,

PROVIDED that nothing in the Clause shall preclude the Employee from holding or being otherwise interested in any shares or other securities of any company which are for the time being quoted on any recognised stock exchange so long as the interest of the Employee in such shares or other securities does not extend to more than 5% of the total amount of such shares of securities.

12.2. Should the Employee be required to commence new business interests which are not in operation at the Commencement Date, the Employee must request the written approval of the Board of Directors before engaging in such new activities. Such approval will not normally be withheld providing that the provisions of this Clause 12. are met.

13. Intellectual property

13.1. The Parties foresee that the Employee may make, discover or create Intellectual Property in the course of his duties under this Agreement and agree that in this respect the Employee has a special obligation to further the interests of the Company.

13.2. If at any time during his employment under this Agreement the Employee makes or discovers or participates in the making or discovery of any Intellectual Property relating to or capable of being used in the business for the time being carried on by the Company full details of the Intellectual Property shall immediately be communicated by the Employee to the Company and shall be the absolute property of the Company the Employee shall give and supply all such information, data, drawings and assistance as may be requisite to enable the Company to exploit the Intellectual Property to the best advantage and shall execute all documents and do all things which may be necessary or desirable for obtaining patent or other protection for the Intellectual Property in such parts of the world as may be specified by the Company and for vesting the same in the Company or as it may direct.

13.3. The Employee irrevocably appoints the Company to be his attorney in his name and on his behalf to sign, execute or do any such instrument or thing and generally to use his name for the purpose of giving to the Company (or its nominee) the full benefit of the provisions of this Clause and in favour of any third party a certificate in writing signed by any director or the secretary of the Company that any instrument or act falls within the authority conferred by this Clause shall be conclusive evidence that such is the case.

13.4. If the Intellectual Property is not the property of the Company, the Company shall, have the right to acquire for itself or its nominee the Employee's rights in the Intellectual Property within 3 months after disclosure pursuant to Clause 13.2. above on fair and reasonable terms to be agreed or settled by a single arbitrator.

13.5. Rights and obligations under this Clause shall continue in force after termination of this Agreement in respect of Intellectual Property made during the Employee's employment under this Agreement and shall be binding upon his representatives.

14. Confidentiality

14.1. The Employee is aware that in the course of his employment under this Agreement he will have access to and be entrusted with information in respect of the business and financing of the Company and its dealings, transactions and affairs and likewise in relation to its suppliers, agents, distributors or customers all of which information is or may be confidential.

14.2. The Employee shall not (except in the proper course of his duties) during or at any time after the period of his employment under this Agreement divulge to any person or otherwise make use of (and shall use his best endeavours to prevent the publication or disclosure of) any Confidential Information of the Company or any of its or their suppliers, agents, distributors or customers.

14.3. All notes, memoranda, documents and Confidential Information concerning the business of the Company and any of its or their suppliers, agents, distributors or customers which shall be acquired, received or made by the Employee during the course of his employment shall be the property of the Company and shall be surrendered by the Employee to the Company at the termination of his employment or at the request of the Board at any time during the course of his employment.

15. Termination of employment

Either party may give notice to the other in accordance with this Clause:

15.1. Termination on notice

15.1.1. In respect of all staff (including you) subject to Clause 15.1.2. below, either party may give not less than 6 months-notice to terminate your employment and any such notice given by you shall be given to your line manager who you report directly to or to such other person as may be notified and agreed with the Employee in writing.

15.1.2. The Company has the discretion to terminate your employment without notice or on notice less than that required by Clause 15.1.1. by paying you a sum equal to but no more than your salary in respect of the part of the notice period referred to in Clause 15.1.1. which the Company has not given to you or the unexpired part of such period less any appropriate tax and other statutory deductions.

16. Summary termination of employment

16.1. The employment of the Employee may be terminated by the Company without notice or payment in lieu of notice:

16.1.1. if the Employee is guilty of any gross default or misconduct in connection with or affecting the business of the Company to which he is required by this Agreement to render services;

16.1.2. in the event of any serious or repeated breach (after prior warning) or non-observance by the Employee of any of the stipulations contained in this Agreement;

16.1.3. if the Employee becomes bankrupt or makes any composition or enters into any arrangement with his creditors;

16.1.4. if the Employee is convicted of any arrestable criminal offence (other than an offence under road traffic legislation in the Isle of Man or elsewhere for which a fine or non-custodial penalty is imposed);

16.1.5. if the Employee is guilty of any fraud, dishonesty or conduct tending to bring himself or the Company into disrepute;

16.1.6. if the Employee is disqualified from holding office in another company in which he is concerned or interested because of wrongful trading;

16.1.7. if the Employee shall become of unsound mind or become a patient under the Mental Health Act 1998;

16.1.8. if the Employee is convicted of an offence or under any other present or future statutory enactment or regulations relating to insider dealings.

16.2. If the Employee shall be unable by reason of Incapacity to perform his duties under this Agreement for an aggregate period of or exceeding 26 weeks in any 52 consecutive weeks notwithstanding the existence of any provide or permanent health insurance scheme operated by the Company for the benefit of the Employee the Company in its absolute discretion may terminate the employment of the Employee by giving him not less than 3 months' written notice to that effect.

16.3. If the Company believes that it may be entitled to terminate the Employee's employment whether pursuant to Clause 16.1. or otherwise it shall be entitled (but without prejudice to its right subsequently to terminate the employment on the same or any other ground) to suspend the Employee on full pay or without pay for so long as it sees fit provided that such period of suspension does not exceed one month.

16.4. Upon the termination by whatever means of his employment under this Agreement the Employee shall not without the consent of the Company at any time thereafter represent himself still to be connected with the Company.

17. Reconstruction or amalgamation

If the employment of the Employee under this Agreement is terminated at any time by reason of the proposed liquidation of the Company for the purposes of reconstruction or amalgamation and the Employee is offered employment with any new companies or undertaking which does not require relocating the Employee geographically then provided that he shall be offered a new agreement on terms and conditions not less favourable than the terms of this Agreement then the Employee shall have no claim against the Company in respect of the termination of his employment under this Agreement.

18. Restrictive covenants

18.1. The Employee undertakes that he will not (without the previous consent on writing of the Company) for the period of 6 months immediately after the Termination Date whether as principal or agent, and whether alone or jointly with, or as a director, manager, partner, shareholder, Employee or consultant of any other person, directly or indirectly following any notice of termination given by the Employee to the Company, or the Company serving notice on the grounds of gross misconduct:

18.1.1. carry on, or be engaged, concerned or interested in any business which is similar to any or competes with any business being carried on by the Company at the Termination Date and with which the Employee was involved in a senior capacity in the course of his employment at any time during the period of 12 months immediately preceding the Termination Date;

18.1.2. negotiate with, solicit business from or endeavour to entice away from the Company the business of any person, firm, company or organisation which or which to his knowledge is or was a customer, client or agent of or supplier to the Company (or who had regular business dealings with the Company during the period of 12 months immediately preceding the Termination Date) and with whom he had direct dealings or personal contact in the course of his employment during that period, so as to harm the goodwill or otherwise damage the business of the Company;

18.1.3. undertake to provide in competition with the Company any service or manufacture or supply any product similar to that with which he was concerned in the course of his employment during the period of 12 months immediately preceding the Termination Date to or for any person who is was a customer, client or agent of or supplier to (or who had regular business dealings with the Company during the period of 12 months immediately preceding the Termination Date) and with whom he had dealings in the course of his employment during that period;

18.1.4. interfere with, solicit or endeavour to entice away from the Company any person who to his knowledge is and was, at the Termination Date, or within the period of 12 months immediately preceding that date had been, part of the senior

management of the Company and with whom he had personal dealings in the course of his employment during that period.

18.2. At no time after the Termination Date shall the Employee directly or indirectly represent himself as being interested in or employed by or in any way connected with the Company other than as a former Employee of the Company.

18.3. The covenants in this Clause 18. shall not prohibit any activities by the Employee which are not in direct or indirect competition with any business being carried on by the Company at the Termination Date as defined by Clause 12. of this Agreement.

18.4. Nothing in this Clause shall preclude the Employee from holding (directly or through nominees) investments listed on the London Stock Exchange or in respect of which dealing takes place in the Alternative Investments or Unlisted Securities Markets on the London Stock Exchange or any recognised stock exchange as long as he does not hold more than 5% of the issued shares or other securities of any class of one company.

18.5. The covenants in this Clause 18. shall only apply if the termination of the employment arises by reason of a notice given by the Employee or by reason of gross misconduct.

18.6. The Employee agrees that, having regard to all the circumstances, the restrictions contained in this Clause are reasonable and necessary for the protection of the Company and that they do not bear harshly upon him and the Parties agree that:

18.6.1. each restriction shall be read and construed independently of the other restrictions so that if one or more are found to be void or unenforceable as an unreasonable restraint of trade or for any other reason the remaining restrictions shall not be affected; and

18.6.2. if any restriction is found to be void but would be valid and enforceable if some part of it were deleted, that restriction shall apply with such deletion as may be necessary to make it valid and enforceable.

19. Data Protection

19.1. To the extent that is reasonably necessary in connection with your employment and the performance of the Company's responsibilities and an employer, it may be necessary for the Company, to disclose data to others including other Employees of the Company, its professional advisers, industry bodies and Government bodies (including Revenue Authorities) regulatory and other bodies.

19.2. The Employee hereby explicitly consents to the recording, holding, use, disclose and / or other form of processing by the Company, its agents or administrators, of sensitive personal data for any purpose whatsoever relating

to the Employee and for the purposes set out in this Clause 19. as is reasonably required in connection with the performance of this Agreement.

19.3. You hereby consent to the Company, its agents or administrators, checking, recording and reviewing telephone calls, correspondence, computer files, records and emails and to the Company, carry out any other compliance, security or risk analysis check the Company, reasonably considers necessary and to the extent allowed by applicable legislation.

19.4. For further information on the Company's policy on Data Protection please refer to the Staff Handbook.

20. Disciplinary and grievance procedures

20.1. The disciplinary rules and procedure applicable to the Employee are set out in the Staff Handbook. The disciplinary procedure is not contractual. If the Employee wishes to appeal against any disciplinary action taken against him, including any decision to dismiss him, he should apply in writing to a Director of the Company who he reports directly to or the person who has been identified in the Staff Handbook.

20.2. If the Employee has any grievance relating to his employment, he should apply in writing to the person identified in the Staff Handbook. The grievance procedure in relation to the Employee's employment is set out in the Staff Handbook. The procedure is not contractual.

21. Company property

21.1. The Employee acknowledges that all books, notes, memoranda, records, lists of customer and suppliers and Employees, correspondence, documents, computer and other discs and tapes, data listings, codes, designs and drawings and other documents and material whatsoever (whether made or created by the Employee or otherwise) relating to the business of the Company (and any copies of the same):

21.1.1. shall remain the property of the Company; and

21.1.2. shall be handed over by the Employee to the Company on demand and in any event on the termination of the employment and the Employee shall certify that all such property has been handed over on request by the Company.

22. Contracts (Rights of Third Parties)

A person who is not a party to this Agreement has no right under the Contract (Rights of Third Parties) Act 2001 to enforce any terms of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

23. Notices

Notices may be given by either party by letter addressed to the other party at (in the case of the Company) its registered office as recorded at the appropriate time at the Isle of Man Companies Registry from time to time and (in the case of the Employee) his last known address, and any notice given by letter shall be deemed to have been given at the time at which the letter would be delivered, and in proving service by post it shall be sufficient to prove that the notice was properly addressed and posted.

24. Prior Documents

This Agreement contains the entire understanding between the Parties and supersedes all previous agreements and arrangements (if any) relating to the employment of the Employment by the Company (which shall be deemed to have been terminated by mutual consent). Nothing in this Clause 24. will exclude or limit any liability for fraud.

25. Severance

In the event that any restriction contained within this Agreement shall be found to be void but would be valid if some part of the relevant restriction were deleted, the relevant restriction shall apply with such modifications as may be necessary to make it valid and effective.

26. Governing Law

This Agreement is governed by and shall be construed in accordance with the Manx law and the Parties hereby agree to submit to the non-exclusive jurisdiction of the High Court of the Isle of Man.

Miscellaneous

27. On termination of this Agreement the Company may deduct from any sums then owing from it to the Employee by way of salary or otherwise any sums owing from the Employee to the Company.

28. The Company's procedures (including the Staff Handbook) may be altered from time to time. Any update to the Company's procedures (including the Staff Handbook) will be notified to you but it your responsibility to remain informed of such amendments.

29. In the event of any inconsistency between the terms set out herein and in the provisions of the Staff Handbook or any other procedures notified to you which relate to your employment, the terms set out herein shall prevail.

*** THE REST OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK ***

IN WITNESS whereof the Parties hereto have entered into this Agreement on the date first written above.

SIGNED by	:
FULL COLOR GAMES	**:**
LIMITED	:

SIGNED by	:
RICHARD H NEWMAN	:

EXHIBIT 2

Re: FCG / Multislot Platform Commercials

David Mahon
Wed, 24 Feb 2016 10:58:01 PM -0800
"Jeff Horan" <jeffh@multislot.com>, "Ashley Sandyford-Sykes" <ashley.sandyfordsykes@fullcolorgames.com>, "Richard Newman" <rich@newmanlawlv.com>
"Sebas Bastian" <stonebas@hotmail.com>, "Eric Jungels" <ericj@multislot.com>, "Mark Munger" <mark@fullcolorgames.com>, "Brennan O'donnell" <BrennanO@multislot.com>

Hello All

I am pleased to announce that Ashley Sandyford-Sykes has officially come onto the Full Color® Games team in the official capacity of Commercial Manager.

I will let Ashley and Rich finalize the terms of the trigger clauses (Tier 1 Operator signed to warrant lower platform fees & and ask Jeff / Eric to tell us what the target number(s) in Multslot Revenue are for the scale down from 2% to 1.5% be done with that. Once ready for me, I'll execute the docs immediately thereafter.

The following should be included on all of our commercials between each company.

Name & Legal Address:
Full Color Games Ltd
First Floor
10-12 Prospect Hill
Douglas IM1 1EJ
Isle of Man

Registration Number: 013176V
Full Color Games Ltd is an Isle of Man Company
Pursuant to Section3(1)(c) of the Companies Act 2006

Directors:
Lee Murphy (IOM)
Martin Linham (IOM)
David Mahon (USA)
Richard H. Newman, Esq. (USA)

Legal Email Address:
fullcolorgamesltd@gmail.com

CEO:
David W. Mahon

CFO:
Martin Linham

CLO:
Richard H. Newman, Esq.

Commercial Manager
Ashley Sandyford-Sykes

[redacted]

[redacted]

Cheers!
David

The Next Generation of
Card & Casino Based Gaming

Full Color Games, Inc.
3773 Howard Hughes Pkwy, #160N
Las Vegas, NV 89169

David Mahon
Inventor & CEO
View my profile on LinkedIn

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGhistorychannel (product trailer)

http://www.fullcolorgames.com

Email: david@fullcolorgames.com
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Skype: FullColorGames
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FULL COLOR GAMES LIMITED
EMPLOYEE HANDBOOK
Release v1.0: March 2016

Who We Are:

Full Color Games Limited is an Isle of Man company incorporated in accordance with the Isle of Man Companies Act 2006 ("the Company") under reference number 013172V.

The Directors of the Company ("Directors") are:

- David W. Mahon (Director and Chief Executive Officer)
- Martin L. Linham (Director and Chief Financial Officer)
- Richard H. Newman, Esq. (Director and Chief Legal Officer)
- Lee B. Murphy (Director)

All members of staff have a Line Manager ("LM") who is their immediate point of contact for matters covered within this document.

The Company is owned by a group of investors, all of whom are actively involved in the operation of the Company.

Introduction:

The overriding aim of the Company is to ensure successful delivery of an efficient and high quality service. Achieving this depends on every colleague helping to deliver that service and this manual has been written with that aim in mind.

The information contained in this manual is confidential and remains the property of Company. Its content may not be copied or disseminated outside the Company.

If you have any suggestions or comments that you feel would improve the design or layout of this manual, please advise your LM.

In general, the terms and conditions contained in this handbook apply to all employees. However, where there is any difference between the terms and conditions contained in your Contract of Employment those terms and conditions shall prevail in respect of your employment with the Company.

If you are unsure about anything mentioned in either this handbook or your Contract of Employment, please contact your LM.

This handbook is provided for your guidance and gives general reference about the Company and about your terms and conditions of employment.

The Company is concerned that all employees should fully understand the terms in which they are employed so if you have any queries on this subject, you should raise them immediately with your LM.

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EXHIBIT 3

For Settlement Purposes

Me

Sat, 27 Aug 2016 4:04:07 PM -0700

"David Mahon" <david@fullcolorgames.com>

"Linham Martin" <martinlinham@fullcolorgames.com>, "Lee Murphy" <lee@corporateoptions.co.im>

David

I feel very much betrayed. On advise of counsel I am willing to settle this dipute by entering into the attached agreement.

You'll see the first thing this agreement does is specify that any and all business relationships of any kind that may have developed over the last few years are now terminated.

The second thing this agreement does is deal with the breach by specifying payment to me of 5k by this Thursday. With regard to that matter, as you know I relied on your assurances and the fact that I have a contract with FCG Ltd to begin reducing my private practice to make more time available for FCG matters. On August 15th I asked you about the failure of the company to pay 10k per month as agreed. You never mentioned anything about a deficiency of any kind. In fact, you stated that payment would be made the next day. At the end of the next day (having worked on projects at your direction up until then) it was then that you refused to pay as agreed, gave no reason for the failure to pay, and never indicated when payment would be made as agreed. Then I get Martin's email claiming a deficiency without even mentioning the breach. Most of the items, except for one had been handled or were in process. For example, you claim to have no IP listing the last IP listing provided in connection wtih the PPM remains the same and has not changed so you have this information and have had this information all along. In addition to the 10k, I have also never been reimbursed for various expenses, including expenses relating to the trip to ICE despite having submitted an expense report months ago. Given the amount owed I am entitled to hold on to files and file a lien against assets. However, I am willing to settle any direct monetary claim upon payment of 5k USD made to me by this Thursday which is included in the agreement and upon that payment no lien will be filed and all files will be returned.

The third thing this agreement does is allow us all to move on without further conflict or damage. Entering into this agreement would restrict my ability or the need for me to seek further guidance with regard to reporting or otherwise, and from any potential fallout that could occur as a result. This stems from the concerns I have about various activities, including your unnecessary escalation of conflicts and liabilities that creates, the arbitrary operation of this company without regard to proper corporate governance, the making questionable expenditures and payments to other companies, inside deals, secret profits, usurping corporate opportunities, potential conflicts, etc., as well as frustrating other's attempts at acheiving proper corporate operation, management and governance, perhaps in an effort to keep things as they are. This has troubled me immensely and I have vocalized my concerns to you and Martin previously so it should come as no surprise. I am very concerned that you are relying on the appearance of having conducted the necessary formalities to shield liability. Say what you want, paper what you like - competent courts or regulatory agencies see through that all the time. All directors have an underlying fiduciary duty of loyalty to the company and its shareholders and a director must always act in good faith in what he considers to be the best interests of the company. Gaming and financial industries and their regulatory bodies are highly sensitive to these issues. Martin, having the background that he does as a forensic accountant, would be held to higher standard than minimum care under IOM law. I note that I also cannot just necessarily stand by and do nothing. The Financial Supervision Commission 2011 guidance which was provided in order to assist directors of Isle of Man companies to understand and perform their duties responsibly and within the laws of the Isle of Man states, among other things, that "Directors should not allow others to unduly influence them in a way as to undermine the exercise of their powers, in good faith, in the best interests of the company. Any attempted "string-pulling" by other directors, shareholders, beneficial owners or other third parties, should be firmly resisted by directors. The directors must make their own decisions, after receiving appropriate professional advice if necessary. They must not simply "rubber stamp" decisions made by others." This impacts everyone, including Lee, as I understand there is really no such thing as a nominee director under IOM law.

Given the above, and to properly fulfill my duties as director, whether outgoing or otherwise, I have to consider that the most prudent course may be to seek additional guidance as to my rights and obligations to the Company and its shareholders, including reporting my concerns to the appropriate US or IOM agencies. I also have an employment contract with FCG Ltd and have not yet determined whether I also have rights and obligations under that agreement given the PPM's representations among other things. These are not necessarily things I want to do, but I have 0 percent trust in you and have to think about my career and protecting myself and my family. This is why the agreement includes a full release for us both and all respective companies, and indemnification for me should I end up being sued along with the company merely because I was once a director.

The rest of the agreement is intended to support the above. I believe this is the best way to move on and leaves only my ownership interest remaining with neither of us having any obligations or duties to one another. I am also open to being bought out of my interest in the company so feel free to arrange an offer if there's an interest in that.

I don't intend for this to be a series of writings or negotiations. This is what I'm offering to settle this dispute. I'm sure you'll react negatively - this is your way after alll despite having betrayed me and my trust - but since I see no reason for you and the company not to enter into this agreement considering what's been done and what's at stake, I expect a quick turnaround. Accordingly, if you do not return a signed agreement to me by Monday morning then I will take the most prudent course in addressing these issues and concerns by seeking guidance and reporting to all necessary regulatory agencies as well as seeking civil remedies.

The above is not intended to represent a full listing of all relevant facts, information or claims. All my rights and remedies are reserved.

1 Attachment

Settlement Agreement.pdf

EXHIBIT 4

Re: Settlement agreement

David Mahon
Sun, 19 Mar 2017 3:12:16 PM -0700
"Richard H. Newman" <rich@newmanlawlv.com>

Rich

I'll be seeing Sebas & Dirk in person on Thursday. They have agreed to the original terms and the $50K and I'm there to sign to get the docs and the rest of it done in person. It is no secret that getting money out of Bahamas is not something that happens overnight.

If you do not wish to keep moving forward based on the original docs and terms that I sent to them, then you should let me know now and then Thompson & Coburn, LLP out of LA who is handling the matter will move forward in the original direction.

Regards

This message contains information that is confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient) you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by replay e-mail and delete the message.

On Mar 20, 2017, at 3:27 AM, Richard Newman <rich@newmanlawlv.com> wrote:

Hey pinging you on this. I'm still interested in getting this closed and moving forward. Let me know when to expect to hear back, thanks.

---- On Wed, 08 Mar 2017 01:41:04 -0800 <**rich@newmanlawlv.com**> wrote ----

David

When I agreed to the settlement terms of a full release, waiver, non-disparagement, etc. with 50k payment and release of all of Cooper Blackstone's interest in the FCGL, I was also factoring in a quick turnaround time. In fact, I thought it was going to get done that week which was important to me.

Since that quick turnaround time didn't happen I am no longer willing to settle according those terms. I am still very much interested in settling but I'm returning to my earlier offer of a full release, waiver, non-disparagement, etc, and CB releasing all interest but the payment I'd settle for is 75k. As an alternative, I'm also willing to agree to the same legal release, waiver, etc. with a 50k payment, but then CB will keep 1/3 of it's interest in FCGL.

If it makes a difference I'm not changing my position for any reason other than the timing being a significant factor. As said above I am still very much interested in settling and feel these offers are more than reasonable if not highly favorable to the company given my many years of service and the value of what I'm giving up. If you let me know which of the above offers are preferred then I'll make the corresponding change to the settlement agreement and send it back so we can get this matter moving closer to being closed. If there's something you, Dirk or Sebas would like to discuss then feel free to call or give them my cell number.

Regards,
Rich

---- On Mon, 27 Feb 2017 11:22:02 -0800 <**rich@newmanlawlv.com**> wrote ----

OK thanks

---- On Mon, 27 Feb 2017 10:55:34 -0800 **David Mahon**<**david@fullcolorgames.com**> wrote ----

Richard

I spoke with Sebas this morning and asked.

Docs are still sitting with Dirk and others. They are on Bahamian Standard Time as we know.

In theory, it is going to be agreed to and executed pending their sign off on the verbatim.

The money will be coming out of Bahamas, so it is not the fasted thing in the world but now that FCG is a known entity to the Central Bank there, it will be like an ordinary wire transfer vs. the swimming through sand process I first experienced in Bahamas.

I'll let you know as soon as I have their response. I expect Sebas / Dirk will send it back to me by the end of the week at best.

Regards
David

This message contains information that is confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient) you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by replay e-mail and delete the message.

On Feb 27, 2017, at 10:28 AM, Richard Newman <rich@newmanlawlv.com> wrote:

What's the status?

---- On Wed, 22 Feb 2017 12:49:23 -0800 David Mahon<david@fullcolorgames.com> wrote ----

Rich

Acknowledging the receipt of this.

It is being forwarded on as I was directed.

As soon as they get back to me with the next directives, I will revert.

Regards,
David

The Next Generation of
Card & Casino Based Gaming

David Mahon
Inventor & CEO

View my profile on LinkedIn

Casino:
http://bit.ly/FCGg2e (news piece)

http://www.fullcolorgames.com

Email: david@fullcolorgames.com
Direct: (310) 880-8874 iPhone
Skype: FullColorGames
AIM: FullColorGames

This message contains information that is confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient) you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by replay e-mail and delete the message.

On Tue, Feb 21, 2017 at 9:17 PM, Richard Newman <rich@newmanlawlv.com> wrote:

Attached as discussed is a settlement agreement. It essentially covers the same ground as the prior settlement offer. It contains a mutual and full relase and waiver for all parties involved including confidentiality and non-disparagement requirements. This agreement now also includes payment of $50,000 by this Friday and a release of Cooper Blackstone's ownership interest in the FCG companies. I'd prefer payment by wire so if that works as well then let me know and I'll send wiring info.

Newman Law, LLC
7435 S. Eastern Ave Suite 105-431
Las Vegas, NV 89123
NOTICE: Information contained in this transmission to the named addressee is proprietary information and is subject to attorney-client privilege and work product confidentiality. If the recipient of this transmission is not the named addressee, the recipient should immediately notify the sender and destroy the information transmitted without making any copy or distribution thereof.

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Steven D. Grierson
CLERK OF THE COURT

RICHARD NEWMAN, ESQ.
Nevada Bar No. 9943
NEWMAN LAW, LLC
7435 S. Eastern Ave., Suite105-431
Las Vegas, Nevada 89123
Telephone: 917.543.2166
E-mail: rich@newmanlawlv.com

Attorneys for Third-Party Defendants. Richard Newman; Newman Law, LLC; and Cooper Blackstone, LLC

DISTRICT COURT

CLARK COUNTY, NEVADA

In re: FULL COLOR GAMES, INC. MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004; a California Trust: individually and as shareholders of FULL COLOR GAMES, INC.; DOES 1 through 10; and ROE CORPORATIONS 1 through 10, inclusive, Plaintiffs, vs. DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTY HOLDINGS, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD, an Isle of Man corporation; FULL COLOR GAMES, LLC; a Nevada limited liability company; FULL COLOR GAMES LTD., an Isle of Man corporation; FULL COLOR GAMES N.A., INC. a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X, inclusive,	Case No.: A-17-759862-B Dept. No.: XIII **THIRD-PARTY DEFENDANTS' REPLY IN SUPPORT OF SPECIAL MOTION TO DISMISS ACTION PURSUANT TO *NEV. REV. STAT. ANN. § 41.650, et seq.*** Hearing Date: April 25, 2019 Hearing Time: 9:00 AM

Docket 79395 Document 2019-39979

Case Number: A-17-759862-B

Defendants.

DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTY HOLDINGS, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD, an Isle of Man corporation; FULL COLOR GAMES, LLC; a Nevada limited liability company; FULL COLOR GAMES LTD., an Isle of Man corporation; FULL COLOR GAMES N.A., INC. a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company; FULL COLOR GAMES, INC.,

Counter-claimants,

vs.

MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimant,

vs.

MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004; a California Trust:

Counter-defendants

FULL COLOR GAMES, INC., a Nevada corporation,

Third-Party Claimant,

vs.

SEBASTION J. BASTIAN, an individual; DIRK SIMMONS; an individual; MARTIN LINHAM;

an individual; PLAYTECH SYSTEMS LTD, a Bahamian limited company; ISANDLUCK.COM, a Bahamian subsidiary of PLAYTECH; DAVINCI TRADING GROUP, a Cayman Islands limited liability company; DAVINCI HOLDINGS LTD, an Isle of Man limited liability company; ILG SOFTWARE LTD, an Isle of Man limited liability company; VALCROS, LLC, a Nevda limited liability company; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; JEFFREY CASTALDO; an individual; MARA H. BRAZER, an individual; TERESA MOORE, an individual; LARRY MOORE, an individual; B.L. MOORE CONSTRUCTION INC., a California corporation; BRIAN MARCUS, an individual; JOHN BROCK III, an individual; JOHN BROCK IV, an individual; MUNGER & ASSOCIATES, INC., a Nevada corporation; MULTISLOT, LTD, an Isle of Man Company; ERIC J. JUNGELS, an individual; JEFF HORAN, an individual; SPIN GAMES, LLC, a Nevada limited liability company; KENT YOUNG, an individual; KUNAL MISHRA, an individual; RICHARD NEWMAN, an individual; NEWMAN LAW, LLC, a Nevada limited liability company; COOPER BLACKSTONE, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X,

Third-Party Defendants.

Third-Party Defendants, RICHARD NEWMAN, NEWMAN LAW, LLC AND COOPER BLACKSTONE, LLC (collectively referred to as "Defendants"), by and through their attorneys of record, the law firm Newman Law, LLC, hereby file this reply in support of Defendants Special Motion to Dismiss pursuant to Nevada's Anti-SLAPP Statute, the "RICO claims" alleged by Third-Party Claimant, FULL COLOR GAMES, INC., ("Plaintiff") (*i.e.*, Racketeering under 18 USC 1962(b); (2) Extortion under 18 USC 1962(b); Embezzlement and Wire Fraud Racketeering under NRS 207.400; (4) Breach of Fiduciary Duty; (5) Declaratory Relief; and (6) Punitive Damages (collectively, the "RICO claims") as set forth in Plaintiffs Amended Counterclaims And Third-Party Complaint dated February 4, 2019 (the "Plaintiff's Complaint") and in response to Plaintiff's Opposition to Defendants' Special Motion to Dismiss (Plaintiff's Opposition").

This Reply is made and based upon the contents of this Reply, the Memorandum of Points and

Authorities herein, supporting exhibits, the pleadings and records on file herein, and upon such other oral and documentary evidence as may be presented to the court at the hearing on this motion.

DATED this 19th day of April, 2019.

Respectfully submitted,

NEWMAN LAW LLC

RICHARD NEWMAN, ESQ.
Nevada Bar No. 9943
7435 S. Eastern Ave., Suite105-431
Las Vegas, Nevada 89123
Attorneys for Third-Party Defendants Richard Newman; Newman Law, LLC; and Cooper Blackstone, LLC

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

In Defendants' Special Motion to Dismiss, Defendants demonstrated the applicability of the Anti-SLAPP statute. All of Plaintiff's RICO Claims of extortion and racketeering against Defendants Newman Law, LLC, Cooper Blackstone, LLC and Richard Newman, are predicated directly upon Defendant Richard Newman's communication of a prelitigation demand letter to Plaintiff and communication with the United Kingdom Gambling Commission (UKGC) with respect to a request for information made by the UKGC to Defendant Richard Newman during the UKGC's consideration of an application for licensure submitted on behalf of Full Color Games, Limited.

The communication of a prelitigation demand letter is acknowledged as privileged activity[1] and any communication to the UKGC would constitute a protected activity under the First Amendment within the scope of NRS 41.637. The question of suitability for gaming licensure is also an issue of public interest, namely, to prevent anyone who might pose a threat to the public from becoming licensed. A UK licensee could potentially engage in business transactions with Nevada gaming licensees, which in turn could conceivably result in the provision of gaming services to US citizens and residents of the state of Nevada. Thus, any communication Defendant Richard Newman had with the UKGC pursuant to its request for information would be protected under NRS 41.660 as a communication made in the public interest as well.

Defendants thus demonstrated the applicability of the Anti-SLAPP statute and established by a preponderance of the evidence that Defendant Richard Newman's communications fall within the scope of privileged and protected communications under NRS 41.637. *See Coker v. Sassone,* 133 Nev. Adv. Op. No. 2 (a moving party seeking protection under Nevada's Anti-SLAPP statute "need only demonstrate that his or her conduct falls within one of the four statutorily defined speech"); *Delucchi v. Songer*, 133 Nev. 290, 299, 396 P.3d 826, 833 (2017)

II. Plaintiff has failed to demonstrate the inapplicability of the Anti-SLAPP Statute

Plaintiff's Opposition fails to demonstrate that Defendants communications do not fall within the scope of NRS 41.637.

---

[1] See, e.g., *Fink v. Oshins*, 118 Nev. 428, 434 (2002)

While Plaintiff's Opposition introduces new arguments and allegations, such as those relating to contractual matters, none of these matters are relevant or provide further support for the basis of its RICO claims of extortion and racketeering against Defendants as set forth in its Complaint.

Plaintiff's Complaint specifically references Defendant Richard Newman's prelitigation demand letter[2] and his communication to the UKGC, which was made in response to the UKGC's request for information made during the UKGC's consideration of an application for licensure submitted on behalf of Full Color Games, Limited[3] as forming the basis for Plaintiff's RICO Claims of extortion and racketeering against the Defendants.

Defendant Richard Newman has argued that he had a good faith basis and probable cause for sending his prelitigation demand letter was made contemplation of litigation. Indeed, Plaintiff's actions of engaging in settlement discussions with Defendant Richard Newman after receiving the letter support the existence of probable cause.

Plaintiff's Opposition attempts to argue that Defendant Richard Newman lacked a good faith basis for the prelitigation demand letter. However, Plaintiff's own pleadings ironically provide support for Defendant acting in good faith and having probable cause to assert breach of contract claims in his prelitigation demand letter.

For example, in its Complaint and Opposition pleadings, Plaintiff states the following: that Defendant Richard Newman had entered into a partnership and agreement by which he provided services for six years that benefitted Plaintiff;[4] that contractual relationships existed between Defendant Richard Newman and Plaintiff in successor entities including Plaintiff;[5] that Defendant Richard Newman was granted shares in Plaintiff;[6] that Defendant Richard Newman was a Director

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[2] See Paragraph 337 and 338 of Plaintiff's Complaint; See also Exhibit 3 of Defendant's Special Motion to Dismiss for a copy of Defendant Richard Newman's prelitigation demand letter

[3] See Paragraph 347 of Plaintiff's Complaint

[4] See Paragraphs 314 and 317 of the Complaint

[5] See Paragraphs 323 and 324 of the Complaint

[6] See Paragraphs 324 and 327 of the Complaint

of Full Color Games, Limited;[7] and that Defendant Richard Newman provided services to Full Color Games, Limited as its Chief Legal Officer and received at least one monthly payment for the same[8].

Despite all of the above being stated by Plaintiff in its own pleadings, Plaintiff's Opposition attempt to present the unconvincing argument that Defendant Richard Newman did not have a good faith basis or probable cause to send a prelitigation demand letter, including a breach of contract claim, after he was ousted from the company and had his shares in Plaintiff taken from him in violation of Defendant Richard Newman's agreements with Plaintiff and Full Color Games, Limited.

III. Plaintiff's has failed to demonstrate that it can prevail on its RICO Claims

Pursuant to the Anti-SLAPP statute, the burden shifts to Plaintiff, who must make a sufficient evidentiary showing that it has a probability of prevailing on its claims of extortion and racketeering against the Defendants. NRS 41.660(3)(b).

Plaintiff has failed to present any evidence in this regard. Instead, in its Opposition Plaintiff unconvincingly argues that Defendant Richard Newman lacked good faith to send the prelitigation demand letter with breach of contract claims, which can be disregarded as meritless for at the reasons cited above. Other than that, Plaintiff presents a new series contractual matters that are wholly unrelated to its RICO Claims, the communications from which it based its RICO Claims or any other allegations in its Complaint. Ultimately, the contractual relationships discussed only further dispute Plaintiff's argument that Defendant Richard Newman lacked a good faith basis for claiming a breach of contract occurred in his prelitigation demand letter.

Furthermore, Plaintiff has still failed to show any plausible connection between the communications of Defendant Newman and Newman Law, LLC or Cooper Blackstone, LLC, or any basis for its RICO Claims against Newman Law, LLC or Cooper Blackstone, LLC.

That said, Plaintiff now claims on Page 7 of its Opposition that a connection existed with Defendant Newman Law, LLC as outside legal counsel. To be specific, Plaintiff states that "Newman and Newman Law was heavily involved in all aspects of the process of this transaction" and that

---

[7] See Paragaph 328 of Plaintiff's Complaint

[8] Paragraph 331 of Plaintiff's Complaint

"Newman Law was FCGI's outside legal counsel" in its Opposition. This assertion by Plaintiff clearly contradicts Plaintiff's original argument in its Complaint on this issue in which it stated that Defendant Richard Newman had no basis for asserting any claims against Plaintiff because Plaintiff had no relationship with Newman and Newman Law and that Defendant Newman's claim to the contrary was "concocted" in an attempt to "extort money".[9]

These two positions presented by Plaintiff in two different pleadings in the same litigation clearly contradict each other and cannot be reconciled, yet Plaintiff presented both positions anyway. This can be expected to continue because Plaintiff has made many misrepresentations in its pleadings as to circumstances and events, as well as the contents of the prelitigation demand letter, in an attempt to fabricate support for its baseless RICO Claims against Defendants.

IV. <u>Plaintiff's Request for Discovery should be denied as improper</u>

Plaintiff's request for discovery would provide no relevant information and is merely an attempt to prolong this matter unnecessarily causing further harm to Defendants and should be denied as such. Plaintiff has alleged the basis for its RICO Claims against Defendants as the Defendant Richard Newman's prelitigation demand letter and communication with the UKGC. Plaintiff already has a copy of the prelitigation demand letter and has made no attempt to determine what Defendant Richard Newman actually communicated to the UKGC. In fact, while Plaintiff submitted a letter from the UKGC in its Opposition, the letter merely requests information regarding the status of Defendant Richard Newman with respect to the licensure application along with eleven other request for information. Tellingly, Plaintiff did not include its response to the UKGC's request for information in its exhibits, so it's unknown if Plaintiff even actually submitted a response at all. However, presumably, Plaintiff stated its case directly to the UKGC in its response to the letter and had the opportunity to challenge anything Defendant Richard Newman might have stated to the UKGC. Plaintiff also already possesses all of Defendant Richard Newman's emails sent from his Full Color Games email address.

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[9] See Paragraph 343 of Plaintiff's Complaint

Any communications with other parties, particularly communications which occurred well after the predicate acts which form the basis of Plaintiff's Complaint, would be entirely irrelevant as to the underlying issue of whether or not the alleged acts by Defendant Richard Newman are privileged and protected communications under the Anti-SLAPP statute. Such communications would serve no purpose in the resolution of Defendants Special Motion to Dismiss and would be outside the scope of discovery even if this matter were allowed to proceed.

V. CONCLUSION

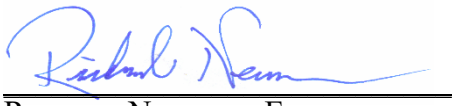
Based on the foregoing, as discussed in detail below, Plaintiff's lawsuit constitutes a "strategic lawsuit against public participation" ("SLAPP") that impermissibly seeks to punish Defendants for their efforts to exercise their constitutional right to petition the courts for redress and respond to requests from governmental entities. Plaintiff's Opposition fails to provide any other basis for its RICO claims against the Defendants other than privileged and protected communications, and have failed to submit clear and convincing evidentiary support for its RICO claims against the Defendants. Thus, Defendants continue to seek an order dismissing Plaintiff FCGI's instant lawsuit under Nevada's anti-SLAPP statute.

For the foregoing reasons, Defendants respectfully request that the Special Motion to Dismiss be granted in full and that each of Plaintiff's claims be stricken.

DATED this 19th day of April, 2019.

Respectfully submitted,

NEWMAN LAW LLC



RICHARD NEWMAN, ESQ.
Nevada Bar No. 9943
7435 S. Eastern Ave., Suite105-431
Las Vegas, Nevada 89123
Attorneys for Defendants
Richard Newman; Newman Law, LLC; and
Cooper Blackstone, LLC

CERTIFICATE OF SERVICE

Pursuant to Administrative Order 14-2, a copy of **THIRD-PARTY DEFENDANTS' REPLY IN SUPPORT OF SPECIAL MOTION TO DISMISS ACTION PURSUANT TO *NEV. REV. STAT. ANN. § 41.650, et seq.*** was electronically filed on the 19th day of March, 2019 and served through the Notice of Electronic Filing automatically generated by the Court's facilities to those parties listed on the Court's Master Service List (*Note: All Parties Not Registered Pursuant to Administrative Order 14-2 Have Been Served By Mail.*):

Mark A. Hutchison, Esq.
Todd Prall, Esq.
HUTCHISON & STEFFEN, LLC
10080 West Alta Drive, Suite 200
Las Vegas, Nevada 89145

Attorneys for Defendants & Counter-Claimants David Mahon, Glen Howard, Intellectual Properties Holding, LLC, Full Color Games, LLC, Full Color Games, N.A., Inc., Full Color Games Group, Inc. and Jackpot Productions, LLC

/Richard H Newman/

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Steven D. Grierson
CLERK OF THE COURT

NEOJ
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Tel: (702) 385-2500
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mhutchison@hutchlegal.com
tprall@hutchlegal.com

Attorneys for Defendant & Counter-claimant Full Color Games Inc.

DISTRICT COURT

CLARK COUNTY, NEVADA

In re: FULL COLOR GAMES, INC. MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENIUM TRUST COMPANY, LLC CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; individually and as shareholders of FULL COLOR GAMES, INC.; DOES 1 through 10; and ROE CORPORATIONS 1 through 10, inclusive, Plaintiffs, vs. DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDING, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD., an Isle of Man corporation; FULL COLOR GAMES, LLC, a Nevada limited liability company; FULL COLOR GAMES, LTD., an Isle of Man corporation; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTION, LLC, a Nevada limited liability company; Nominal Defendant FULL COLOR GAMES, INC., a Nevada corporation; DOES I through X; and ROE	Case No. A-17-759862-B Dept. No. 13 **NOTICE OF ENTRY OF ORDER ON THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PURSUANT TO NEV. REV. STAT. ANN. § 41.650, et seq.**

Docket 79395 Document 2019-39979

CORPORATIONS I through X,

Defendants.

AND ALL RELATED MATTERS

TO: ALL INTERESTED PARTIES

NOTICE IS HEREBY GIVEN that an Order on Third-Party Defendants' Special Motion to Dismiss Action Pursuant to Nev. Rev. Stat. Ann. §41.650, et seq. was entered in the above-entitled action on July 10, 2019, a copy of which is attached hereto.

DATED this 10th day of July, 2019.

HUTCHISON & STEFFEN, PLLC

/s/ Todd W. Prall

Mark A. Hutchison (4639)
Todd W. Prall (9154)

Attorneys for Defendants David Mahon; Glen Howard, Intellectual Properties Holding, LLC; Full Color Games, LLC; Full Color Games, N.A., Inc.; Full Color Games Group, Inc.; Jackpot Productions, LLC; and Full Color Games, Inc.

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of Hutchison & Steffen, PLLC and that on this 10th day of July, 2019, I caused the document entitled **NOTICE OF ENTRY OF ORDER ON THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PURSUANT TO NEV. REV. STAT. ANN. § 41.650, et seq.** to be served on the following by Electronic Service to:

ALL PARTIES ON THE E-SERVICE LIST

/s/ Madelyn B. Carnate-Peralta
An employee of Hutchison & Steffen, PLLC

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Attorneys for Defendant & Counter-claimant
Full Color Games Inc.

DISTRICT COURT
CLARK COUNTY, NEVADA

In re: FULL COLOR GAMES, INC. a MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENIUM TRUST COMPANY, LLC CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; individually and as shareholders of FULL COLOR GAMES, INC.; DOES 1 through 10; and ROE CORPORATIONS 1 through 10, inclusive, Plaintiffs, vs. DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDING, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD., an Isle of Man corporation; FULL COLOR GAMES, LLC, a Nevada limited liability company; FULL COLOR GAMES, LTD., an Isle of Man corporation; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTION, LLC, a Nevada limited liability company; Nominal Defendant FULL COLOR GAMES, INC., a Nevada corporation; DOES I through X; and ROE CORPORATIONS I through X, Defendants.	Case No. A-17-759862-B Dept. No. 13 **ORDER ON THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PURSUANT TO NEV. REV. STAT. ANN. § 41.650, et seq.**

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DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDINGS, LLC, a Nevada limited liability company; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company, FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimants,

vs.

MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimant,

v.

MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENNIUM TRUST COMPANY, LLC, CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; JEFFREY CASTALDO; an individual; B.L. Moore Construction, Inc., a California corporation;

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Third-Party Claimant,

v.

SEBASTIAN J. BASTIAN, an individual; DIRK SIMMONS, an individual; MARTIN LINHAM, an individual; PLAYTECH SYSTEMS LTD, a Bahamian limited company; ISLANDLUCK.COM, a Bahamian subsidiary of

PLAYTECH; DAVINCI TRADING GROUP, a Cayman Islands limited liability company; DAVINCI HOLDINGS LTD, an Isle of Man limited liability company; ILG SOFTWARE LTD, an Isle of Man limited liability company; VALCROS, LLC, a Nevada limited liability company; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; MARA H. BRAZER, an individual; TERESA MOORE, an individual; LARRY MOORE, an individual; BRIAN MARCUS, and individual; JOHN BROCK III, an individual;; JOHN BROCK IV an individual; MUNGER & ASSOCIATES, INC., a Nevada Corporation; MULTISLOT, LTD, an Isle of Man Company; ERIC J. JUNGELS, an individual; JEFF HORAN, an individual; SPIN GAMES, LLC, a Nevada limited liability company; KENT YOUNG, an individual; KUNAL MISHRA, an individual; RICHARD NEWMAN, an individual; NEWMAN LAW, LLC, a Nevada limited liability company; Cooper Blackstone, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X.

Third-Party Defendants

Third-Party Defendants Richard Newman's, Newman Law, LLC's, and Cooper Blackstone, LLC's Special Motion to Dismiss Action Pursuant to Nev. Rev. Stat. Ann. §41.650, et seq. came on for hearing on April 25, 2019. Richard Newman appeared on behalf of Third-Party Defendants Richard Newman, Newman Law, LLC, and Cooper Blackstone, LLC. Todd W. Prall appeared on behalf of Third-Party Plaintiff Full Color Games, Inc.

The Court, having reviewed the papers on file herein and having heard arguments of counsel enters the following findings and order:

FINDINGS

1. On February 4, 2019, Third Party Plaintiff filed its Third Party Complaint including various RICO-based claims of extortion and racketeering against Third-Party Defendants Richard Newman, Newman Law, LLC and Cooper Blackstone, LLC.

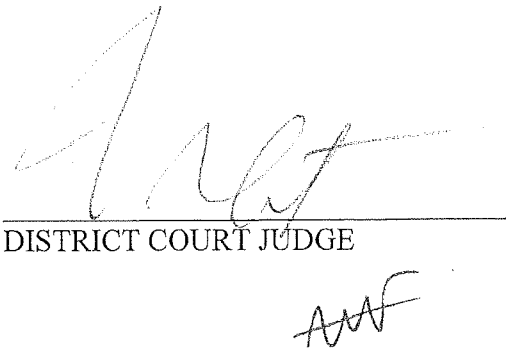
2. On March 13, 2019, Third-Party Defendants Richard Newman, Newman Law, LLC and Cooper Blackstone, LLC filed its Special Motion to Dismiss Pursuant to Nev. Rev. Stat. Ann. §41.650, et seq., arguing that Third Party Plaintiff's RICO based claims asserted in its Complaint were predicated on privileged pre-litigation communication sent by Richard Newman to Third Party Plaintiff.
3. In its pleadings and at the hearing, Third-Party Plaintiff argued that Nev. Rev. Stat. Ann. §41.650, et seq. was inapplicable to pre-litigation communication.
4. At the hearing, the Court found that Nev. Rev. Stat. Ann. §41.650, et seq. was inapplicable to the communication sent by Richard Newman to Third-Party Plaintiff.

ORDER

Based on the foregoing:

IT IS HEREBY ORDERED that Third-Party Defendants Richard Newman's, Newman Law, LLC's, and Cooper Blackstone, LLC's Special Motion to Dismiss Action Pursuant to Nev. Rev. Stat. Ann. §41.650, et seq. is denied in its entirety without prejudice to a Rule 12(b)(5) motion or a motion for summary judgment.

DATED this 9th day of July, 2019



DISTRICT COURT JUDGE

Submitted by:

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Attorneys for Defendant & Counter-claimant
Full Color Games Inc.

DISTRICT COURT
CLARK COUNTY, NEVADA

In re: FULL COLOR GAMES, INC.
a
MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENIUM TRUST COMPANY, LLC CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; JEFFREY CASTALDO; an individual; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; individually and as shareholders of FULL COLOR GAMES, INC.; DOES 1 through 10; and ROE CORPORATIONS 1 through 10, inclusive,

Plaintiffs,

vs.

DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDING, LLC, a Nevada limited liability company; INTELLECTUAL PROPERTY HOLDINGS, LTD., an Isle of Man corporation; FULL COLOR GAMES, LLC, a Nevada limited liability company; FULL COLOR GAMES, LTD., an Isle of Man corporation; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTION, LLC, a Nevada limited liability company; Nominal Defendant FULL COLOR GAMES, INC., a Nevada corporation; DOES I through X; and ROE CORPORATIONS I through X,

Defendants.

Case No. A-17-759862-B
Dept. No. 13

THIRD-PARTY PLAINTIFF'S OPPOSITION TO THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PURSUANT TO NEV. REV. STAT. ANN. § 41.650, et seq.

Docket 79395 Document 2019-39979

Case Number: A-17-759862-B

DAVID MAHON, an individual; GLEN HOWARD, an individual; INTELLECTUAL PROPERTIES HOLDINGS, LLC, a Nevada limited liability company; FULL COLOR GAMES, N.A., INC., a Nevada corporation; FULL COLOR GAMES GROUP, INC., a Nevada corporation; JACKPOT PRODUCTIONS, LLC, a Nevada limited liability company, FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimants,

vs.

MARK MUNGER, an individual; DOES I through V; and ROE CORPORATIONS I through V,

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Counter-claimant,

v.

MARK MUNGER, an individual; DAVID'S HARD WORK TRUST LTD. 3/26/2012, a California Trust; MOORE FAMILY TRUST, a California Trust; MILLENNIUM TRUST COMPANY, LLC, CUSTODIAN FBO GARY SOLSO, IRA, a California Trust; MARA H. BRAZER, as Trustee for the MARA H. BRAZER TRUST UTA 2/12/2004, a California Trust; JEFFREY CASTALDO; an individual; B.L. Moore Construction, Inc., a California corporation;

Counter-defendants.

FULL COLOR GAMES, INC., a Nevada corporation,

Third-Party Claimant,

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SEBASTIAN J. BASTIAN, an individual; DIRK SIMMONS, an individual; MARTIN LINHAM, an individual; PLAYTECH SYSTEMS LTD, a

Bahamian limited company; ISLANDLUCK.COM, a Bahamian subsidiary of PLAYTECH; DAVINCI TRADING GROUP, a Cayman Islands limited liability company; DAVINCI HOLDINGS LTD, an Isle of Man limited liability company; ILG SOFTWARE LTD, an Isle of Man limited liability company; VALCROS, LLC, a Nevada limited liability company; G. BRADFORD SOLSO, an individual; DAVID ECKLES, an individual; MARA H. BRAZER, an individual; TERESA MOORE, an individual; LARRY MOORE, an individual; BRIAN MARCUS, and individual; JOHN BROCK III, an individual;; JOHN BROCK IV an individual; MUNGER & ASSOCIATES, INC., a Nevada Corporation; MULTISLOT, LTD, an Isle of Man Company; ERIC J. JUNGELS, an individual; JEFF HORAN, an individual; SPIN GAMES, LLC, a Nevada limited liability company; KENT YOUNG, an individual; KUNAL MISHRA, an individual; RICHARD NEWMAN, an individual; NEWMAN LAW, LLC, a Nevada limited liability company; Cooper Blackstone, LLC, a Nevada limited liability company; DOES I through X; and ROE CORPORATIONS I through X.

Third-Party Defendants

1. Introduction.

Counter-claimant and Third-Party Plaintiff Full Color Games, Inc. ("FCGI") opposes Third-Party Defendants' Special Motion to Dismiss Action Pursuant to NRS 41.650. The motion fails because Third-Party Defendants Richard H. Newman ("Newman"), Newman Law, LLC ("Newman Law"), and Cooper Blackstone, LLC ("CBL," collectively, "Newman Defendants") cannot demonstrate that any of their acts as alleged in the Third-Party Complaint constituted "good faith communication in furtherance of the right to petition or the right to free speech in direct connection with an issue of public concern" under NRS 41.650.

The Newman Defendants' motion attempts to convert his private business affairs into alleged issues of public debate. Worse, the Newman Defendants' alleged "pre-litigation

demand" never resulted in litigation. This is because it was not a "pre-litigation demand" at all. Essentially, FCGI and Full Color Games, Ltd. ("FCGLTD") terminated their relationship with Newman and the other Newman Defendants because Newman had fraudulently obtained rights under a net profits agreement by concealing the fact that he was not authorized by his employer to consummate the agreement. Later he converted that profits agreement into FCGI shares by misrepresenting legal work he had completed, and concealing secretly-filed, fraudulently-billed, and wrongfully-abandoned intellectual property rights. Later still, he concocted a non-existent employment agreement. Newman used these misrepresentations and concoctions in his "pre-litigation" demand letter to assert rights he knew he did not possess and to extort money and property he knew he was not entitled to from FCGI.

Simply put, Newman cannot show that his communications were made good faith. His communications were made even though Newman knew the representations he made were false. Newman's communications were unrelated to any current issue pending before any court or administrative body. No lawsuit had been filed and neither was one pending before any court at the time. Newman's communications were illegal, fraudulent, and extortionate. The extortionate nature of Newman's communications is highlighted by the fact that Newman never commenced any litigation to enforce the rights he alleges. Under these circumstances, Newman cannot show that the alleged protected communications fall within the protection of the anti-SLAPP statute. Newman's fraudulent and extortionate activity and communications neither deserve nor have any protection under Nevada's anti-SLAPP statutes. The Newman Defendants' motion should be denied.

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2. Factual Background.

Although not all directly pertinent to Newman's factually ill-conceived and legally unsupported anti-SLAPP motion, the following facts set forth sufficient background to understand the nature of Newman's fraudulent and extortionate conduct that have no anti-SLAPP protection.

A. Newman initial relationship with Mahon and his inventions obtained via misrepresentations and fraud.

As set forth in more detail in the Declaration of David Mahon, attached hereto as Exhibit A, David Mahon is inventor, creator, and sole owner of an entirely new and unique class of cards and casino gaming and the owner of intellectual property rights of Full Color® Cards, Full Color® Games, and the Full Color® Gaming System, including copyrights, trademarks, patents pending, and other forms of intellectual property (the "Full Color IP"). *See* Mahon Decl., ¶ 3.

Because of several attempts of potential investors to improperly obtain rights to Mahon's inventions, which are set forth in more detail in Mahon's declaration, Mahon filed for copyright, trademark, and patent applications in his own name as the sole inventor. Mahon sought intellectual property rights for everything that he had invented and licensed under certain master rights of his property to his wholly owned holding company that then granted sublicense rights to a multitude of business enterprises since 2010, including but not limited to Multi-Play™ Bingo; Bingo Poker™; Full Color® Games and the Full Color® Gaming System ("FCGS") and all of its related unique and proprietary intellectual property collectively known, and previously referred to, as the "Full Color IP" and in totality creating the full portfolio of intellectual property rights belonging to Mahon ("IPR"), different portions of which had been licensed to FCGI and others. *Id.* ¶¶ 4-5.

After numerous attempts to engage with investors who failed to perform their contractual obligations while trying to obtain licensed revenue rights to Mahon's IPR (as set forth in more detail in Mahon's declaration), Mahon was ultimately left strapped with debt from legal fees for IPR filings with the United States Patent & Trademark Office ("USPTO") and the

United States Copyright Office ("USCO") with no way to pay to maintain the legal protection of his own assets. Unless Mahon could continue to maintain his USPTO IPR applications by meeting several filing and other related deadlines with the USPTO, Mahon risked losing his IPR protections. *Id.* ¶¶ 6-7.

Although Mahon continued to pay down the debt he was left with, Mahon simultaneously sought to continue his IPR protections through the USPTO filings and was ultimately referred to Newman as a local intellectual property attorney working for Howard & Howard Attorneys, PLLC ("H2") who could possibly help him. After Mahon explained his situation to Newman and demonstrated his unique product, Newman expressed interest in being involved in Mahon's business and stated that though he had never performed legal work on a "sweat equity" deal before, he was interested in doing so here. Newman told Mahon that Newman would be willing to handle the legal work for the USPTO and United States Copyright Office ("USCO") for no up-front legal fees as long as Mahon would pay "hard costs" and related filing fees with either the USPTO or USCO in exchange for Newman obtaining a 5% interest in the net profits realized from the IPR. *Id.* ¶ 11.

Based on Newman's representations, Mahon sent a proposed Assignment of Gross Revenue Interests ("AGRI") to Newman for review. Newman initially responded stating that he had to deal with a conflict of interest with H2 prior to finalizing the AGRI, but later confirmed that he had spoken to Mahon's prior corporate and security attorney and Newman had in fact resolved any conflicts and indeed, continued forward. Newman executed the AGRI on or about April 1, 2010. *Id.* ¶¶ 12-14; *see also* AGRI, attached as Exhibit B. Thereafter and for the next four years, H2 billed Mahon and his entities directly for the costs relating to the IPR, and Mahon caused those bills to be paid for those costs. *See* Mahon Decl., ¶ 18.

In October 2014, however, Newman informed Mahon that Newman had abruptly terminated his relationship with H2, and that because of the AGRI, Mahon was required to transfer his files to Newman Law. Mahon resisted doing so, but was repeatedly reassured by Newman that Newman had everything relating to Mahon's IPR in perfect order. *Id.* ¶¶ 18-19

Newman, however, did not disclose the AGRI to H2, and apparently did not work out

any conflicts he informed Mahon had arisen. Indeed, Newman obtained the AGRI. On October 6, 2016, H2 denied having any knowledge of, or ever authorizing Newman who was an H2 employee at the time, to enter into the AGRI. Newman never informed Mahon that Newman had not disclosed the AGRI to H2 and had not obtained authorization from H2 enter into the AGRI. *Id.*, 20; *see also* Letter from H2 dated October 6, 2016, attached as Exhibit C.

Long after Newman had left H2, on or about August 1, 2015, FCGI had formally completed changes to their corporate structure in preparations to become a fully licensed real money casino gaming development and software distribution company based on the IPR licensing rights from Mahon, which required a single unification of all of the prior net profit agreements, convertible notes, and other investment mechanisms. FCGI acted in good faith, believing that Newman had and continued to faithfully carry out all of its terms and conditions, and converted Newman's 5% profit interest in Mahon's IPR into shares of FCGI common stock. *See* Mahon Decl., ¶21. As part of this transfer, Mahon, Newman and FCGI voluntarily terminated the AGRI in exchange for 1,000,000 shares of FCGI, which equaled 5% of the original 20 million shares FCGI had issued when it was initially formed. Newman requested that FCGI issue the shares to CBL. FCGI did so based on the repeated representations Newman provided that he had all of the IPR matters in perfect order, per their initial agreement. Mahon later learned these representations were false. *See* Mahon Decl., ¶¶ 21-24.

B. Newman is not an employee and has no employment agreement.

As explained several times during this litigation and set forth in the Third-Party Complaint, FCGI ultimately attempted a transaction whereby it would transfer its assets, the primary asset being a limited license agreement, to a company formed in the Isle of Man ("IOM") called Full Color Games, Ltd. ("FCGLTD"). This transaction was contemplated for many reasons, among them, a need for additional funding from investors who did not want to invest in an American based company, and the natural evolution to a country that supported an online casino friendly tax free international business environment. *See* Mahon Decl. ¶ 26.

Newman and Newman Law was heavily involved in all aspects of the process of this transaction. Newman Law was FCGI's outside legal counsel and Newman was appointed as the

Chief Legal Officer ("CLO") of FCGLTD, as he was for FCGI, and was also a Director and bank signatory of FCGLTD. *Id.* ¶ 27.

Martin Linham, who had been appointed as the Chief Financial Officer of FCGI, also took on the role of being the CFO, Isle of Man Resident Director and primary bank signatory of FCGLTD. Because there was not significant funding for FCGLTD, and FCGI before it, all of the officers and others who provided services would bill those services as an independent contractor on an as needed basis as the company was developing. Although Linham was initially billing FCGLTD as an independent contractor for his services as CFO and as the required IOM resident director for his services, the IOM Tax Division immediately stopped this arrangement once they discovered that FCGLTD had filed for its first real money casino gaming license application and forced Linham to create an employee tax account and begin to pay employee taxes as he was an IOM resident Director and Officer of the company as a matter of law. Because of these legal requirements, Linham was the only employee of FCGLTD. Indeed, Newman, Mahon and any other USA based parties performing work related to FCGLTD were prohibited from having any employment and even contractor contracts directly with FCGLTD based on tax and employment information and advice provided by KPMG in IOM that was further affirmed by FCGI's CPA in the United States. *Id.* ¶ 28; *see also* Emails from Linham confirming that Newman was not an employee and confirming reasons for precluding the employment of any United States based workers with FCGLTD, attached as Exhibit D.
It was not in any way illegal to prohibit USA based employment or contractor contracts, it was merely a tax strategy that FCGLTD could not afford until it had obtained a Series A funding due to the extraordinary costs of "transfer pricing" and the complexities in international tax law requiring highly specialized extremely expensive tax accountants to facilitate it on a monthly and annual basis. Until additional full Series A funding was available as proposed in the FCGLTD Private Place Memorandum referenced below, and profits from a future revenue stream, FCGLTD could not sustain the additional costs required to complete the process of employing or contracting directly with USA based workers.

Indeed, FCGLTD's Private Placement Memorandum ("PPM"), which Newman crafted

with Linham, clearly confirms the tax strategy and status that Newman was not at any time an employee receiving a salary from FCGLTD as Newman claims. Beginning in October, 2015, Linham, as FCGI's CFO, began drafting business plans for the PPM for what would become FCGLTD. There were multiple versions prepared between October, 2015 and May, 216. *See* Mahon Decl., ¶ 29.

On March 14, 2016, Newman specifically added his comments to Revisions entitled DRAFT 5 and DRAFT 6 and named the revisions with his RHN initials. In Draft 5 & 6, including all the way to the Final PPM, Section 5, which was entitled "REMUNERATION OF DIRECTORS" the document identifies "estimated director's remuneration for the current financial year," but then noted "the directors have not been receiving any payment of salary and have not been accruing such payment." *See* PPM, §5, attached as Exhibit E. Further, in Draft 5 & 6, including all the way to the Final PPM, in Section 9 entitled "SIGNIFICANT OFFICERS & EMPLOYEES" the document identifies several employees, but does not mention Newman as an employee. *Id.* §9. Finally, in Draft 5 & 6, including all the way to the Final PPM, in Section 11 entitled "FUTURE RESOURCE AND STAFF ORGANOGRAM" the document expressly states:

> 11. FUTURE RESOURCE AND STAFF ORGANOGRAM
> To date, FCGL has minimised staff costs through operation with a small dedicated team and through utilisation of outsourced commercial arrangements, which have not always been best for the Company. ***Once properly funded, FCGL intends to make the following key hires and changes to its current resource***:
>
> 11.1 Current CEO, CFO, CLO and CTO will be paid a full-time salary at a reasonable commercial rate to allow for the fact that the business is still in the early stages of producing revenue with new, already identified and highly experienced, COO and President being brought into the business at similar commercial rates

Id. §11 (emphasis added). Later, on October 26, 2016, Linham disclosed the PPM to the UKGC and 27 different investors, affirming its intentions concerning current employment and later employment. *See* Letter dated October 25, 2016, attached as Exhibit F.

Even if Newman, as the CLO of FCGLTD, had prepared a proposed employment agreement for himself and FCGLTD to execute, there is no question that such employment was

not authorized and never consummated for the reasons stated above. Newman's efforts to enforce an employment agreement as a basis for a "pre-litigation" demand is simply false.

All of the documentation concerning FCGLTD and its relationships with its directors and officers confirms that Newman was not, and could not be, employed by FCGLTD during the time period involved, and Newman knew that he had no employment agreement. Therefore Newman's efforts to enforce an employment agreement are simply false.

C. Newman is terminated when Mahon discovers Newman's failures to perform, fraudulent representations, concealments and other malfeasance.

It is true that Newman did, on one and only one occasion, receive a payment for legal contract work to be performed by Newman Law that was argued by Newman to be outside of the scope of his AGRI agreement and his ongoing responsibilities to complete certain legal contract work. Newman explained he was in a financial crisis due to failed business endeavor of his called Vegas Game Point, LLC ("VGP"). It was in FCGLTD's best interest not to contend with Newman at this time. As a result, Newman was, in fact, paid $10,000 via Full Color Games, N.A. ("FCGNA"), FCGLTD's wholly owned American subsidiary to perform certain legal work --- FCGNA was the vehicle by which all United States contractors were paid at the time. *See* Mahon Decl., ¶¶ 28 &34. Linham and Mahon authorized a payment to Newman through FCGNA and set forth specific tasks that Newman and Newman Law needed to complete for the payment FCGNA authorized. Newman now argues that the legal contract work with Newman Law somehow has become his employment agreement with FCGLTD. Newman's claims are not only wrong, they are fraudulent. Newman cannot simply convert a one-time payment for certain services, which was to be paid by FCGNA, into an ongoing employment arrangement between himself and FCGLTD. Newman's actions speak volumes of his understanding of corporate formalities as he has no qualms in blending his interests with that of his roles and duties as an officer and Director of the company, or blurring the lines between himself and his companies, Newman Law and CBL. Even as an employee of H2, Newman ignored his duties to his employer and surreptitiously acted as a client to his employer by running his personal and corporate business in complete contravention to his employment

agreements. *Id.* ¶¶ 28 & 34.

On or about August 17, 2016 just a few weeks after Newman Law, which was paid to Newman directly at his request, received the $10,000 FCGNA check for its legal contract work, FCGLTD submitted its United Kingdom Gambling Commission ("UKGC") Remote Gaming Software License ("RGSL") Application, which included mandatory Personal Management License ("PML") applications for Mahon, Linham, Newman, Mark Munger, and Lee Murphy. *Id.* ¶ 35. Because Newman had received shares in FCGI and his total beneficial ownership exceeded 3%, and because of his role as a director, the applications were required to include a Newman PML application. *Id.* ¶¶ 25 & 35.

One day after the UKGC RGSL and PML applications, Linham sent correspondence to Newman and Newman Law regarding the status and delivery of the contract work he was commissioned to complete based on his receipt of and cashing the $10,000 check from FCGNA. Linham's request included a request for a list of the Full Color IP assets and the IPR protections that were in place. *Id.* ¶ 37; *see* August 18, 2016 letter, attached as Exhibit G. One day later, on August 19, 2016, Newman responded by making an additional demand of $10,000 on the first of every month to complete the work. Mahon was shocked by this demand both because Newman had just received $10,000 in good faith only three weeks earlier, and because there had never been any employment agreement in place to pay Newman $10,000 at the beginning of every month. Newman's email demands confirmed that Newman truly was in some sort of financial crisis and he was attempting to force FCGNA to bail him out. *See* Mahon Decl., ¶¶ 34& 38; August 19, 2018 email, attached as Exhibit H.

Mahon had already given Newman and Newman Law free Class A office space without any charge as a result of his VGP crisis and $10,000 of billable work paid in advance but now Newman caused Mahon to doubt everything he had previously represented. Above all, Mahon could not understand why Newman was not able to immediately provide a status report of the IPR, since he had always represented that the IPR was under control. *See* Mahon Decl., ¶ 38.

Mahon, therefore engaged in a full audit of all of the work Newman and H2 had been commissioned to produce for the last 6 years with regards to Mahon's IPR. That night, Mahon

taught himself how to use the USPTO TESS and PAIR search engines and almost immediately discovered the previously unknown abandonment of 5 patent applications (12/776,273, 12/776,336, 12/776,342, 13/083,408 and 13/747,727), the end of 2 PCT applications (PCT/US11/31836 and PCT/US11/31826), and the unknown abandonment and suspension of two trademark applications (85503833 and 86258846). A public search of the USCO also revealed failures equally as bad as H2 and Newman had further failed to obtain a single copyright on any of the 12 Full Color® Cards applications and failed to even file a copyright on Mahon's Full Color® Cards 3rd Edition, meaning that all of Mahon's IPR and all of his IPR licensees, including FCGI and FCGLTD, had lost a significant portion, or had no federally registered protected intellectual property rights at all on some of the most crucial IPR. *Id.* ¶ 39.

After Mahon learned that Newman had basically failed to complete any of the agreed upon tasks concerning the legal protection of the IPR over the last six years, despite repeated representations to the contrary by which Newman had received shares in FCGI, several meetings were held with FCGLTD Board of Directors, FCGI Board of Advisors, securities legal counsel, investors and others. It was determined that Newman must immediately be terminated from every capacity with FCGLTD and FCGI. *Id.* ¶ 40; *see, e.g.,* Meeting Minutes from the Board of Directors Meeting of FCGLTD held on August 25, 2016, attached as Exhibit I.

On August 25, 2016, Mahon emailed Newman a termination letter notifying him that he was terminated from all of his roles with all related entities, including FCGI and FCGLTD, and demanding that Newman immediately turn over all of Mahon's Full Color IP and IPR files. *See* Mahon Decl., 42; *see* August 25, 2016 termination letter/notice, attached as Exhibit J.

D. Newman utilizes concocted non-existent employment agreement and ill-gotten FCGI shares obtained via fraud to make extortionate demands on Mahon and FCGI.

Newman's initial response to Mahon's notice of his termination was to complain briefly about the procedure defects of his termination, but more importantly, Newman recognized that his termination, only a week after the UKGC filings were completed, created significant complications with the RGSL and PML applications. *See* Mahon Decl., 42; Newman email

dated August 25, 2016, attached as Exhibit K. Newman's later actions demonstrate that he knew that his continued ownership of shares in FCGI and his part in the application created a real conundrum for the application process and Newman would take every opportunity to take advantage of his position via extortionate and fraudulent demands.

Later on August 26, 2016, Linham responded to Newman and again demanded the return of all of the H2 files and Newman Law Full Color IP files as already requested. Linham also affirmed that Newman had received all payments that the parties had agreed upon. Mahon Decl., ¶ 43; August 26, 2016 email from Linham, attached as Exhibit L.

On August 27, 2016, Newman sent a 2-page email response to Mahon and Linham's demands. First, he demanded a cash payment of $5,000 for Mahon to receive the IPR files used for the copyright, trademark, and patent filings and threatened to place an attorney lien on all the IPR assets without immediate payment. Second, Newman concocted a non-existent employment agreement that he claimed as accruing a non-existent salary that he had not received. *See* Mahon Decl., 45; *see* August 27, 2016 email from Newman, attached as Exhibit N. As noted earlier, although there had been discussions of potential future salaries for officers and directors of FCGLTD as set forth the in the PPM, Newman knew that he did not have an employment agreement with FCGLTD for the reasons already set forth above.

In the August 27, 2016 email, Newman, for the first time, asserted his alleged concerns about Mahon's management of FCGLTD and the other related entities, and claimed, without any evidence, that he had voiced his concerns previously. After insinuating that he will reveal his alleged concerns of illicit conduct by Mahon and asserting concocted rights to payment under a nonexistent employment agreement, Newman coyly suggests that FCGLTD and Mahon agree to settle all their potential claims with him, despite the fact that Mahon now knows that Newman has basically done nothing to protect his IPR during the last six years and caused incalculable and even irreparable damage to Mahon and the licensees of the Full Color IP and IPR. Equally as damaging, Newman's actions constitute securities fraud and threatened to cause the loss of millions of dollars in FCGI's investor's investments. *See* Mahon Decl. ¶¶ 47-48.

Thereafter, FCGLTD was required to notify the UKGC of Newman's termination and the need to remove him from the PML and RSGL applications due to lack of suitability. However, Newman's ownership interest in FCGI's cap table exceeded 3% and remained unresolved and the UKGC demanded information concerning its resolution. Again, Newman was aware of this conundrum as he has stated he was contacted by the UKGC. However, neither Mahon, FCGI, FCGLTD, nor anyone else at the time was aware that Newman had been contacted or whether he had communicated with the UKGC. *See* Mahon Decl., ¶ 52. As such, none of the allegations in the Third-Party Complaint are based on these unknown communications. Regardless, Newman was aware that because of his ill-gotten common stock ownership interests in FCGI, which he only received because of repeated misrepresentations concerning his work product, and via misrepresentations concerning H2's initial approval and authorization of the AGRI, he could utilize this ill-gotten property to his advantage and the disadvantage of FCGI, Mahon, FCGLTD and all other interested parties who were licensees of Mahon's IPR.

Thereafter, without Mahon's knowledge and consent as Mahon was overseas in India, there were purportedly additional settlement discussions with Newman wherein, Newman only increased his demands for payment based on the shares he had fraudulently received from FCGI. He initially demanded $50,000 plus a complete and full release and later demanded $75,000 with a full and complete release. Everyone knew that Mahon, as the sole owner of the IPR, and further as the sole Director of FCGI, and majority interest shareholder through his holding company, was the only person who could enter into any communications and did not authorize any settlement discussions related to Mahon's property rights and FCGI's licensed rights to Mahon's property. Mahon only agreed to communicate with Newman on behalf of one of the FCGLTD investors, Sebastian Bastian who Newman could not get to but knew he had the funds to pay Newman's ransom demands. *See* Mahon Decl., ¶¶ 55-60. Ultimately, Bastian refused to put any more funds into FCGLTD by which it might have resolved the issues between FCGLTD and Newman, but not Mahon's or FCGI's. *Id.* ¶ 61. Because FCGLTD and FCGI could not resolve Newman's ownership of the shares, FCGLTD was unable to complete

the PML or RGSL applications and ultimately both FCGI and FCGLTD became insolvent. *Id.* ¶ 62.

E. Newman's 3% ownership interest was a problem for the UKGC.

Newman repeatedly argues that his continued ownership interest was not an issue for the UKGC. Newman's claims, however, defy the evidence.

Linham initially notified the UKGC that FCGLTD would need to remove Newman from the PML and RSGL Applications on or about August 30, 2016. *See* Email dated August 30, 2016, attached as Exhibit O.

On October 10, 2016, after receiving notice from FCGLTD that Newman was to be removed from the PML and RSGS applications, the UKGC responded and required a formal response of the reasoning behind the termination of Newman and noted that Newman's shares as a ultimate beneficial owner exceeded the minimum limit of 3% and wanted information on the disposal of those shares. *See* Letter from UKCG, attached as Exhibit P.

On October 25, 2016, Linham responded to the UKGC and explained in extraordinary detail to the UKGC why Newman was determined to be "unsuitable" for the application pursuant to the UKGC Gambling Act 2005. *See* October 25, 2016 letter, attached as Exhibit F.

On November 30, 2016, Linham contacted the UKGC again with a follow up to the disposal of Newman's shares and informed them of the following that FCGLTD needed additional time to determine the steps that need to be taken to fully dispose of Newman's shares. *See* Letter dated November 30, 2016, attached as Exhibit Q.

On April 21, 2017, FCGLTD received correspondence from UKGC putting it on final notice that failure to respond with full compliance of the RSGL application by April 28, 2017, based on the prior October 10, 2016 notice that included requested information concerning the disposal of Newman's CBL shares, would result in an automatic refusal and permanent denial of the application. *See* April 21, 2017 correspondence from UKGC, attached as Exhibit R.

Newman's status as a shareholder and his non-compliance acts that triggered FCGLTD and FCGI'S right to enforce the removal of Newman via the Share Repurchase Agreement are exclusive rights to FCGI and FCGLTD. What is exclusive to the UKGC is finding suitability in

any shareholder with more than 3% of shares or control elements of the company that an Officer and a Director positions that Newman once held were properly disposed of are of paramount import to the UKGC as they repeatedly requested that they needed information concerning the disposal of his shares so the application could be completed. Newman knew this, and repeatedly sought to extort additional gains to which he had no legal right. He had obtained and continued to maintain his ownership interest in FCGI based on fraud and repeated misrepresentations, and cannot claim in good faith that his efforts to receive more gain from those shares was part of a legitimate business dispute.

E. Additional information that can only be obtained through discovery.

The Third-Party Complaint also contains significant allegations against other parties, including Munger and Bastian, who were conspiring to destroy FCGI and Mahon's business. Upon information and belief, Munger and Bastian communicated with Newman during this time about their plans. Mahon further believes that Newman has been ghostwriting all of Munger's legal briefs to the USPTO in order to prevent Mahon's re-registration of Mahon's "Full Color" trademark that Newman's malpractice caused to be canceled by failing to file a single page "affidavit of use." FCGI will require additional discovery to explore these issues fully and, to the extent necessary, provide additional response to the anti-SLAPP motion. Specifically, FCGI is entitled to conduct discovery on all of the communications that occurred between Munger, Newman, Bastian, and others from August, 2016 through the present to determine whether Newman actions were part of a concerted effort to destroy FCGI's business operations at the time and Mahon's ongoing business with respect to the licensees of his IPR.

3. Legal Argument

A. This is not a SLAPP suit.

Like many states, Nevada prohibits SLAPP suits. *See* NRS 41.650; NRS 41.660. Analysis under these anti-SLAPP statutes is a two-step process. First, the action complained about must have been brought "based upon a good faith communication in furtherance of the right to petition or the right to free speech in direct connection with an issue of public concern." NRS 41.637. Such communications are limited to the following: (1) messages "aimed at

procuring any governmental or electoral action, result or outcome;" (2) contacting state or federal entities or their employees regarding "matter[s] reasonably of concern" to those entities; (3) messages in "direct connection with an issue under consideration by a legislative, executive or judicial body, or any other official proceeding authorized by law;" or (4) communications on matters of public interest made in a public forum. NRS 41.637. Further, the communication must be either true, or made without knowledge that it is untrue. *Id.* Court have also held that anti-SLAPP statutes do not protect communications that would otherwise be illegal, such as extortion or fraud. *See, e.g., Flatley v. Mauro*, 139 P.3d 2, 15 (Cal. 2006)

B. Newman's communications were not made in direct connection with an issue under consideration by a legislative, executive or judicial body and do not qualify for anti-SLAPP protection.

The Newman Defendants cannot even show that the communications at issue meet the basic standard for protection under Nevada's anti-SLAPP statute. The only specific category of communication that Newman tries to shoe horn the communications Newman made here is the allegation that his extortionate and false emails were somehow made in "direct connection with an issue under consideration by a legislative, executive or judicial body, or any other official proceeding authorized by law." NRS 41.637(3). However, Newman's communications do not meet this standard even on their face because there was not at the time any issues connected with his matter being considered by a judicial body. No lawsuits existed.

Newman only claims that his communications were a "pre-litigation" demand that is protected, but fails to cite any authority to support his position. Indeed, the two California cases he relies upon both involve communications that were made during litigation proceedings, not pre-litigation. For example, in *Navellier v. Sletten*, 29 Cal. 4th 82, 86–87, 52 P.3d 703 (2002), Plaintiffs' claims were based on the filing of an amended complaint in a judicial proceeding that was already proceeding. Similarly, in *Rusheen v. Cohen*, 37 Cal. 4th 1048, 1054, 128 P.3d 713,

716–17 (2006), the anti-SLAPP motion sought dismissal of abuse of process claim that asserted that an attorney's filings and motions in a pending judicial case were actionable. There is no case law that suggests, let alone holds, pre-litigation demands are protected by the anti-SLAPP statutory scheme. Indeed, the very language and definitions provided in the statute prove otherwise.

C. Newman's alleged communications are false, fraudulent, or illegal.

Further, in order to receive anti-SLAPP protection, Newman's communications must be true and made without knowledge that they are untrue. NRS 41.637. Court have also held that anti-SLAPP statutes do not protect communications that would otherwise be illegal, such as extortion or fraud. *See, e.g., Flatley v. Mauro*, 139 P.3d 2, 15 (Cal. 2006)

There is ample evidence proving that Newman's alleged "pre-litigation" demands were in fact fraudulent and extortionate. Newman knew he did not have an employment agreement with FCGTLD, but asserted a right to collect on one anyway. Newman also knew that he had obtained his interest in FCGI via repeated misrepresentations and concealments to Mahon and FCGI about the work he had "completed" and was doing for FCGI, yet still continued to assert a right to payment for those shares. Indeed, Newman knew that he had obtained rights under the original AGRI only by misrepresenting his relationship with H2 to Mahon and FCGI. Finally, Newman did not disclose the AGRI to H2, and Newman knew that he had no authorization from H2 to enter into the AGRI to begin with.

Newman's activities are clear and precise violations of 18 U.S.C. § 1346, frauds by wire; 18 U.S.C. § 1951, interference with commerce by threats or violence; 18 U.S.C. § 1341, frauds and swindles and based on an unlawful taking of FCGI's and Mahon's property,

specifically including but not limited to FCGI's common stock shares that Newman illicitly obtained and refused to return.

When FCGI and its affiliated entities discovered that Newman Law had failed to perform a series of work orders that Newman as the ultimate beneficial owner had been paid $10,000 on July 29, 2016 to produce. Newman had not even started on the work product as of August 17, 2016 and, when confronted and given a chance to cure his failed performance, he chose not to and, instead, demand more money. Mahon and FCGI investigated all of Newman's work for which he had been compensated during the last six years. They discovered that Newman had left the work undone and most of Mahon's IPR abandoned. Mahon, FCGI, FGCLTD, and any other affiliated entities terminated all business relationships with Newman. Rather than simply accepting the rightful termination of all business relationships, Newman resorted to extortion to attempt to retain FCGI's and Mahon's property, threatening to lien Mahon's property and hold the attorney-client files hostage. Newman further refused to return clear title to FCGI's securities that Newman obtained through fraud and, instead, made several ransom demands of $5,000 then $50,000 then $75,000 in order for FCGI to get its illegally obtained property back. To make matters worse, Newman demanded a waiver and full and final release of all liability to his malpractice as another ransom demand.

The only other communications Newman refers to are alleged communications that Newman purportedly had with the UKGC. Neither FCGI nor Mahon was aware of these alleged communications, if any, until they received Newman's anti-SLAPP motion, nor did the UKGC ask FCGLTD to defend any Newman communications, if any. The UKGC has never revealed any communications and to this day, FCGI does not know the substance of the communications. As such, Newman cannot rely on communications, if any, that FCGI was not aware of nor alleged in the Third-Party Complaint to form the basis of a successful anti-SLAPP motion.

Most importantly, the facts set forth herein demonstrate that none of the "pre-litigation" demands that Newman alleges support this anti-SLAPP motion were communications made in good faith. Newman knew that his demands were not supported by the facts, and that he had no legal basis for making those demands. They were made only to extort property, which did not belong to Newman, from FCGI and other affiliated entities.

D. FCGI is entitled to its fees and costs for opposing the motion.

FCGI has demonstrated that the Newman Defendants' anti-SLAPP motion based on the claim that their communications are protected by Nevada's anti-SLAPP laws if frivolous. The Newman Defendants cannot, in good faith, assert that their fraudulent and extortionate communications are not actionable.

NRS 41.670(2) provides: "If the court denies a special motion to dismiss filed pursuant to NRS 41.660 and finds that the motion was frivolous or vexatious, the court shall award to the prevailing party reasonable costs and attorney's fees incurred in responding to the motion." Further, NRS 41.670(3) provides: "In addition to reasonable costs and attorney's fees awarded pursuant to subsection 2, the court may award: (a) An amount of up to $10,000; and (b) Any such additional relief as the court deems proper to punish and deter the filing o frivolous or vexatious motions."

Here, the Newman Defendants' motion has no merit whatsoever, and can only have been filed to unnecessarily and frivolously delay the resolution of FCGI's claims. FCGI is entitled to its attorney fees and costs and additional damages as the Court may award.

5. Conclusion

For the reasons set forth herein, the Newman Defendants' motion should be denied. The Newman Defendants have not met their burden to show how the limited communications they

identify are afforded any protections under Nevada's anti-SLAPP laws. Further, even if Newman had met his initial burden, FCGI has provided ample evidence to prove that it would likely prevail on its claims. The Court should deny the Newman Defendants' motion.

DATED this 28th day of March, 2019.

HUTCHISON & STEFFEN, PLLC

/s/ Todd W. Prall

Mark A. Hutchison (4639)
Todd W. Prall (9154)

Attorneys for Defendant/Counterclaimant/Third-Party Plaintiff Full Color Games, Inc.

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I certify that I am an employee of Hutchison & Steffen, PLLC and that on this 28th day of March, 2019, I caused the above and foregoing document entitled **THIRD-PARTY PLAINTIFF'S OPPOSITION TO THIRD-PARTY DEFENDANTS' SPECIAL MOTION TO DISMISS ACTION PURSUANT TO NEV. REV. STAT. ANN. § 41.650, et seq.** to be served as follows:

☐ by placing same to be deposited for mailing in the United States Mail, in a sealed envelope upon which first class postage was prepaid in Las Vegas, Nevada; and/or

☐ to be served via facsimile; and/or

☒ pursuant to EDCR 8.05(a) and 8.05(f), to be electronically served through the Eighth Judicial District Court's electronic filing system, with the date and time of the electronic service substituted for the date and place of deposit in the mail; and/or

☐ to be hand-delivered;

to the attorneys and/or parties listed below at the address and/or facsimile number indicated below:

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/s/ Madelyn B. Carnate-Peralta
An employee of Hutchison & Steffen, PLLC

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT A

Declaration of David Mahon in support of Third-Party Plaintiff's Opposition to Third-Party Defendants' Special Motion to Dismiss Action Pursuant to Nev. Rev. Stat. Ann. § 41.650, *et seq.*

1. I am the Chief Executive Officer and Sole Director of Full Color Games, Inc. ("FCGI"), and I have personal knowledge of the facts set forth herein.

2. I make this declaration in support of Third-Party Plaintiff's Opposition to Third-Party Defendants' Special Motion to Dismiss Action Pursuant to Nev. Rev. Stat. Ann. § 41.650, *et seq.*

3. I am also the inventor, creator and sole owner of an entirely new and unique class of cards and casino gaming for the casino and non-casino industries and the owner of intellectual property rights of Full Color® Cards, Full Color® Games, and the Full Color® Gaming System ("FCGS"), including copyrights, trademarks, patents pending, and other forms of intellectual property (the "Full Color IP").

4. Between November of 2008 and March of 2010, I had met many potential investors who had seen my inventions in the Full Color IP and the FCGS. Everyone I presented my inventions to would become mesmerized with its global and perpetual profit potential, then make promises to fund its development, its commercialization, provide key political and industry relationships to exploit it, and further use all of their own experience to develop launch plans to make billions off of my inventions if they could only get a piece of the pie, with 9 out of every 10 people I met ultimately turning out to be one charlatan and fraud after another by failing to actually have the necessary funds and or follow through and honor their word.

5. In order to protect my inventions, I was advised by my securities and corporate counsel at the time to file all copyright, trademark and patent applications in my name as the sole inventor and then license the works to a wholly owned holding company order to protect my inventions from nefarious people that inevitably come along. As a result, I did exactly that, I began to file for and seek intellectual property rights for everything that I invented, including but not limited to Multi-Play™ Bingo; Bingo Poker™; Full Color® Games and the FCGS, and all of its related unique and proprietary intellectual property collectively known as and previously

referred to as the "Full Color IP," and in totality creating a full portfolio of intellectual property rights ("IPR").

6. As predicted, people who had worked for global conglomerates, trading on the currency of their associations with them began to show up in my life and engage in nefarious activity. The first scheme began when the former Mattel® CEO who, along with his partners, promised me the moon in a myriad of ways and began to introduce me to more real money casino gaming executives. As a result, they committed me to hiring IPR attorneys to file for copyright, trademark and patent protection running up a $35,000 bill with the promise to pay for it through their forthcoming investment contracts that never came. When I refused to let them have technological access to my math formulas or let them contribute to inventions, they realized I could not be conned into their empty promises just to get my trade secrets. When I refused to succumb to their unconscionable, wrongful or extortionate demands, they disappeared leaving nothing but damage and debt for me, a theme that has carried on right up to this derivative lawsuit and carrying on, all the way through to the third parties in Richard Newman ("Newman") and the rest of his racketeering enterprise led by Mark Munger ("Munger") and Sebastian Bastian ("Bastian").

7. Although I had the skillsets to continue to develop and produce my inventions, I did not have any experience or ability to prosecute patent applications. As a result of the prior investors' refusal to fulfill their obligations to me, they left me cash strapped with the ongoing debt and obligations to fund the patent application work for IPR that was not budgeted for. I could no longer pay attorneys and maintaining time sensitive filings with the United States Postal Office ("USPTO") that would ensure protection of my IPR. Ultimately I was referred to Newman as a local practitioner that allegedly specialized in social and real money casino gaming and USPTO IPR work, and might be able to help.

8. At the time, and continuing to somewhere around the mid to end of October, 2014, Newman was employed as an attorney for Howard & Howard Attorneys, PLLC ("H2").

9. On or about March 16, 2010, I met Newman at H2's Wells Fargo Tower offices where I presented Newman my entire suite of unique and proprietary intellectual property and

inventions in Full Color IP, the FCGS and my Multi-Play™ Bingo game, referred to previously as the "IPR." Newman was equally mesmerized by my inventions as everyone else I showed my IPR to.

10. I fully advised Newman of the prior investors' empty promises and failures to meet their obligations, how it had created debts owed to my original USPTO attorneys that I could not pay, and the crisis it had created. I could not currently afford to pay any legal fees to maintain my IPR. I revealed that my IPR patents pending were about to expire and the most I could afford to pay for the foreseeable future was the hard costs of the USPTO fees to convert my provisional patents into non-provisional applications.

11. Newman informed me that he had a solution and he could do all of the legal work on a sweat equity deal. He claimed that he had never worked on a sweat equity deal for legal services for anyone before but that he could and would be interested in working for a sweat equity deal in the IPR because of the profit potential in what I had invented. Newman told me that he would be willing to do all of his my USPTO and USCO work at no upfront legal cost to me if I was willing to pay the "hard costs" in filing fees with the governmental agencies, the USCO and the USPTO in exchange for 5% interest in the net profits from the IPR.

12. On March 24, 2010 at 12:45pm PST, I sent Newman a draft copy of an Assignment of Gross Revenue Interests ("AGRI") agreement via email.

13. On March 24, 2010 at 2:30pm PST, in a return email, Newman revealed that he had a conflict of interests with H2 and described how he would use H2 as "a client," despite the fact that he was an employee of H2 to resolve the conflicts.

14. On March 24, 2010 at 3:20pm PST, in a return email, I confirmed that Newman had spoken to my securities attorney and all the conflicts were worked out, and I forwarded a revised copy of the AGRI.

15. On or about April 1, 2010, Newman returned a fully executed copy of the AGRI and the relationship with Newman and H2 began. A true and correct copy of the AGRI is attached to the Opposition as Exhibit B.

16. Although the AGRI speaks for itself, the agreement ensures H2 and Newman will perform all necessary legal representation to obtain, prosecute, execute and defend the IPR that includes but is not limited to the copyright, trademark and patent work ***in perpetuity*** in consideration for the 5% assignment of gross revenue interests to the IPR. It made sense to me as Newman would have a clear motivation to continue to increase the value of his interests.

17. Between April 1, 2010 and April 24, 2014, Newman did in fact use 100% of all of H2's infrastructure. In fact, we even used all of H2's offices to do full blow film productions including videos, commercials, testimonials and interviews of H2 personnel, including Newman. H2 sent me over 65 billing statements and invoices through the U.S.P.S. that revealed 24 other H2 attorneys that were licensed with the USPTO who had worked on my IPR, along with correspondence from 16 different H2 employees that had provided everything from paralegal work to accounts receivables related to my IPR, corporation formations and all the licensing work related to the protection of it all totaling $21,956.00 in hard cost payments made to H2.

18. On or about October 20, 2014, Newman notified me, without any notice or warning whatsoever that he had terminated his working relationship with H2 and that I would have to transfer all of my legal representation over to his new company, Newman Law, LLC ("Newman Law").

19. Despite the fact that Newman Law had no offices, no employees, no support staff of any kind, no infrastructure, no planning of any kind or any sort, Newman aggressively reassured me that everything would be fine. At that time, my patent portfolio was then over 6 years old and not a single patent has been issued. I wanted to stay with H2 because of what I understood was the protection of a major law firm with a full support staff but I had no choice in the matter because of the AGRI agreement. Unbeknownst to me at that time, both H2 and Newman had already secretly caused all of my original patent and trademark applications to become abandoned Newman actively concealed the abandonments of my IPR that had already occurred.

20. Further, I was not aware at that time that, Newman, who was employed by H2 at the time, had not in fact resolved his conflicts he stated he had, and in fact had not informed H2

or obtained authorization from H2 to enter into the AGRI. In a letter dated Ocdtober 6, 2016, H2 later informed me in writing that, "*Newman lacked authority to enter into such an agreement, and never sought or never received permission from Howard & Howard to enter into that type of an agreement with you or your company. Also, no one in authority at Howard & Howard ever authorized Mr. Newman to enter into such an agreement, and we have never seen the agreement you described in your email messages or received any payment pursuant to it.*" A true and correct copy of the H2 letter dated October 6, 2016 is attached to the Opposition as Exhibit C.

21. On or about August 1, 2015, my casino gaming development company, FCGI, had formally completed the change of its corporate mandate to prepare to become a licensee and regulated real money casino gaming enterprise and as a result, unified all of its net profit agreements, convertible notes as well as modified its corporate documents that included but was not limited to termination and exchange of agreements with all investors, contractors, sub-contractors and interested parties with all necessary documents included but not limited to the Amended and Restated Bylaws of August 1, 2015 whereby FCGI implemented the new Share Repurchase Agreement ("SRA") that was an attachment and condition to any and all Share Issuance Agreements ("SIA") executed by all common stock shareholders of FCGI.

22. On or about August 1, 2015, as part of the evolution of FCGI's corporate mandate to become a licensed real money casino gaming entity, Newman and I voluntarily terminated the AGRI agreement and exchanged it for 1,000,000 shares of FCGI, which equaled 5% of the original 20 million shares FCGI had issued when it was initially formed.

23. On or about August 1, 2015, Newman further wanted his FCGI shares to be issued in the name Cooper Blackstone, LLC ("CBL"), and they were in fact issued to CBL.

24. At the time, I willingly agreed to provide Newman with shares in the form he requested because Newman had repeatedly and regularly represented to me that he was properly and adequately handling the filings with the USPTO for protection of the IPR. At no point in time prior to the termination and exchange of the AGRI had Newman informed me of any patent or trademark abandonments. I continued to ask what was taking so long for a patent to be issued and if we had heard anything back from the USPTO because, even after seven years, all of my

patent applications were still pending, and each time, Newman continued to verbally assure me not to worry and that it's "just the nature of the USPTO to take years" and to continue to be patient, as he assured me that he had everything in perfect order. I had no reason to believe that Newman was not properly handling the IPR, because after all, he had a profit based interest in the success of the outcome of his own work. In issuing Newman FCGI common stock shares in replace of the AGRI, I wholly relied upon Newman's representations that he was fully engaged in and completing the necessary work. I later learned that his representations were false.

25. Newman's shareholder interest in FCGI exceeded 3%. The UKGC Gambling Act of 2005 requires that any party who has a 3% interest or more as an ultimate beneficial owner on a UKGC casino gaming license application be required to be found suitable. Since Newman was the ultimate beneficial owner to CBL and as a result, CBL had more than 3%, Newman was required to apply for and obtain a Personal Management Application ("PML") and be investigated through background checks and due diligence in order to be found suitable in order by any gaming control board.

26. As explained in more detail in the Third-Party Complaint in a further evolution of FCGI's business and investment strategy, FCGI ultimately attempted a transaction whereby FCGI would transfer its primary asset --- a limited license to certain elements of my IPR, to a new Isle of Man ("IOM") company called Full Color Games Ltd ("FCGLTD"). This transaction was contemplated for many reasons, among them, a need for additional funding from investors who did not want to invest in an American based company and the natural evolution to a country that supported a real money online casino friendly tax free international business environment.

27. As FCGI's CLO, Newman and Newman Law were heavily involved in all aspects of the process of attempting this transaction, from the securities contracts and negotiations in all of the licensing agreements, foreign IOM corporate formations, board resolutions, business plans, Private Placement Memorandums, directors and officer insurance to the final FCGI escrow documents that would complete the IOM transfer. I have learned recently that this transaction was not fully consummated because FCGLTD never issued any shares despite Newman's escrow instructions, on April, 11 2016. Despite the fact that escrow

documents were never fully executed, no legal transfer ever took place, I and other members of FCGI and FCGLTD continued operating as if the transaction had been properly completed. During the course of the Motion practice in this derivative lawsuit, it was discovered that the IOM Companies Registry revealed that FCGI has no legal ownership whatsoever in FCGLTD and more importantly, never legally did. When FCGLTD was formed, Newman was appointed to the same role as Chief Legal Officer ("CLO") as he was for FCGI, and further, was appointed as a Director and bank signatory by the true legal owner of FCGLTD which was Chase Nominees Ltd ("Chase") and managed by Corporate Options Ltd ("Corporate Options"), both domestic IOM corporations under the 2006 Companies Act whereby Chase was and still is the sole subscriber to FCGLTD and Corporate Options was the sole Registered Agent at all times.

28. Martin Linham, who was previously appointed as the Chief Financial Officer ("CFO") of FCGI, was also appointed as the CFO of FCGLTD, and was a resident of IOM. Although Linham was billing FCGLTD as an independent contractor for his services after it was formed, the IOM Tax Division immediately stopped this arrangement and forced Linham to create an employee tax account and begin to pay employee taxes as he was an IOM resident Director and Officer of the company as a matter of law. As such, Linham was the only employee FCGLTD ever had as he was required to be on file with the IOM Treasury and Income Tax Division. Pursuant to my emails to and from Linham beginning on August 29, 2016 at 9:57pm PST and ending on August 31, 2016 at 7:23pm PST, Linham certified that Newman had no employment contract with FCGLTD. The reason Newman, myself, and any others performing work for FCGLTD other than Linham, did not have any employment contract with FCGLTD was based on the advice of tax counsel on Transfer Pricing from KPMG. As Linham stated and KPMG confirmed, FCGLTD would lose all of its IOM tax advantages if it employed individuals who lived in the United States, like myself and Newman without incurring additional expenses to complete the tax accounting properly. We did ***not*** have the £18,000 that KPMG required in the retainer they sent to set up the transfer pricing accounts, much more money to pay continuously KPMG for the monthly accounting fees to maintain USA employees internationally. These facts were further affirmed by FCGI'S USA CPA firm. FCGLTD, therefore would and could not

have employed Newman. A true and correct copy of Linham's tax advice from KPMG and my emails regarding transfer pricing is attached to the Opposition as Exhibit D.

29. Beginning on or about October 2015, FCGI'S Chief Financial Officer, Linham, also a Third-Party Defendant in the counter-claims, began to draft a business plan and Private Placement Memorandum ("PPM") for what would ultimately become FCGLTD. Linham used these business plans and PPM to obtain Directors & Officers insurance and get a major underwriter to approve its contents. Linham produced 14 versions and drafts of the PPM between October of 2015 and his final dated May 10, 2016.

30. On March 14, 2016, Newman specifically added his comments to Revisions entitled DRAFT 5 and DRAFT 6 and named the revisions with his RHN initials. A true and correct copy of Draft 5 and Draft 6 which contained these revisions is attached to the Opposition as Exhibit E.

31. On October 25, 2016, Linham disclosed to the UKGC that he had sent the PPM out to 27 different investment banks and venture capital firm sealing the PPM facts in time that make it clear that Newman was not and never was an employee of FCGLTD. A true and correct copy of the letter sent to the UKGC is attached to the Opposition as Exhibit F.

32. The purpose of FCGLTD's PPM statement was to obtain new rounds of foreign investors and to identify projected salaries for all future officers, including Newman. But Sections 5, 7 and 11 of the PPM made it explicitly clear that none of these projected salaries were being paid and it was only a disclosure to show what expenses investor money would be going should the investments be received. As everyone is aware, including Newman, no investments were received and no salaries were to be paid.

33. It is true that pursuant to the PPM statements, Newman had prepared his own employment contract with FCGLTD, dated around the same time as the PPM, or May, 2016, that was presented to FCGLTD for signature. However, FCGLTD never finally approved or signed the proposed employment contract because upon the advice of KPMG, FCGLTD was prohibited from doing it if they wanted to maintain their tax free status in the IOM as evidenced above. There had been several phone calls with Newman and others about the fact that FCGLTD should

not have any employees unless they resided wholly in the Isle of Man, like Linham or they would have to do "transfer pricing" and lose all of their IOM tax benefits that they had gone to such great extremes to obtain in the first place. Newman, and any others who did any contracted work for FCGLTD resided in the United States and were to be paid through a new wholly owned USA subsidiary to be formed. Further, the FCGLTD PPM confirmed this when it noted that FCGLTD had not hired nor would it pay any proposed officers until the PPM was funded.

34. Although no USA officers were employees of FCGLTD or receiving a regular salary, there had to be a legal tax method where we could pay remuneration for certain contract work that people or entities in the USA performed. On July 23, 2016, Full Color Games, N.A. ("FCGNA") was formed as Nevada entity, opened a USA bank account and paid everyone who performed any services for FCGNA in the USA. Indeed, FCGNA paid Newman $10,000 on or about July 29, 2016, for FCGNA gaming contract work with Newman and Newman law that he never started nor ever completed. Newman had previously been doing all of work within the scope of his obligations related to the agreement to issue him 1,000,000 FCGI shares in when t the parties voluntarily terminated the AGRI. Newman claimed that some of the work he was doing, especially the work related to the transfer to the IOM was "out of the scope of his carry over obligations of the termination of the AGRI and issuance of the FCGI shares." FCGLTD has just received the money from Bastian investment so there was some money in the company, but not the full round of investors that would trigger the PPM. Newman would assert, "you've got the money, pay me, if it wasn't for me the $1 million from Sebastian wouldn't come in." Although it was true that Newman had produced the escrow documents to facilitate the transfer, the $1 million had not all come in yet and we were still being frugal with our resources. We also did not know how that Newman had basically failed to do the work he had already agreed to do. Nonetheless, we acted in good faith and paid him because it was cheaper to just pay him then fight him in order to get the product we needed completed and reach our goals of getting to revenue. However, Newman's efforts to get paid now, when he had not asked for it before, was based on Newman's other ventures that had brewed into a financial crisis for Newman. Newman had been complaining for months be in a financial crisis due to his failed business venture in a

company called Vegas Game Point, LLC ("VGP") in the early spring of 2016, the exact same time we were trying to get IOM transaction completed. Newman had previously had free office space with VGP, but the crisis with the company had Newman and Newman Law to lose its office space and Newman and Newman law came to us to resolve the problem. As a result, we gave Newman and one of his other attorney business partners, Scott Walker, free office space in the Full Color Games offices at the Howard Hughes Center worth well over $2,500 a month for each. Newman still appeared to be strapped for cash and FCGNA, in good faith, contracted with Newman law for the work that we needed completed. None of this was required of FCGLTD or FCGNA under the agreements with Newman, but we were acting in good faith to assist Newman in a financial crisis unrelated to his work for us. In response to our good faith, Newman had failed to disclose his complete failure to fulfill the basis work he was already obligated to complete, and then turned our good faith efforts to assist him into a non-existent ongoing employment agreement, which it never was. Newman's current basis for having protection under the anti-SLAPP laws is basically an illogical and incomprehensible argument that turned the contract work FCGNA had agreed to into an employment agreement with FCGLTD in IOM that he knew could not be done because of the tax implications until there was a complete Series A funding or the company went into revenue. Newman's "pre-litigation" demands are a false narrative that seeks to avoid liabilities for his fraud, malfeasance, and malpractice.

35. On or about August 17, 2016, FCGLTD submitted its United Kingdom Gambling Commission ("UKGC") Remote Software Gaming License ("RSGL") Application #3949 to the UKGC with the mandatory Personal Management License ("PML") applications attached thereto, including myself, Martin Linham, Newman, Mark Munger, and Lee Murphy. Each of these were either directors, officers or shareholders with executive liability, control and/or ownership interest. Both applications included Newman as a Director and an Officer of FCGLTD, and a shareholder of FCGI and allocated a shareholder interest in FCGLTD upon the successful funding of A Series A of £28.7 million pounds in FCGLTD pursuant to the PPM.

36. One day after the UKGC applications were submitted, Linham contacted me requesting information concerning the Full Color IP protections that were needed for due

diligence matters for the PPM, and major investors that were interested in engaging in a Series A investment that were requiring the information.

37. On August 18, 2016, when Newman and Newman Law failed to deliver any of the contract work by its deadline date for which he had been paid and cashed the $10,000 FCGNA check, Linham sent an email to Newman about the several projects he had been asked to complete. This request included the list of Full Color IP assets and IPR protections. A true and correct copy of the August 18, 2016 letter is attached to the Opposition as Exhibit G.

38. On August 19, 2016, a day later, Newman responded to Linham with an additional demand of $10,000 on the first of every month despite having never had such an agreement. Considering that Newman had been paid $10,000 on July 29, 2016 not even 21 days before his email, even if Newman's claims of being paid every 30 days was true, an entire month had not even gone by yet, making his claims fraudulent on their face. What makes Newman's fraud all the more egregious is that Newman's role and knowledge in FCGLTD's affairs, made it clear that Newman did not and could not have an employment agreement of any kind with FCGLTD. Newman's claims in his email were so illogical, irrational and reprehensible on its face that it finally forced me to question everything Newman had ever said to me, and more importantly question, "why would he not simply send me a status report on the IPR," something that should have been so easy to do considering that he had repeatedly informed me that he had everything so well under control. A true and correct copy of the August 19, 2018 email is attached to the Opposition as Exhibit H.

39. On or about August 19, 2016, as a result of Newman's defiance and unconscionable response, I was forced to stop everything I was doing and begin a formal audit on his Full Color IP protection work. By the end of the night, I was forced to teach myself how to work through the USPTO TESS and PAIR search engines in the USPTO and immediately discovered the unknown abandonment of 5 patent applications (12/776,273, 12/776,336, 12/776,342, 13/083,408 and 13/747,727), the end of 2 PCT applications (PCT/US11/31836 and PCT/US11/31826), the unknown abandonment and suspension of two trademark applications (85503833 and 86258846). A public search of the USCO also revealed failures equally as bad as

H2 and Newman had further failed to obtain a single copyright on any of the 12 Full Color® Cards applications and failed to even file a copyright on my Full Color® Cards 3rd Edition, meaning that all of my IPR and all of my IPR licensees, including FCGI and FCGLTD, had lost a significant portion or had no federally registered protected intellectual property rights. I immediately notified, FCGI securities laws counsel, the Board of Directors of FCGLTD and all major investors in FCGI and FCGLTD of the discovery of Newman and H2's malfeasance and malpractice as well as all other relevant parties that were interested in the matters.

40. On August 25, 2016, I, along with Linham and Murphy after a series of emergency FCGLTD Board of Director meetings, FCGI Board of Advisors meetings and other counsel, FCGI and FCGLTD concluded that they must immediately terminate Newman in every capacity he had with FCGTLD, the Full Color IP and the UKGC license application and immediately move forward to begin to assess the IPR damage and seek to mitigate the damages. A true and correct copy of the Meeting Minutes form the Board of Director Meeting of FCGLTD held on August 25, 2016 is attached to the Opposition as Exhibit I.

41. On August 25, 2016, I emailed Newman a termination letter notifying Newman that he was terminated from all of his roles and duties at FCGLTD. A specific demand was made upon Newman to turn over all of my IPR files. A true and correct copy of the August 25, 2016 termination letter/notice is attached to the Opposition as Exhibit J.

42. On August 25, 2016, Newman emailed the entire FCGLTD Board of Directors in which he complained briefly about the procedure taken to terminate his positions with FCGLTD. In that email, however, Newman made it clear that he understood the difficulties that his termination created because of the recent UKGC filings and his relationship with FCGLTD and FCGI. His later responses demonstrate that, in light of his position and knowledge of FCGLTD's affairs, he could make unsupported and exorbitant demands on myself, FCGLTD, and FCGI without any real recourse. A true and correct copy of the August 25, 2016 email is attached to the Opposition as Exhibit K.

43. On August 26, 2016, Linham sent Newman a second notice and demand to turn over all of the H2 files and all of his Newman Law Full Color IP property as time is of the

essence to attempt to discover the full extent of the copyright, trademark and patent failures Newman had created, and address and fix what could be fixed. Linham's email further set forth FCGLTD's and FCGI's position that Newman had been provided payment as agreed. A copy of the August 26. 2017 email from Linham is attached to the Opposition as Exhibit L.

44. On that same day, I sent an email to Newman again demanding that he provide the complete files for the Full Color IP, including the files transferred to him from H2. A true and correct copy of the email I sent on August 26, 2016 is attached to the Opposition as Exhibit M.

45. On August 27, 2016, Newman sent a 2-page email that demanded a cash payment in order for me to get my intellectual property files used for the copyright, trademark and patent filings. Newman's email demanded immediate cash payment or he threatened to "lien" my IPR assets. Specifically, Newman's email concocted a non-existent employment agreement and an accrual of a non-existent salary that he claimed as the basis for his failure to perform. Newman was terminated because of the discovery of his breach of his fiduciary duties, his malpractice in handling my IPR, and his fraudulent misrepresentations upon which I relied in granting him shares in FCGI, and the related liabilities he created as a result of his failures. This lawsuit is based on Newman's efforts to concoct non-existent rights to shares obtained by fraud and nonexistent employment agreement and the use of his concoctions to extort property and rights to which he has no rightful claim. Although there were PPM plans for officers to be paid salaried compensation as part of the creation of the PPM, they were conditioned upon a Series A raise of £28.7 million that never occurred. Further, no one in the USA ever received any confirmation of employment with FCGLTD, yet Newman's emails claim the PPM concerning his future employment created past employment rights. Newman's emails claim accruals and the PPM expressly state that no one, should they ever be hired, is entitled to any accrual rights. Newman knew that any proposals or even contracts that he may have written were not authorized or ratified by FCGLTD because there was no funding and the PPM expressly so states.

46. Further, in the August 27, 2016 email, Newman, for the first time, stated that he had concerns about my and the other directors' activities with respect to his operations of

FCGLTD, and that he had voiced these concerns to myself and Linham, accusing each of the Board of Directors, for the first time, of his unsupported belief that there were improper activities going on with respect to FCGLTD's operations to divert attention from his own malpractice.

47. After making these threats, he then suggested that it was in the company's best interest to immediately settle with him, despite his knowledge that he had failed to do anything to properly advise his client, me about all the USPTO Office Actions or properly protect the intellectual property rights connected with all of my IPR for over six years and that his actions have caused permanent damages and harm to myself and all of my IPR and my licensees, including but not limited to FCGI and FCGLTD, that had not even begun to be calculated or quoted by qualified by any USPTO legal firms to assess what could be done to recover the lost IPR protection., if even possible. I ultimately contacted and met with H2. A true and correct copy of the August 27, 2016 email from Newman is attached to the Opposition as Exhibit N.

48. Given the nature of the relationship and the history between myself and Newman, I considered the threat to the IPR was an act of extortion considering that Newman had received 1,000,000 shares of stock, a full 5% of FCGI as consideration for his work, and had failed to obtain a single patent or a single registered copyright and at best, only two basic trademarks registered. As such, Newman had no legal right to any of the stock because he obtained them through fraud, concealment and misrepresentation concerning his abject failures that, had it been known, I never would have paid him royalties on the AGRI nor converted the AGRI to FCGI shares. I later learned Newman's former employer H2 never authorized Newman to execute the AGRI. As a result of Newman's repeated fraud, Newman should be disgorging all of the ill-gotten gains, or more plainly put, releasing any and all claims and title to any and all FCGI shares. To demand that I pay money for the return of wrongfully obtained shares is an extortionate threat to wrongfully take my property. Any act of extortion is unlawful and any lawful act in the furtherance of Newman's real or perceived rights does not rise to any level of protected speech or communications is and is well settled law in the anti-SLAPP statutes.

49. Newman knew that he was wrongfully holding onto and claiming property rights to ill-gotten gains of the FCGI shares and refusing to release them and give FCGI clear title to

them was an effective way for him Newman to extort me, FCGI, and other affiliated entities if we did not settle with him. Newman also knew that he could hold up FCGLTD'S licensing application with the UKGC and countless other real money casino gaming licensing authorities having jurisdiction, which would then run me, my licensed entities, FCGI and FCGLTD out of money, creating irreparable injury to myself, FCGI, and the other affiliated companies.

50. Newman's unreasonable demand for settlement and release and related extortion was successful in putting FCGI, FCGLTD, IPHLTD and other affiliated entities out of business causing investor losses of well over $3,000,000 in cash and causing over $1,000,000 in subcontractor debts to go unpaid as well as destroyed 10 year of forward progress.

51. On August 30, 2016, Linham emailed the UKGC and notified them of the fact that Newman has been removed from PML and the RSGL applications. On or about October 10, 2017, the UKGC acknowledges the full disclosure that Newman had been terminated from his roles and his share allotment in FCGLTD terminated but required additional information. The disposition of Newman's 3% share ownership disclosure on FCGI's cap table was still unresolved and the UKGC demanded information on the resolution of the disposition of those shares. A true and correct copies of the email and other correspondence between Linham and FCGLTD and the UKGC are attached to the Opposition as Exhibits O, P, Q, and R.

52. According to Newman's Motion, the UKGC contacted him directly although I no way of knowing whether Newman's allegations are true or not. Newman's Motion to Strike wrongfully asserts that I and others at FCGI or FCGLTD know what Newman communicated to the UKGC, if anything, and wrongfully asserted claims based on these communications. However, neither I nor FCGI had any knowledge of it until Newman asserted it in this motion. Newman's communications with the UKGC, would therefore provide no basis for the current anti-SLAPP motion.

53. FCGI, as a matter of law, with the admission by H2 that Newman never had the legal right to enter into the AGRI with me and his misrepresentations concerning his work product, should not have received any shares from FCGI. Notwithstanding that, and pursuant to the SRA, FCGI had the right to trigger the cancellation, repurchase and termination of

Newman's shares for engaging in a multitude of "non-compliance events," but FCGI could not do so as FCGI did not have the funds to buy them back based on the current share value. It wasn't until FCGI became insolvent, the shares of FCGI plummeted to a value that allowed FCGI to repurchase Newman's shares for $1.00. But long before that happened, Newman had threatened to lien the Full Color IP which would have ensured litigation causing even greater damage. Newman was fully aware of the progressive complications and conundrum he had created for myself, my licensees, FCGI and FCGLTD, and used this to leverage extortionate demands.

54. As a result, I received extraordinary pressure from Bastian, the Board of Directors at FCGLTD and other shareholders in FCGI to find a way to settle with Newman.

55. On November 17, 2016, while I was away in India, and unbeknownst to me, Newman had pressed Linham and other officers at FCGI, specifically Glen Howard ("Howard"), the President of FCGI to enter into a settlement. Despite Linham being the CFO of FCGI and Howard being the President, neither of them had any legal power to effectuate any negotiations, enter into any privileged communications with Newman because I am the sole member of the FCGI Board of Directors and I am the majority in interest shareholder of FCGI, and the only person that could authorize any confidential negotiations much more settlements on behalf of all shareholders of FCGI. Linham as a Director and Officer of FCGLTD had the right to discuss matters with Newman but that is in the Isle of Man not the USA. I was not surprised to discover that Newman had made new conditions for settlement, including threats of liens and litigation, and other demands for additional money to be paid as his extortion now extended to FCGLTD. None the less, what the negotiations did in fact reveal was that Newman believed he could use his own fraud and deceit to hold me, my licensees, FCGI and FCGLTD hostage with his threats. Despite knowing that he had fraudulently obtained the 1,000,000 shares in FCGI by representing he had the right to enter into the AGRI, that H2 clearly stated he did not and that Newman concealed the truth about actively completing work on my IPR that had in reality, been secretly abandoned, and despite knowing that I had not had an opportunity to fully evaluate the damage he had caused. Indeed, Newman knew that he had secretly filed many of the pending patents via

the "PRIVATE PAIR" system which meant I could not access any of it without Newman's secret filing codes. As a result Newman's FCGI shares issued to CBL remained in limbo. Although Newman was in violation of the FCGI SRA he executed because of non-compliance events, FCGI did not have the funds to purchase CBL's shares. Newman knew this and told Linham he wanted a full and final release from all claims for the damage he had done to my copyrights, trademarks and patents pending on the IPR and their licensees. Newman knew he had me and everyone held hostage, allowing him to assert completely fraudulent and non-existent claims

56. On or about November 30, 2016, Linham, on behalf of FCGLTD responded to the UKGC letter by seeking an extension of time to resolve the disposition of Newman's shares.

57. By the end of February, 2017, Newman's affiliation with FCGI through CBL's shares was still not resolved. FCGLTD was running out of money as a result of the crisis that Newman had created with his extortionate demands and adding yet another level of progressive complications to the overall challenge of trying to obtain proper licensing and release product. Bastian wanted resolution to the matters while at the same time not fully supporting or funding the release of Full Color IP product as he had agreed.

58. On February 21, 2017 in the afternoon, Bastian demanded that I resolve and settle the dispute with Newman as it related to FCGLTD. Bastian didn't fully understand the claims that FCGI might be giving up in relation to the IPR if I, FCGI, or FCGLTD granted Newman a "full and final release." None the less, he wanted his $1 million investment in FCGLTD protected. Bastian knew that FCGI had no funds to enter into any settlement and most importantly that I would not waive my rights to sue Newman over his damage to my IPR with his abandonments. Bastian offered $35,000 to $50,000 to settle with Newman. Bastian had the right to make is own settlements with Newman and any efforts I made to assist Bastian would only be between Newman and Bastian assuring Newman that Bastian would not sue him, Newman Law and CBL but would NOT include me in any Bastian / Newman settlement. I had no problem trying to get all other parties to the table to get Newman to end his extortionate demands as it was clear that my IPR and all of my licensees were being victimized from every side.

59. On February 21, 2017, at Bastian's demand and direction, Howard and I called Newman and I told Newman what Bastian's settlement demands were. Once again, these were Bastian's communications through me and Newman knew it. At the end of Newman's yelling and screaming at the top of his lungs on the call, Newman sent me an email with his $50,000 settlement demand terms and conditions. Once again, Newman overreached and in the Settlement docs for Bastian, Newman once again continued to extort me by requiring me to forego all of my rights against Newman. I forwarded the settlement demand to Bastian as I promised I would and repeatedly informed Newman that Bastian would be making his decision, if any, concerning any payments and that I had no control over it. A true and correct copy of Mr. Newman's new settlement demand is attached to the Opposition as Exhibit S.

60. Between February and March, 2017, Bastian, Munger, and other investors continued to push me into an individual as well as an FCGI licensee settlement resolution agreement with Newman while Newman increased his demand and continuously harassed me through a string of harassing emails and while arbitrarily increasing his demands to $75,000. As stated above, I entered into no discussions with Newman about settling my individual damages and I ultimately left the settlement discussions of Bastian's demands with him to work out directly with Newman. Although Bastian agreed to $50,000 at one point to resolve Bastian's claims, they were never resolved because Bastian ultimately refused to pay Newman, making it impossible to settle any of the matters and worse, impossible to resolve Newman's shares in a way that would satisfy the UKCG. A true and correct copy of Newman's increased settlement demand is attached to the Opposition as Exhibit T.

61. On March 31, 2017, I officially stepped aside and gave Newman's contact information directly to Bastian and let the two of them settle their own issues. It was not until April 26, 2017 that I had indisputable proof that all efforts to save the UKGC license were gone after a phone call with John F. Brock III and John F. Brock IV when they too began to extort me as they began to run a rogue group of FCGI investors led by Munger who all collectively took advantage of the entire situation as detailed in the 26 counter-claims filed on February 4, 2019 in this derivative lawsuit. Newman's extortion, the progressive complications and the delays that it

had caused, compounded by Bastian's ongoing refusal to cause the Full Color IP product to be released (through his IslandLuck.com platform through his control in Multislot and failure to get Multislot to release it through their RGS through Videoslots, BetConstruct and EveryMatrix who had approved the Full Color IP), furthered by Munger's sabotage made sure that FCGLTG would never go into revenue and FCGI could obtain its profit sharing, all of which ultimately ran FCGLTD and FCGI into a financial state of insolvency. Even contingency plans I had to get to revenue with Spin Games, LLC had been sabotaged by Munger and Bastian.

62. Ultimately, FCGLTD was required to withdraw its application form the UKCG because of the issues with Newman and lack of funding. FCGLTD ultimately became insolvent.

63. As noted above, it was not until later that I discovered that Bastian, Munger, and others were also conspiring in different ways to dismantle and destroy FCGI's business. I do not have access to the communications that may have occurred between Newman, and the other co-conspirators, including Munger, Bastian, Multislot, Spin, Eckles, Solso, Moore, Castaldo, Brazer, Brock III, Brock IV, and others during the time period between Newman's termination and the insolvency of the company and would need to seek that information in discovery.

64. I declare the foregoing to be true under the penalty of perjury for the laws of the State of Nevada.

Dated: 3/28/19

David Mahon

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT B

ASSIGNMENT OF GROSS REVENUE INTEREST

This Assignment of Gross Revenue Interest (the "Assignment") is entered into this 24th day of March 2010 by and between David W. Mahon, an individual and his affiliates, assignees or holding companies ("Mahon"), and Richard H. Newman, an individual and his affiliates (the "Assignee") with respect to the following facts:

RECITALS

A. David W. Mahon and Assignee desire to engage in business in the gaming and entertainment programming industries (the "Business"). The Business encompasses Bingo Poker™, Trademark File Number 77689796, covered by provisional patent applications filed in the United States Office of Patents and Trademarks.

B. Mahon and Assignee envision the formation of entities, both domestic and foreign (collectively, the "Enterprise") to conduct this Business.

C. Mahon will license certain of his proprietary rights and intellectual properties encompassed by the Business to the Enterprise in perpetuity on an exclusive world-wide royalty-free basis, subject to satisfaction of conditions.

D. The Assignee is agreeing to perform valuable legal services for the Enterprise and the Business for Mahon.

E. In partial consideration for Assignee's services for the Enterprise and Mahon, Mahon assigns a five percent (5%) gross revenue interest in (i) Mahon's interest in the Enterprise, including but not limited to cash receipts and other property distributed to Mahon or his designee from the Enterprise, and (ii) other revenue earned and paid to Mahon from the Business in the form of cash or other property (the "Interest").

NOW, THEREFORE, in consideration of the mutual agreements herein and in light of the recitals stated above, the parties hereto agree as follows:

1. Assignment of Gross Revenue Interest

In partial consideration for future legal and other services performed by the Assignee for Mahon, the Business and the Enterprise, Mahon hereby assigns to the Assignee a five percent (5%) gross revenue interest (the "Interest") in Mahon's economic interest in the Enterprise and the Business for as long as Assignee is in compliance with this Assignment, as described in Recital E of this Assignment. Assignee will be paid his share of cash receipts or other property from the Interest within one (1) calendar month after the receipt of such cash or property by Mahon or his designee during the term of this Assignment. Assignee's percentage Interest will be diluted in direct proportion to dilution experienced by Mahon.

2. Consideration for Interest

As consideration for the Interest assigned to the Assignee by Mahon pursuant to this Assignment, Assignee will perform and stand ready to perform intellectual property services, including patent, trademark, tradename, copyright and intellectual property advisement in support of litigation legal work for the Enterprise and the Business. Assignee will be entitled to invoice and be paid discounted legal fees and be reimbursed for customary expenses incurred by him in connection with the performance of said services, pursuant to a separate engagement agreement approved by Mahon. Mahon hereby acknowledges that the assignment of gross

revenue interest to Assignee pursuant to this Assignment is in addition to the payment of discounted legal fees and costs to Assignee. Assignee hereby acknowledges that Mahon is relying on Assignee's promise to perform the services described in this Assignment for the Business as consideration for the assignment of the Interest.

3. No Voting Power or Management Authority

Assignee will have no voting power or management authority with respect to the Enterprise or the Business by virtue of the assignment of the gross revenue interest herein or otherwise by virtue of this Assignment, except if Assignee owns free trading stock in a publicly traded entity.

4. Indemnification

Mahon hereby agrees to indemnify and hold harmless the Assignee and his affiliates from any liability, claims, damages, losses or expenses incurred by them as a result of Assignee's ownership of the Interest, other than any liabilities, claims, losses, damages or expenses incurred by them as a direct result of the Assignee's or any of his affiliates' negligence, bad faith or fraud.

5. Definition of Gross Revenue

For the purpose of this Assignment, the term "gross revenue" means the total net proceeds actually received by Mahon from all revenue derived from any source relating to the Enterprise or the Business. Mahon agrees that he has a fiduciary duty to Assignee with respect to the calculation and reporting of such net proceeds. Under no circumstances will Assignee's gross revenue interest be subject to assessments for capital contributions.

6. Further Acts

All parties agree to execute any other documents, agreements, instruments or certificates and take any other action reasonably necessary in order to implement the terms and intent of this Assignment.

7. Inspection Rights

In order to verify amounts owed to Assignee pursuant to this Assignment, Assignee will have the right, one time each calendar year upon reasonable notice delivered to Mahon, to inspect and audit and have his representatives inspect and audit the books and records of the Enterprise and the Business to determine the gross revenue earned by Mahon or his designees from it.

8. Legal Representation

Mahon expressly represents and warrants that he has his own separate legal counsel representing and advising him with respect to this Assignment, and that Assignee does not represent Mahon in any manner with respect to the preparation, negotiation or execution of this Assignment. Mahon further acknowledges and agrees that the gross revenue interest assigned to Assignee hereunder is not in lieu of payment separately in cash for discounted legal fees and expense reimbursements which are incurred by the Enterprise or Mahon to Assignee for services rendered. Nevertheless, Assignee hereby notifies Mahon that the assignment of the gross revenue interest to him hereunder may create conflicts of interest in the future in connection with the performance of legal services by Assignee for the Enterprise and Mahon, in that Assignee will be a gross revenue interest holder of Mahon's economic interest as well as one of the legal counsel for it. Mahon is urged to consult with and seek advice from its own

separate legal counsel with respect to all aspects of this Assignment and the relationship of Assignee to Mahon and the Enterprise prior to entering into this Assignment with the Assignee.

9. Notice

Notice will deemed to be given by one party to the other parties of this Assignment upon personal delivery by messenger, air courier, express mail or certified registered mail, return receipt requested, or upon facsimile, email or telegram, or three days after mailing by first class mail by the party giving the notice, addressed to the parties as follows, or to any other address or facsimile numbers provided to the parties in writing in accordance with this Assignment by the party making the change:

If to Mahon:	The address and other information for Mahon as listed below Mahon's signature to this Assignment.
If to the Assignee:	The address and other information for Assignee as listed below Assignee's signature to this Assignment.

10. Injunctive Relief

10.1 Damages Inadequate

Each party acknowledges that it would be impossible to measure in money the damages to the other party if there is a failure to comply with any covenants or provisions of this Assignment, and agrees that in the event of any breach of any covenant or provision, the other party to this Assignment will not have an adequate remedy at law.

10.2 Injunctive Relief

It is therefore agreed that the other party to this Assignment who is entitled to the benefit of the covenants and provisions of this Assignment which have been breached, in addition to any other rights or remedies which they may have, shall be entitled to immediate injunctive relief to enforce such covenants and provisions, and that in the event that any such action or proceeding is brought in equity to enforce them, the defaulting or breaching party will not urge as a defense that there is an adequate remedy at law. No surety or other bond shall be required to be posted by any party in order for them to seek or obtain equitable remedies or injunctive relief under this Assignment.

11. Waivers

If any party shall at any time waive any rights hereunder resulting from any breach by the other party of any of the provisions of this Assignment, such waiver is not to be construed as a continuing waiver of other breaches of the same or other provisions of this Assignment. Resort to any remedies referred to herein shall not be construed as a waiver of any other rights and remedies to which such party is entitled under this Assignment or otherwise.

12. Successors and Assigns

Each covenant and representation of this Assignment shall inure to the benefit of and be binding upon each of the parties, their personal representatives, assigns and other successors in interest. Each party may assign all or any portion of this Assignment to such party's affiliate that is entirely controlled by it without the consent of the other party. Otherwise, in the event that the Assignee proposes to sell all or any portion of the Interest to a bona-fide third party purchaser, the Assignee will first offer to sell the Interest to Mahon on the same terms and conditions in accordance with Section 25 of this Assignment.

13. Attorney's Fees

In the event that either party must resort to legal action in order to enforce the provisions of this Assignment or to defend such action, the prevailing party shall be entitled to receive reimbursement from the non-prevailing party for all reasonable attorney's fees and all other costs incurred in commencing or defending such action, or in enforcing this Assignment, including but not limited to post judgment costs.

14. Entire and Sole Assignment

This Assignment constitutes the entire agreement between the parties and supersedes all agreements, representations, warranties, statements, promises and undertakings, whether oral or written, with respect to the subject matter of this Assignment. This Assignment may only be modified by a written agreement signed by all parties.

15. Governing Law

This Assignment shall be governed by and construed in accordance with the laws of the State of Nevada. The venue for any legal proceedings involving this Assignment will be in the appropriate forum in the County of Clark, State of Nevada.

16. Severability

The provisions of this Assignment are meant to be enforced severally so that the determination that one or more provisions are enforceable or invalid shall not affect or render invalid any other provision of this Assignment, and such other provisions shall continue to be in full forced in accordance with their terms.

17. Rights Cumulative

All rights and remedies under this Assignment are cumulative, and none is intended to be exclusive of another. No delay or omission in insisting upon the strict observance of performance of any provision of this Assignment, or in exercising any right or remedy, shall be construed as a waiver or relinquishment of such provision, nor shall it impair such right or remedy. Every right and remedy may be exercised from time to time and as often as deemed expedient.

18. Captions

The paragraph and other headings contained in this Assignment are for reference purposes only, and shall not limit or otherwise affect the meaning hereof.

19. Legal Holidays

In the case where the date on which any action required to be taken, document required to be delivered or payment required to be made is not a business day in Los Angeles, California, such action, delivery or payment need not be made on that date, but may be made on the next succeeding business day.

20. Counterparts

This Assignment may be executed simultaneously in any number of counterparts, each of which counterparts shall be deemed to be an original, and such counterparts shall constitute but one and the same instrument.

21. Parties

This Assignment shall inure solely to the benefit of and shall be binding upon the parties hereto and their respective successors, legal representatives and assigns, and no other person shall have or be construed to have any equitable right, remedy or claim under or in respect of or by virtue of this Assignment or any provision contained herein.

22. Authority

All signatories to this Assignment do hereby declare that they have the authority to execute this Assignment on behalf of the parties to this Assignment.

23. Conversion of Interest into Stock

In the event that all or a portion of the Business or Enterprises become publicly traded entities, that portion of Assignee's Interest will be converted into the proper number of shares of voting common stock of those entities in direct proportion to Assignee's fully diluted percentage interest in that Business or Enterprise. In the event that Assignee receives stock in a private entity in lieu of all or a portion of its Interest under this Assignment, then that stock will be nonvoting.

24. Adjustment For Licensing

Should it be necessary to obtain gaming licensing approvals in any jurisdiction anywhere in the world where the licensing requirements require that disclosure be made of anyone with 5% or more of the corporate stock or interests, then this Assignment shall be modified, if necessary, to make the Assignee's interest 4.999% in order to not interfere with license approvals.

25. Right of First Refusal

In the event that Assignee proposes to sell, assign, convey, hypothecate, pledge or otherwise dispose (collectively, a "Conveyance") of all or any portion of his Interest, whether voluntary or involuntary, except (i) to the extent that the Interest is represented by stock in a publicly traded entity, or (ii) in the event of the death of Assignee where Conveyances are made in accordance with Assignee's will or other estate documents, or by the applicable laws of descent, or (iii) in the event of a Conveyance to an affiliate of the Assignee that is entirely controlled by the Assignee, or (iv) in the event of a Conveyance to a trust in which Assignee is the trustee and only Assignee's family members are beneficiaries, then otherwise Mahon will have a first right of refusal, for a period of ten (10) days after Mahon receives written notice of the proposed Conveyance, to purchase the Interest or portion thereof that is subject to the Conveyance for the fair market value of the Interest being conveyed, payable in cash in full within ninety (90) days after the fair market value of such Interest is determined in accordance with this Assignment. For the purpose of Section 25 of this Assignment, the "fair market value" of the Interest shall be equal to (a) the amount proposed to be paid by the bona-fide third party purchaser of the Interest, if applicable, or (b) if there is no such proposed price or if no such proposed price can be determined, the amount agreed upon by Mahon and the Assignee, or (c) in the absence of such an agreement within thirty (30) days after the exercise of this right in writing by Mahon, then (c) the value determined by a certified business appraiser acceptable to and agreed upon by Mahon and Assignee, or if no such agreement is made for the selection of an appraiser within sixty (60) days after Mahon's exercise of his right of first refusal, then Mahon shall select an appraiser and Assignee shall select an appraiser, and those two appraisers will

select a third appraiser who will determine the fair market value of the Interest. Mahon will bear the expense of the appraisal.

26. Tag-Along Rights

Subject to the other terms and provisions of this Assignment, if Mahon agrees to sell more than 5% of his ownership in the Business or an Enterprise to any third party in a bona fide arm's-length transaction or series of related transactions (a "Tag Along Sale"), then Mahon shall provide Assignee with a written notice of Mahon's intention to consummate such sale, containing the price and other material terms of the proposed sale and the date of the closing of the proposed sale, which date shall be not less than twenty (20) nor more than one hundred and twenty (120) calendar days after the date of such notice. Assignee shall have the right (the "Tag Along Right"), exercisable by written notice to Mahon (the "Tag Along Notice") delivered at least fifteen (15) calendar days prior to the closing of the proposed sale, to sell to such transferee the percentage of the Business or Enterprise owned by Mahon equal to Assignee's pro rata entitlement (the "Allotment"). Assignee's Allotment shall be equal to (i) the total percentage interest proposed to be sold by Mahon in the Tag Along Sale multiplied by (ii) a fraction, the numerator of which is the percentage interest owned by the Assignee, and the denominator of which is the aggregate percentage interest then outstanding. The Tag Along Notice shall also state whether the Assignee elects to include percentage interest owned by the Assignee in addition to the Assignee's Allotment in the event that there is an aggregate undersubscription for all other Allotments, if any. In the event there is an aggregate undersubscription by other owners who have Tag Along rights, then Mahon shall apportion the unsubscribed percentage interest to all such owners who have elected in their Tag Along Notices to sell additional percentage interest in relative proportion to their original Allotments. Assignee will have all remedies available at law or in equity in the event of a breach of this provision by Mahon, including but not limited to specific performance and money damages.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first above written.

MAHON:	**ASSIGNEE:**
David W. Mahon	**Richard H. Newman**
By: David W. Mahon	By: Richard H. Newman
2105 Plaza del Padre Street Address	509 Jimijo Ct Street Address
Las Vegas, Nevada 89102 City, State, Zip	Henderson NV 89052 City, State, Zip
(310) 880-8874 Telephone Number	(917) 543-2166 Telephone Number
Facsimile Number	Facsimile Number
bingopokerinc@gmail.com Email Address	richarnew@gmail.com Email Address

select a third appraiser who will determine the fair market value of the Interest. Mahon will bear the expense of the appraisal.

26. Tag-Along Rights

Subject to the other terms and provisions of this Assignment, if Mahon agrees to sell more than 5% of his ownership in the Business or an Enterprise to any third party in a bona fide arm's-length transaction or series of related transactions (a "Tag Along Sale"), then Mahon shall provide Assignee with a written notice of Mahon's intention to consummate such sale, containing the price and other material terms of the proposed sale and the date of the closing of the proposed sale, which date shall be not less than twenty (20) nor more than one hundred and twenty (120) calendar days after the date of such notice. Assignee shall have the right (the "Tag Along Right"), exercisable by written notice to Mahon (the "Tag Along Notice") delivered at least fifteen (15) calendar days prior to the closing of the proposed sale, to sell to such transferee the percentage of the Business or Enterprise owned by Mahon equal to Assignee's pro rata entitlement (the "Allotment"). Assignee's Allotment shall be equal to (i) the total percentage interest proposed to be sold by Mahon in the Tag Along Sale multiplied by (ii) a fraction, the numerator of which is the percentage interest owned by the Assignee, and the denominator of which is the aggregate percentage interest then outstanding. The Tag Along Notice shall also state whether the Assignee elects to include percentage interest owned by the Assignee in addition to the Assignee's Allotment in the event that there is an aggregate undersubscription for all other Allotments, if any. In the event there is an aggregate undersubscription by other owners who have Tag Along rights, then Mahon shall apportion the unsubscribed percentage interest to all such owners who have elected in their Tag Along Notices to sell additional percentage interest in relative proportion to their original Allotments. Assignee will have all remedies available at law or in equity in the event of a breach of this provision by Mahon, including but not limited to specific performance and money damages.

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first above written.

MAHON:	**ASSIGNEE:**
David W. Mahon	**Richard H. Newman**
By: David W. Mahon	By: Richard H. Newman
2105 Plaza del Padre Street Address	509 Jimijo Ct Street Address
Las Vegas, Nevada 89102 City, State, Zip	Henderson NV 89052 City, State, Zip
(310) 880-8874 Telephone Number	(917) 543-2166 Telephone Number
Facsimile Number	Facsimile Number
bingopokerinc@gmail.com Email Address	richarnew@gmail.com Email Address

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT C

Howard & Howard
law for business.

Ann Arbor Chicago Detroit Las Vegas Peoria

direct dial: 248.723.0307 Brad A. Rayle email: bar@h2law.com

October 6, 2016

via email to david@fullcolorgames.com

David W. Mahon
Full Color Games

RE: Your Recent Email Correspondence to Arthur Rogers

Dear Mr. Mahon:

I am general counsel for Howard & Howard Attorneys PLLC ("Howard & Howard)". Your email messages to Arthur Rogers of Howard & Howard's Las Vegas office dated September 3, 2016 and September 10, 2016, respectively have been forwarded to me and I have reviewed them in detail.

First, it is important for you, and we advise you (and your company) that Howard & Howard is not, and has not been, attorneys for you or your company, at least since you transferred your legal matters and files from Howard & Howard to Richard Newman and his new law office in October of 2014. At that time, you directed Jim Yee of our office to transfer your legal matters and files from Howard & Howard to Richard Newman at his firm, Newman Law, LLC ("NL"). We did so. We are not aware of any facts to support your claim that you or your company were "forced" to transfer your intellectual property files ("IP Files") to Mr. Newman after he left Howard & Howard,

Second, you advised Mr. Rogers in your emails that you never had an engagement agreement with Howard & Howard. Instead, you claimed that you and Mr. Newman entered into an agreement under which Mr. Newman received five percent (5%) in an "assignment of gross interest revenue" in exchange for performing intellectual property legal services for you. Howard & Howard has no knowledge of any such agreement. Further, Mr. Newman lacked authority to enter into such an agreement, and never sought or never received permission from Howard & Howard to enter into that type of an agreement with you or your company. Also, no one in authority at Howard & Howard ever authorized Mr. Newman to enter into such an agreement, and we have never seen the agreement you described in your email messages or received any payment pursuant to it.

Third, regarding your claims that Mr. Newman and/or Howard & Howard engaged in some type of misfeasance while performing IP legal services for you during the time Mr. Newman was a member of Howard & Howard, the facts available to us show no such wrong-doing and we deny any liability for any such claims of wrong-doing made by you or your company.

Fourth, in view of the above, Howard & Howard declines to enter into any further agreements with you or your company of any type. Notwithstanding that we are not you or your company's attorneys and have not been you or your company's attorneys, we wanted to point out to you that the limited facts available to us appear to show that with respect to your patent portfolio, there is at least one pending non-provisional patent application; US Patent Application 15/067,022, filed on March 10, 2016 (the '022 application). While this application has not published yet, and is therefore, not accessible to the public, it appears to claim priority to US Patent Application 13/083,408, filed April 8, 2011 (the '408 application). We note that the '408 application was still pending at the time your relationship with Howard & Howard ended in 2014 and Howard & Howard transferred its files regarding that application to Mr. Newman at your request. Additionally, the '022 application was filed after you terminated the relationship with Howard & Howard.

Based on our review of the limited documents available to us regarding these applications (which we disclaim as being any type of legal advice to you), it appears that all of the subject matter in all of the abandoned applications may be contained within, directly or through incorporation by reference, the '022 application. Thus, it is possible that all of the abandoned applications you refer to in your email messages could be re-filed or resurrected through the '022 application. However, this must be done during the pendency of the '022 application (or any continuing application thereof). In view of this possibility, we recommend that you immediately seek competent IP legal counsel regarding your rights in the various intellectual properties relating to you and to Full Color Games.

Very truly yours,

HOWARD & HOWARD ATTORNEYS PLLC

Brad A. Rayle
General Counsel

4811-3066-5274, v. 1

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT D

Fwd: IOM Investment - Taxation - Control

7 messages

David Mahon <david@fullcolorgames.com> Tue, Feb 9, 2016 at 4:05 AM
To: Sebas Bastian <stonebas@hotmail.com>, Adam Hodson <adam@adamhodsoncpa.com>, "Richard H. Newman" <rich@newmanlawlv.com>

This is a 100% MUST READ IT ALL AND NOT SKIM IT EMAIL

Sent from my Imaginary Smartphone

Begin forwarded message:

From: Martin Linham <martinlinham@fullcolorgames.com>
Date: February 9, 2016 at 1:44:51 AM PST
To: "david" <david@fullcolorgames.com>
Subject: Investment - Taxation - Control

David,

Hoc non es amaturus.

I feel that I have to be very clear about this. As it says above, you're not going to like this but it's my responsibility to bring these matters to your attention and to raise my concerns over, what I believe to be, conflicting actions.

Having considered over the past week your concerns and the way in which you wish to structure the new Ltd and the banking arrangements, I believe that your proposed changes are creating major future problems for the Company and for the proposed new structure. These concerns are as follows:

1. Investment: as you are aware, in order to attract investment from the UK/EU, it is vital that we have a UK based corporate vehicle for the investment - hence incorporation of the Ltd. Investors insist on this for a number of reasons including transparency, taxation and to stay clear of the IRS/SEC and, in the sector of gaming/gambling, to stay clear of the US due to the issues with gaming in that jurisdiction. It is abundantly clear that there is massive interest and that interest is having a clean, regulated, non-US corporate entity in which to invest. If the issue of control or taxation leads to IRS or SEC involvement on the corporate entity, I firmly believe that investors will withdraw from the proposition.
2. Taxation: as we have to have a UK entity for investment purposes, it made sense to engage with KPMG to ensure that we had a tax efficient structure, which is the one we currently have mapped out. The tax structure relies on demonstrating that 'control' is within the jurisdiction of incorporation. With your proposed changes to structure and banking arrangements, we simply cannot demonstrate that 'control' is maintained in the Isle of Man which jeopardises the taxation strategy and any benefits from having an Isle of Man Ltd company. With the proposed changes discussed recently, it is clear that the IRS/SEC will view the Ltd company as nothing more than a vehicle for your own benefit and as a result will seek to apply full taxation to any profits arising from the company. This involvement of the IRS/SEC will severely jeopardise the investment as this will become evident during the disclosure and due diligence phase. Investors will simply walk away. It should also be noted that once the IRS have determined that the company is taxable in the US, it will be nigh on impossible to make them reverse their decision without demonstrating that 100% of the control is outside of the US.

3. Control: as noted above, in order to maintain the Isle of Man Ltd company and to effectively demonstrate that 'control' is within the jurisdiction, we must ensure that both management control and banking control is seen to be on the Isle of Man. Failure to meet the 'control' requirements can be determined by either the Isle of Man Tax Office, the IRS, the regulators or the SEC - as long as they can demonstrate their case then we have a problem. Right now, with the proposed changes and structure, we cannot demonstrate 'control' and this therefore affects our ability to raise investment from the UK and our tax status. I am very aware of your feelings on seeding any control and that is directly related to trust however, if we are going to run this company properly then you have to realise that you have to trust people.

If you are happy to live with these consequences and to go back to raising capital and effectively operating from the US then there is no need to continue to read. If you want to continue down the path that we set forth on, then please continue.

There are a number of areas which need to be addressed to demonstrate that control is indeed in the Isle of Man which enables the investment and the benefit of taxation. I have set out some possible ways below:

- There needs to be a majority (or at least 50% (although the higher the better)) of executive management on the Isle of Man. The proposal that my documents set out was that the directors would be Lee Murphy (required under the Isle of Man Companies Act 2006), you and me. This allowed for 2/3 of directors to be based on the Isle of Man. If we are able to recruit a COO then my suggestion is that they are located or are relocated to the Isle of Man to add further support.
- The banking arrangements need to revert to something closer to what I suggested. Your suggested amendments last night make no sense to me. You will be the main signatory with your counsel and your personal accountant as B signatories who can sign together and then me as a B signatory in addition. In my opinion, it is absolutely clear that the IRS will deem this to be a US bank account, operated by you, and will therefore seek to tax the Ltd company. The signing arrangements need to be rebalanced in line with the above so that 50% (or more) of the control is in the Isle of Man. I know that you hate seeding control but this is a corporation and we need to demonstrate that we are in control.
- That brings me to Adam. I know you will defend the position and that you trust Adam implicitly but, there is something that bothers me. I feel that I am being set up - do what I do and then get replaced by Adam down the line. Is that the case? From both a personal and professional standpoint, I object to Adam being a signatory on the bank account of Ltd. He is, to my knowledge, neither an employee, officer or director of the company and for the sake of good corporate governance, I can therefore not allow your own personal accountant to have signing powers on the company bank account. This absolutely screams to the IRS that it is de facto nothing more than your own personal account controlled by you and your personal accountant and is therefore clearly a taxable item in the US. Once such a determination is made we will find it almost impossible to reverse and this will impact any ability to raise investment from UK/EU sources. Furthermore, if Series A investors see this arrangement they would, in my opinion, have some major concerns over the operation of the company.

I'm sure this needs to be discussed but I wanted to get my thoughts down now. You may, as major beneficial owner, decide to take whichever course you wish, however I wanted to ensure that you are aware of the consequences of your decisions.

Without the changes to effectively demonstrate that control is in the Isle of Man, a) I do believe that we would pass muster for Series A investor due diligence due to the investment effectively being in a US entity, and b) we will definitely not pass regulatory scrutiny for any license applications, irrespective of jurisdiction, as control is not vested outside of the US.

Regards,

The Next Generation of
Card & Casino Based Gaming

Full Color Games, Inc.
3773 Howard Hughes Parkway, Suite #160N
Las Vegas, NV 89169

Martin L Linham
Chief Financial Officer

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGvideo (product trailer)

http://www.fullcolorgames.com

Email: martinlinham@fullcolorgames.com
Direct: +44 762 438 6897 iPhone
Skype: martin.linham88

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Adam Hodson <adam@adamhodsoncpa.com> Tue, Feb 9, 2016 at 9:10 AM
To: David Mahon <david@fullcolorgames.com>, "Richard H. Newman" <rich@newmanlawlv.com>

David,

This appears to be right on the money. I was hoping to confirm a few of these items on the call with the guy in Costa Rica but my initial research last year came up with the same concerns related to control.

If you can send me a list of what you were trying to accomplish, I can give you more specific answers. I am in the office all morning if you want to give me a call.

Adam Hodson, CPA

Tel: 702-368-1120

Fax: 702-776-8900

3438 N Buffalo Dr.

Las Vegas, NV 89129

www.AdamHodsonCPA.com

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From: David Mahon [mailto:david@fullcolorgames.com]
Sent: Tuesday, February 09, 2016 4:06 AM
To: Sebas Bastian; Adam Hodson; Richard H. Newman
Subject: Fwd: IOM Investment - Taxation - Control

[Quoted text hidden]

Richard Newman <rich@newmanlawlv.com> Tue, Feb 9, 2016 at 10:57 AM
To: Adam Hodson <adam@adamhodsoncpa.com>
Cc: David Mahon <david@fullcolorgames.com>

Gents - perhaps we can discuss today in about 1 hour?

---- On Tue, 09 Feb 2016 09:10:57 -0800 **Adam Hodson <adam@adamhodsoncpa.com>** wrote ----

> David,
>
> This appears to be right on the money. I was hoping to confirm a few of these items on the call with the guy in Costa Rica but my initial research last year came up with the same concerns related to control.
>
> If you can send me a list of what you were trying to accomplish, I can give you more specific answers. I am in the office all morning if you want to give me a call.

Adam Hodson, CPA

Tel: 702-368-1120

Fax: 702-776-8900

3438 N Buffalo Dr.

Las Vegas, NV 89129

http://www.adamhodsoncpa.com/

[Quoted text hidden]

Adam Hodson <adam@adamhodsoncpa.com> Tue, Feb 9, 2016 at 11:46 AM
To: Richard Newman <rich@newmanlawlv.com>
Cc: David Mahon <david@fullcolorgames.com>

I am available at noon to discuss.

David,

Can you send over the proposals you made to Martin?

Adam

From: Richard Newman [mailto:rich@newmanlawlv.com]
Sent: Tuesday, February 09, 2016 10:57 AM
To: Adam Hodson
Cc: David Mahon
Subject: Re: RE: IOM Investment - Taxation - Control

[Quoted text hidden]

Richard Newman <rich@newmanlawlv.com> Tue, Feb 9, 2016 at 12:11 PM
To: Adam Hodson <adam@adamhodsoncpa.com>
Cc: David Mahon <david@fullcolorgames.com>

I'm available now, if we can conference call, and then again from 2pm to 230 and then again after 5pm today.

I believe the proposals for authorization were as follows:

David plus 1 person from group B (B = Martin and Lee (from IOM) and Rich and Adam (from US))

We were still working on the second part (in case David was unavailable), which may just be 2 (or more) from Group B

---- On Tue, 09 Feb 2016 11:46:17 -0800 **Adam Hodson<adam@adamhodsoncpa.com>** wrote ----

[Quoted text hidden]

Adam Hodson <adam@adamhodsoncpa.com> Tue, Feb 9, 2016 at 12:20 PM
To: Richard Newman <rich@newmanlawlv.com>
Cc: David Mahon <david@fullcolorgames.com>

Rich,

Can you give me a quick call on this? 702-368-1120.

Thanks.

Adam

From: Richard Newman [mailto:rich@newmanlawlv.com]
Sent: Tuesday, February 09, 2016 12:11 PM
To: Adam Hodson
Cc: David Mahon
Subject: RE: RE: IOM Investment - Taxation - Control

[Quoted text hidden]

Richard Newman <rich@newmanlawlv.com> Tue, Feb 9, 2016 at 12:55 PM
To: Adam Hodson <adam@adamhodsoncpa.com>
Cc: David Mahon <david@fullcolorgames.com>

Yes will call in a few minutes

---- On Tue, 09 Feb 2016 12:20:55 -0800 **Adam Hodson<adam@adamhodsoncpa.com>** wrote ----

[Quoted text hidden]

David Mahon <david@fullcolorgames.com>

Full Color Games Ltd - Contract of Employment

Martin Linham <martinlinham@fullcolorgames.com> Wed, Aug 31, 2016 at 7:23 AM
To: David Mahon <david@fullcolorgames.com>

The evidence is entirely oral at this time as it was "free" advice from KPMG during conversations had with them. However, the stance for Transfer Pricing is similar to the UK and their policy is set out clearly at https://www.gov.uk/hmrc-internal-manuals/international-manual/intm412000.

If we require formal written advice to support the meetings, we need to pay them £18,000 retainer that they have sought and allow them to go through the motions to present their formal written advice. if they are committing to writing they will not do so until they are 100% on the facts from both the US and the Isle of Man perspective as it is their professional indemnity insurance on the line. Due to restricted funds I have not pushed the button on this yet. We will have to but we may also fall into the small company exception rules which is set out in the attached link.

Regards
Martin

On 29 August 2016 at 21:57, David Mahon <david@fullcolorgames.com> wrote:

Please forward me the correspondence from tax advice that states this contract is not possible due to transfer pricing, et. al.

I do not have proof of any thing in writing that rescinds this, all we have are phone calls and meetings in person that changed our course.

David

---------- Forwarded message ----------
From: **Martin Linham** <martinlinham@fullcolorgames.com>
Date: Mon, May 16, 2016 at 10:38 AM
Subject: Full Color Games Ltd - Contract of Employment
To: David Mahon <david@fullcolorgames.com>
Cc: "Richard Newman, Esq." <rich@fullcolorgames.com>

David,

Please find attached the final version of the contract of employment for Full Color Games Ltd. I need to have these documents in place for the Series A due diligence round.

Please sign the document where indicated and initial each page. Please then return a signed scanned copy to me for countersignature.

The conditions are in accordance with the PPM statements and Isle of Man law and Rich has thoroughly reviewed them.

Thanks

--

Regards,

The Next Generation of Card & Casino Based Gaming

Full Color Games Ltd
First Floor, 10-12 Prospect Hill
Douglas, Isle of Man, IM1 1EJ

Martin Linham
Director and Chief Financial Officer
View my profile on LinkedIn

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGhistorychannel (product trailer)

http://www.fullcolorgames.com

Email: martinlinham@fullcolorgames.com
Direct: +44 762 438 6897 iPhone
Skype: martin.linham88

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The Next Generation of
Card & Casino Based Gaming

Full Color Games, Inc.
3773 Howard Hughes Pkwy, #160N
Las Vegas, NV 89169

David Mahon
Inventor & CEO
View my profile on LinkedIn

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGhistorychannel (product trailer)

http://www.fullcolorgames.com

Email: david@fullcolorgames.com
Direct: (310) 880-8874 iPhone
Skype: FullColorGames
AIM: FullColorGames

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Regards,

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HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT E

5. REMUNERATION OF DIRECTORS

5.1 The estimated director's remuneration for the current financial year is as follows:

Name	Salary £000's	Directors Fees £000's	Fees for other services £000's	Benefits £000's	Bonuses £000's
Lee B. MURPHY	-	6	-	-	-
David W. MAHON	170	-	-	16	60
Martin L. LINHAM	160	-	-	7	35
Richard H. NEWMAN	160	-	-	16	35
Total	**490**	**6**	**-**	**39**	**130**

Notes:
Amounts paid to the directors as expenses wholly, exclusively and necessarily during the course of business have not been included.
The directors have not been receiving any payment of salary and have not been accruing such payments.
Bonuses are anticipated sign-on bonuses covering accrued expenses incurred by the directors wholly, exclusively and necessarily on behalf of FCGL.
The directors have received no other material benefits.
FCGL has no commission, gain or profit-sharing arrangements with any director save from the revenue share agreement with IPHL whereby the sole beneficiary of the company is the Inventor of Full Color® Games, Mr. David W. Mahon.
At the date written above, FCGL has not granted any share options to the directors.
At the date written above, FCGL has not issued any shares to the directors in terms of the share incentive scheme.

5.2 FCGL has not paid any other fees or incurred any fees that are payable to a third party in *lieu* of directors' fees.

5.3 There will be no variation in the estimated remuneration receivable by any of the directors as a direct consequence of the private placement.

5.4 FCGL has not paid any amounts (whether in cash or in securities), nor given any benefits to any directors or to any company in which directors are beneficially interested, or to any partnership, syndicate or other association of which the directors are members, or to any director as an inducement to become a director or otherwise, or for services rendered by directors, or otherwise for services rendered by directors or by the associate company or associate entity in connection with the promotion or formation of the Company. There are no outstanding loans granted by FCGL to any of the directors.

5.5 Save for the relationship between the placing agent / corporate adviser and FCGL as set out in paragraph 1.6 and Annexure 3, the business of FCGL or any of its subsidiaries, or any part thereof, is not managed or proposed to be managed by any third party under contract or arrangement.

6. INTERESTS OF THE DIRECTORS

6.1 On the last practicable date, the directors (and their associates), in aggregate, held directly and indirectly approximately 72,94% of FCGL's issued share capital as follows:

Name	Indirect	Direct	Total	%
Lee B. MURPHY	-	-	-	-
David W. MAHON	51,264,667	-	51,264,667	67.50
Martin L. LINHAM	1,566,239	-	1,566,239	2.06
Richard H. NEWMAN, Esq.	2,566,239	-	2,566,239	3.38
Total	**55,397,145**	**-**	**55,397,145**	**72.94**

6.2 Save for being a shareholder of FCGL, no director of FCGL has or had any interest, directly or indirectly, in any transaction which is, or was, material to the business of FCGL and which was effected by FCGL during the current financial year which remains in any respect outstanding or unperformed.

6.3 Save for being a shareholder of FCGL, no director of FCGL has had any material beneficial interest, either direct or indirect, in the promotion of the Company.

6.4 Save for being a shareholder of FCGL, no director of FCGL has had any material beneficial interest, either direct or indirect, in any property acquired or to be acquired by FCGL.

7. SERVICE CONTRACTS OF THE DIRECTORS

7.1 Lee Murphy does not have a written employment agreement, however, as a director employed under a contract of service through a Corporate Service Provider and the Registered Agent, his terms and conditions that are normal for positions of their nature, which include, *inter alia*, that the executives:

7.1.1 are required to spend all such time as reasonably required in the fulfilment of their duties;

7.1.2 are subject to the usual fiduciary obligations of a director of a privately held company;

7.1.3 are subject to three-month notice of termination;

7.1.4 are required to serve on committees as necessary;

7.1.5 are bound by duties of confidentiality with regards to the business of the Company; and

7.1.6 have agreed to be bound by a restraint of trade for a period post-termination of services.

7.2 Other directors have written appointment letters with the Company which includes terms and conditions that are normal for the positions held by them.

8. OTHER DIRECTORSHIPS HELD BY THE DIRECTORS

The table below sets out the names of the companies and partnerships of which the directors of FCGL are or have been directors or partners during the five years preceding the last practicable date:

Name	Company	Incorporated	Capacity
Lee B. **MURPHY**	Arlon Ltd	Isle of Man	Director
	Boxtree Ltd	Isle of Man	Director
	CDF Charters (2016) Ltd	Isle of Man	Director
	Chase Directors Ltd	Isle of Man	Director
	Chase Financial Services Ltd	Isle of Man	Director
	Chase Nominees Ltd	Isle of Man	Director
	Chase Secretaries Ltd	Isle of Man	Director
	Corporate Options (Trustees) Ltd	Isle of Man	Director
	Dhir India Investments Plc	Isle of Man	Director
	Full Color Games Ltd	Isle of Man	Director
	Intellectual Properties Holding Ltd	Isle of Man	Director
	Landscope Ltd	Isle of Man	Director
	Sarox Ltd	Isle of Man	Director
	Thanton Ltd	Isle of Man	Director
	Turimiola Ltd	Isle of Man	Director
	Vannin Ltd	Isle of Man	Director
David W. **MAHON**	Full Color Games, Inc.	Nevada, USA	CEO
	Full Color Games, LLC.	Nevada, USA	CEO
	Full Color Games Ltd	Isle of Man	Director
	Intellectual Properties Holding, LLC	Nevada, USA	CEO
	Intellectual Properties Holding Ltd	Isle of Man	Director
	Jackpot Productions, LLC.	Nevada, USA	CEO
Martin L. **LINHAM**	Corcix Resources Ltd	Isle of Man	Director
	Full Color Games Ltd	Isle of Man	Director
	In-Q Ltd	Isle of Man	Director
	IPL Ltd	UK	Director
	Pavilion Worldwide Group, LLC	Delaware, USA	CFO
Richard H. **NEWMAN**, Esq.	C-Byte Company, Inc.	Nevada, USA	Director
	Cooper Blackstone, LLC.	Nevada, USA	Director
	Full Color Games Ltd	Isle of Man	Director
	Howard & Howard Attorneys, PC.	Nevada, USA	Shareholder
	Newman Law, LLC.	Nevada, USA	Principal
	PB Holdings, LLC.	Nevada, USA	Manager
	Pitch Boss Productions, LLC.	Nevada, USA	Manager
	Vegas Game Point, LLC.	Nevada, USA	Director
	VGP Manufacturing, LLC.	Nevada, USA	Manager
	Vuzar, LLC.	Nevada, USA	Director

9. SIGNIFICANT OFFICERS & EMPLOYEES

9.1. FCGL current has a Chief Technical Officer, Mr. Mark MUNGER who, like the executives is working on an expenses only basis, and a Commercial Manager, Mr. Ashley SANDYFORD-SYKES who is working on a part-time consultancy basis. It is the intention of the Directors to fully employ the services of Mr. MUNGER once

funded on a full-time basis as he has been instrumental in building the technical components of the business to date and will continue in his role as CTO managing the systems that he already knows intimately.

9.1.1 **Mr. Mark MUNGER.** Mr. Munger is the Chief Technology Officer of FCGI. His career as a technology leader, operations professional and consultant across multiple industries includes a common approach of using technology to deliver customer solutions and satisfaction. His technology and operations experience includes online and land based casino gaming, social gaming, casino regulation, hospitality, software development, accounting systems and real estate.

Mr. Munger has successfully managed casino gaming properties from conception through complete design build phases including Station Casino Red Rock and the $3 billion Cosmopolitan of Las Vegas. He has led and participated in software development for the casino and security industries including a sports betting and loyalty system for Station Casinos and a physical security system for SAFE used to protect properties of billionaires and featured on CNN, MSNBC and Yahoo News. He was hired as the technical lead consultant for creating and implementing new technology standards for the government of The Bahamas. He designed building technology and won a Buildy award for his automation design of Battery Wharf, a multi-use real estate project in Boston, MA. He worked with Cisco as a contract consultant, speaker at their executive briefing centre, distributor and integrator from 1998 with technical experience in unified communications of converged voice, video and data.

Mr. Munger has experience in directed software development using Agile Scrum methodologies in gaming, security and general business application environments. He has experience in security work with firewalls, IDS, security and packet analysis products dates back to 1989. His experience extends to multiple types of physical security devices including biometric (palm, facial, voice, fingerprint), surveillance, perimeter detection, construction materials and tactical solutions.

His technical specialties include IT audits / assessments, vendor management, in-room hospitality design, casino floor technology integration and operations, custom application design, information security and risk analysis, security systems design (including NBCE shelters) and integration of building systems for intelligent / smart buildings.

Mr. Munger is the author of Networking with Novell NetWare (1988) and other books on technology and management. His articles have appeared in industry publications such as Hospitality Update magazine and he has written white papers for manufacturers including Hewlett Packard, Microsoft, Novell and Cisco. He is a frequent speaker and has spoken at industry conferences including G2E, TribalNET and Cisco Live.

9.1.2 **Mr. Ashley SANDYFORD-SYKES.** Mr Sandyford-Sykes has a track record in innovation and success managing partners and operational development of

new and high growth products in the gambling and online gaming industry. A Gambling Industry Strategist with strong commercial operational and technical experience gained during his tenure at Microgaming. MR. Sandyford-Sykes headed up and built the largest 3rd party online casino gaming middleware platform called Quickfire for Microgaming whereby his systems process over 50,000,000 bets per day and billions of dollars in bets monthly. He is the leading casino gaming supplier and operator integration specialist with over 165 integrations completed and is geared to replicate that success with FCGL's IP being integrated to even more.

10. BOARD OF ADVISERS

In addition to the executive officers of the Company, on March 19, 2013, Mr. Mahon formed a Board of Advisors. Appointments to the Board of Advisors include:

10.1 Legendary game builder, Erick Hachenburg, former co-founder and CEO of Pogo.com. Pogo.com grew to become the single most successful casual card and casino gaming website in the world that was sold to EA.com in 2001. Mr. Hachenburg was further recruited to be the CEO of Metacafe.com before successfully selling the company in 2013;

10.2 Matthew Cowan, co-founder and managing director of Bridgescale Capital a Silicon Valley VC firm on Sandhill road with successful investments in a litany of household named brands from PayPal to GeoCities to C|NET where he has successfully returned over $1.3 billion dollars to investors over the years.

10.3 Amish Shah, founder and CEO of Millennium Search, LLC, a globally recognized recruiting firm that specializes in recruiting rockstar talent and CXO level executives to Fortune 500 companies from Google to Intel to Yahoo in a myriad of major corporate sectors; and

10.4 Eric Kagan, founder and CTO of Access Northeast, a data centre that exited in 2012 to a private equity company. He partnered with Amish Shah to create Sierra Maya Ventures that makes investment in early stage companies.

Each and every member of the Board is also an angel investor in the Company bringing both their financial resources, talents and faith in the Company to the table.

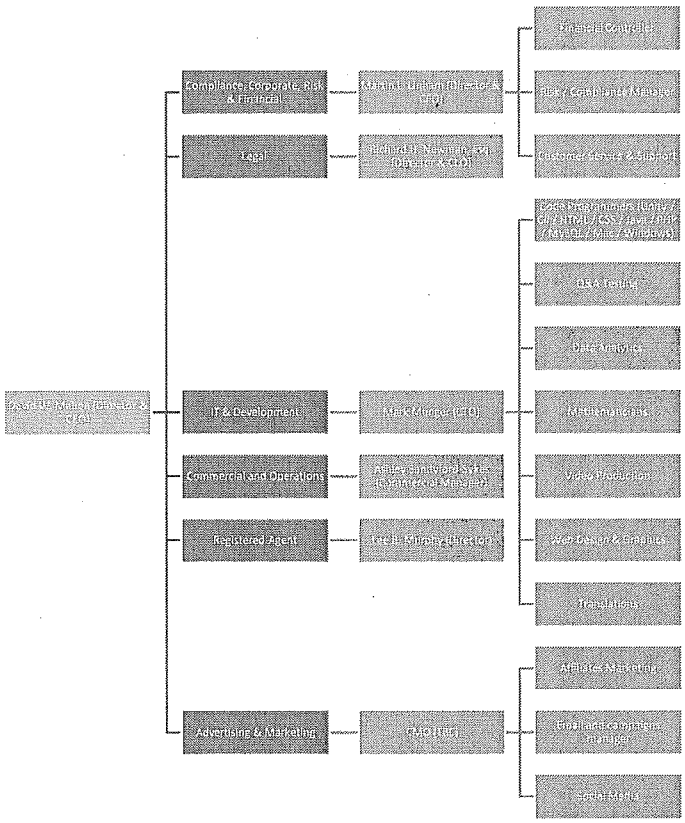
11. FUTURE RESOURCE AND STAFF ORGANOGRAM

To date, FCGL has minimised staff costs through operation with a small dedicated team and through utilisation of outsourced commercial arrangements, which have not always been best for the Company. Once properly funded, FCGL intends to make the following key hires and changes to its current resource:

11.1 Current CEO, CFO, CLO and CTO will be paid a full-time salary at a reasonable commercial rate to allow for the fact that the business is still in the early stages of producing revenue with new, already identified and highly experienced, COO and President being brought into the the business at similar commercial rates;

11.2 Maintain its existing consulting relationship with the Commercial Manager;

11.3 Build the resource based on the following Company structure:



11.4 It is clear that the bulk of additional resource will be related to the reduction of outsourced contract work and bringing the development resource internal. Some of these roles may well be capable and desirous to cover more than one specific position but it should be understood that these are all of the positions that will be required. Additionally, these positions are not all required immediately but will be phased over a period of time, subject to the timetable for the in-housing of the development work and the timetable for the various marketing and distribution activities.

11.5 Details surrounding costs and type specific roles can be found at Annexure 13.

Annexure 13

USE OF FUNDS FROM SERIES A CAPITAL RAISE

$25M Capital Raise for Expenses to Launch, Market, Promote and Grow Full Color® Games Social & Real Money Games into a Global Brand		Annual Cost	Running Total
Employee Payroll			
	21 or Nothing™ Full Color® Poker Full Color® Baccarat Full Color® Slots		
Senior Unity Developer	iOS, Android, Kindle, Facebook, Mac, Windows, HTML5 Game Engine, build once, deploy everywhere)	($120,000)	($120,000)
Senior HTML / PHP / MySQL Developer	Online, Mobile, Tablet, Social & Real Money Gaming Integration for Social / Real Money Gaming	($100,000)	($220,000)
Unity Developer	iOS, Android, Kindle, Facebook, Mac, Windows, HTML5 Game Engine, build once, deploy everywhere)	($90,000)	($310,000)
Senior Mac / Windows Developer	PC Social & Real Money Gaming Integration for Social / Real Money Gaming	($90,000)	($400,000)
	CodebaseHQ iOS Android Facebook Windows, Mac, Kindle		
Beta Testing Quality Control	Responsible for beta testing all apps, all platforms, all devices, localizations, regression testing	($60,000)	($460,000)
	Tableau Apple Mobidex Millennial Admob TestFlightApp		
Website, Mobile & Social Media Analytics	Manage our Website Data, Social Media & Email Campaigns	($80,000)	($540,000)
	Instacare.com cj.com AdColony iAd Admob MoPub		
Ad Manager	Manages SEO, Mediation & Affiliates Team for all Platforms in Social, Mobile, Tablets, PCs	($120,000)	($660,000)
Affiliate Ads Manager	Manages Affiliate Relationships & Revenue	($100,000)	($760,000)
Ad Designer for Ads	Dedicated Adobe Certified Graphics Designer for FCG & Affiliate Ads	($80,000)	($840,000)
	Educate/Train users to play our games Final Cut Pro After Effects YouTube Screenflow		
Video Publishing Manager	Manages the publishing/sales of all video on websites, in app and social media channels	($75,000)	($915,000)
Video Training Producer	Developers and produces the content, storylines & training videos	($100,000)	($1,015,000)
Video Training Editor	Edits all training SFX, VFX & Video Content for training videos	($100,000)	($1,115,000)
	Facebook Twitter YouTube Pinterest Tumblr Flickr		
Manager of Social Media	Manage, Market & Promote Apps via Facebook, Twitter, Reddit, User Groups, Social Media sites, et. al.	($80,000)	($1,195,000)
	Mailchimp SurveyMonkey Zendesk CampaignMonitor		
Email & Customer Relations	Develop and runs all email campaigns for customer acquisition, interaction & retention	($60,000)	($1,255,000)
CMO / Head of PR	Responsible for getting FCG press around the world, Twitter & Facebook feeds	($150,000)	($1,405,000)
	Tethras.com Zendesk Website Apps		
Web & App Localizations	Manages translators, localized strings for all apps, all platforms and all devices for all languages	($60,000)	($1,465,000)
	AWS EC2 S3		
Webmaster	Responsible for website security, database management, cloud services and information tech	($150,000)	($1,615,000)
Web Code Designer	Develops, programs and tests all website code content	($100,000)	($1,715,000)
Web Graphics Designer	Develops, programs and tests all website graphics and illustrative content	($100,000)	($1,815,000)
Mobile Graphics Designer	Develops, programs and tests all mobile, online, website app graphics and illustrative content	($100,000)	($1,915,000)
	Zendesk Screensteps Screenflow Illustrator Photoshop		
Knowledge Base & CSM Manager	CRM, Customer Support. Responsible for developing, growing Knowledge bases & FCG blogs	($80,000)	($1,995,000)
Office Manager / HR	All things related to office management, HR issues, executive support, et. al	($50,000)	($2,045,000)
Convention Manager	Handles all conventions, events, travel and promotional needs	($60,000)	($2,105,000)
	AGRLasVegas.com ClickNKids Retail Stores		
Head of Business Development	Develops Partnership Relationships, Sales, Events, Conventions, Home & Educational	($90,000)	($2,195,000)
	Full Color Games, Inc.		
CEO	David Mahon	($250,000)	($2,445,000)
President	Glen Howard	($180,000)	($2,625,000)
CFO	Martin Linham	($180,000)	($2,805,000)
CTO	Mark Munger	($180,000)	($2,985,000)
CXO	Seasoned Industry Executive	($200,000)	($3,185,000)
COO	Seasoned Industry Executive	($150,000)	($3,335,000)
		($3,335,000)	
Tax Burden of 25.1% on Payroll	IRS, State, FICA, et. al.	($837,085)	($4,172,085)
Subcontractors			
	Client Side Server Side Regulatory Approvals Testing Certifications		
21 or Nothing™	Code & integrate client & server side for Quickfire, Playtech, GTS, Amaya, OpenBet, et. al	($100,000)	($4,272,085)
Full Color® Baccarat	Code & integrate client & server side for Quickfire, Playtech, GTS, Amaya, OpenBet, et. al	($100,000)	($4,372,085)
Full Color® Poker	Code & integrate client & server side for Quickfire, Playtech, GTS, Amaya, OpenBet, et. al	($100,000)	($4,472,085)
General & Specific Legal			
	Newman Law Stock Options Contracts Lease & Tenants		
Newman Law, LLC (IP Attorney	Ongoing IP filings, protection, patent acquisitions	($24,000)	($4,496,085)
General Counsel / Legal	Stock plans, contracts, general counsel	($60,000)	($4,556,085)
Full Color® Intellectual Property Licensing Expenses			
	USPTO WIPO US Copyright Office		
USPTO (©, ®, Patents)	Domestic Costs for ongoing copyright, trademark and patents administration to obtain IP protection	($24,000)	($4,580,085)
World Intellectual Property Org.	Global Costs for ongoing patent filings & administration to obtain IP protection	($24,000)	($4,604,085)
Global filing of (©, ®, Patents)	Global Costs for ongoing copyright & trademark filings & administration to obtain IP protection	($24,000)	($4,628,085)
Accountant	Payroll, Taxes, 1099's, et. al.	($60,000)	($4,688,085)
Payroll Checks	Outsource Payroll Services	($36,000)	($4,724,085)
Marketing Capital			
	Ad Networks PR Firm Affiliate Marketing		
Capital for PR, Marketing & Promotions	National television promotional tour to morning shows, internet, talk shows & press	($500,000)	($5,224,085)
	Reality television show	($17,000,000)	($22,224,085)
Capital for Advertising in 21 or Nothing™	Advertising campaigns for all mobile apps on Facebook, mobile apps, web, seo	($1,800,000)	($24,024,085)
Capital for Advertising in Full Color® Poker	Advertising campaigns for all mobile apps on Facebook, mobile apps, web, seo	($1,800,000)	($25,824,085)
Capital for 3rd Party Press/Promotion	Money to hire 3rd party promotions, press, marketing specialty companies	($450,000)	($26,274,085)
G&A			
	Adobe Creative Suite Developer SDKs Support Services		
Bank Charges		($43,000)	($26,317,085)
Consultants and certifications (Math, other)		($98,000)	($26,415,085)
Dues / Subscriptions / Memberships		($1,800)	($26,416,885)
Email, AWS, Codebase, et. al (SAAS)		($18,000)	($26,434,885)
Equip (Office & PC, Mobile, Printer, SW...)		($12,000)	($26,446,885)
Graphics / Printing / Copying		($12,000)	($26,458,885)
Insurance (Keyman)		($3,500)	($26,462,385)
Insurance (Gen Liability, D&O, Keyman)		($49,000)	($26,511,385)
Insurance (Prize Insurance)		($2,400,000)	($28,911,385)
Insurance (Blue Cross/Blue Shield PPO)		($144,000)	($29,055,385)
Licenses & Permits		($135,000)	($29,190,385)
Miscellaneous		($24,000)	($29,214,385)
Office Supplies & Postage		($24,000)	($29,238,385)
Uniforms		($2,480)	($29,240,865)
Rent (Office)		($240,000)	($29,480,865)
Rent (Corporate Condo VP for President)		($48,000)	($29,528,865)
Mobile Phones, Wireless Plans, 4g LTE		($16,230)	($29,545,115)
Internet Access/Hosting Bandwidth, etc		($135,000)	($29,680,115)
AWS S3, EC2 Servers, Databases, et. al.		($86,000)	($29,766,115)
Domain Name Registrations		($3,600)	($29,769,715)
Miscellaneous expenses / over budgets		($96,000)	($29,865,715)
Conventions			
	Ad Networks PR Firm Affiliate Marketing		
Capital for Seminars, Conventions, Events	Global seminars that must be attended to market, promote, integrate, affiliate	($1,650,000)	($31,515,715)
Acquisition Capital			
	Slot Apps Blackjack Apps Marketing Apps Drive social to real Money		
RSL	RGS Standalone Solution	$0	($31,515,715)
Picante / Murtislots	Licensed Operator	($3,000,000)	($34,515,715)
Acquire Small- Med Mobile Social Casino App	Begin to build cross marketing & cross platform of traditional casino & Full Color® Casino	($450,000)	($34,965,715)
Acquire Social Media Marketing Company	Integrate a viral, social, email, web marketing company to drive our organic downloads	($600,000)	($35,565,715)
Accrued Expenses			
David Mahon	Accrued Expenses	($825,000)	($36,390,715)
Runway			
	IPH		
Capital Reserves	12 month runway for Year 2.	($2,900,000)	($39,190,715)
			-£ 25,448,516.23

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT F

Full Color Games Ltd • First Floor 10-12 Prospect Hill • Douglas IM1 1EJ • Isle of Man
+44 7624 386897 Direct• www.FullColorGames.com • martinlinham@fullcolorgames.com

Mr Kiel Harris
Licensing Officer
Gambling Commission
Victoria Square House
Victoria Square
Birmingham
B2 4BP

25th October 2016

Dear Mr Harris,

Re: Application for a Remote Software Operating License
Account ID: 46759
Operating Name: Full Color Games Limited

Thank you for your letter of 10 October 2016. We apologise for the delay in responding.

We would respond to your points as numbered:

Funding and working capital

1. I attach a copy of the full summary of investments made to date.

   I would advise that all items shown were received as investments by individuals either directly or through their investment vehicles by way of a convertible preferential note into Full Color Games, Inc. during a period from April 2012 to January 2016. These investments were converted during a corporate transaction on 11 April 2016 which saw the creation of a new group head, Full Color Games Ltd in the Isle of Man. The further investment made by Davinci Holdings Ltd was made directly into Full Color Games Ltd and is covered in 2. below.

2. I would confirm that a total investment of $2 million was made by Davinci Holdings Ltd. Attached is a copy of the Share Issuance Agreement. This investment comprised $1 million in cash, which was made in two tranches of $500k; copies of each wire transfer is attached herewith; and a further $1 million in-kind. The terms of the investment are set forth in the attached Share Issuance Agreement.

FULL COLOR GAMES

Full Color Games Ltd • First Floor 10-12 Prospect Hill • Douglas IM1 1EJ • Isle of Man
+44 7624 386897 Direct• www.FullColorGames.com • martinlinham@fullcolorgames.com

3. I would confirm that the Company is currently seeking further investment through the sale of equity in order to maximise distribution and development of its games. We have already provided a copy of the Series A Private Placement Memorandum ("PPM") which has been used as a basis for discussion and attraction of targeted investors. This PPM was written on the basis of a subscription model to enable the Company to take a maximum of £28.7m in investment for a 20% equity stake in the Company.

The approaches that have been made have been through a known network of contacts and advisers who have assisted in reaching potential investors. We are actively engaged in a number of conversations which are hoped will yield investment within the next 6-8 weeks. These conversations have been occurring since May 2016 however, were briefly halted through June and early July due to the impact of Brexit on the economy and the advisers we were talking with.

To date, we have contacted and had discussions with the following parties:

Akur Capital, London
BDO, London
Chrystal Capital, London
Daniel Stewart & Co, London
Boston Corporate Services, Isle of Man
Burlywood Capital, Liverpool
Chris Harriman, San Diego, CA, USA (Individual)
Dean Street Advisers, London
IGVL, London
Jim Budny, CA, USA (Individual)
Larry Nesbit, MS, USA (Individual)
JP Morgan, San Francisco, CA, USA
Deutsche Bank, London
Barclays Bank, London
Credit Suisse, London
Mark Cilia, London (Individual)
Laurie Pinto, London (Individual)
James Stocks & Co, London
Kelvin King, London (Individual)
Larry Cohen, London (Individual)
Warren Phelops, London (Individual)
Whitman Howard, London
Simon French, Liverpool (Individual)
Aspinall Capital, London
Mandalay Financial, London
Andrea Porcelli, USA(Individual)
Richard Blakesley, London (Individual)

Mike O'Connor, London (Individual)
Playtech, London
Balmoral Capital A, London

4. I would advise that as noted above, we are currently seeking additional investment through a Series A funding, details of which have already been supplied to the Commission. We have adequate contingency for the delay or failure to secure further funding for a prolonged period through a further approach to our existing investors who have already been extremely supportive, some of which have invested multiple times demonstrating their continued support. Furthermore, through the cornerstone investment from Davinci Holdings Ltd and a partnership with Mr Bastian, the UBO of the company, we have the ability to approach Mr Bastian for further funds through the sale of equity to ensure that the business continues until further external funding is secured. We are confident that additional equity based funding will be forthcoming and will notify the Commission as soon as this is secured.

Shareholding

5. You have requested clarification on the matter relating to Mr Newman.

Firstly, I would request that the following information is confidential and is subject to ongoing investigation and potential litigation and must not be discussed directly or indirectly with Mr Newman as we have noted that it is your intention to contact Mr Newman directly to establish whether he wishes to pursue his application for a PML.

Mr Newman is a licensed attorney in three states in the United States of America. He is the former in-house Counsel for Shufflemaster where he had gained respect and a wide knowledge of the gaming industry. He has been working with Full Color Games in the capacity of Legal Counsel and IP Attorney for approximately six years. Through this period Mr Newman had undertaken various tasks for the Company including the initial filings related to intellectual property. During this time, the Company never had cause to question his statements as a licensed attorney and officer of the court in good standing. However, due to a failure to perform various contractual and corporate matters and his failure to provide the Company with pertinent information relating to the Full Color® intellectual property filings, the Directors of Full Color Games Ltd were moved to question statements made by Mr Newman and information it had received regarding Mr Newman which led the Company to believe that Mr Newman had wilfully neglected the corporate and IP work of the Company and that he was not who he purported to be. Mr Newman was therefore terminated for cause.

The Board of Directors of Full Color Games Ltd therefore sought to remove Mr Newman as a Director of the Company and following a supporting resolution from 100% of the voting members of the Company, the Board of Directors resolved to remove Mr Newman as a Director of the Company on 25 August 2016. Furthermore,

the Board of Directors of Full Color Games Ltd have moved to revoke Mr Newman's shares in Full Color Games Ltd which were allotted but not issued.

Following the investigations of the Board of Directors of Full Color Games Ltd, it is believed and hereby averred that Mr Newman has engaged in activities that a) violated the requirements of the Isle of Man Companies Act 2006 to act as a Director of the Company, and b) would violate the requirements of the Gambling Commission to be i) found suitable to be a Director of a licensed Company, b) hold a Personal Management License, and c) hold a position of Key responsibility in a licensed Company. These activities include, but are not limited to, gross misconduct, malpractice, malfeasance and misrepresentation. It is for these reasons that Mr Newman was removed from the Board of Full Color Games Ltd and a move to revoke his shares was commenced.

The information that has led us to conclude and aver these actions are as follows:

A) Mr Newman was the attorney handling all filing for and on behalf of Mr Mahon and the Company related to the Full Color® Intellectual Property (i.e. patents, copyright and trademarks). With the Company pursuing additional funding, it was important to ensure that all due diligence was up to date and available for the review by potential investors. This included all documentation relating to the intellectual property. Despite numerous requests from Officers and Directors of the Company, Mr Newman failed to provide any information related to the current status of intellectual property filings. It has since been established the Mr Newman both knowingly and wilfully ignored notices from the US Patent Office related to the intellectual property of Full Color® Games – a fact which could have / may cause untold damages in a loss of investment opportunity or even filings from other inventors which is similar to that of Full Color® Games.
B) It is believed and averred that Mr Newman has engaged in potential investor fraud by asserting that he is an accredited investor pursuant to the SEC. An investigation is ongoing but Mr Newman is refusing to cooperate which triggers other clauses to have his shares revoked in order to preserve the integrity of Full Color Games Ltd suitability to either hold a key position in a licensed business or for a Personal Management License with the Gambling Commission, it is believed and hereby averred that Mr Newman had committed fraud to achieve personal gain.
C) Further investigation by the Directors of the Company found public mention and statements related to a company styled "Vegas Game Point, LLC.". This company has listed "Cooper Blackstone" as the sole Director and Officer filed on public record. Cooper Blackstone is an LLC formed in accordance with the rules and laws of Nevada, USA and is beneficially owned 100% by Mr Newman. Furthermore, Mr Newman through use of his alias Cooper Blackstone (NOTE: LLC is not included on official filings), was the sole Director and Officer of Vegas Game Point, LLC. and held himself out to be the Compliance Officer and Chief Legal Officer for that company. This indicates that Mr Newman held the ultimate levels of responsibility

and accountability and appears to have failed in his duty as an Officer and Director of that Company to prevent the alleged actions from transpiring. Vegas Game Point, LLC. is currently under investigation for an embezzlement charge which was filed against it. Mr Newman claims to be unaware and uninvolved in the embezzlement and has, through his law firm, Newman Law, LLC. filed a motion against the claim of embezzlement, representing himself and his alter ego by himself. If Mr Newman cannot prevent such actions occurring where, it is clear, he has complete autonomy and control, then it is averred that he may be complicit in the act. Clearly, it is not the duty of the Directors of Full Color Games Ltd to investigate this matter but it is clear that through his actions, the Board of Directors found Mr Newman to be unsuitable to act in the capacity of a key person which further added to grounds to terminate his appointment as he is not suitable. The Board of Directors of Full Color Games Ltd found that if Mr Newman failed in his duties as the sole Director, Officer and Chief Legal Counsel of Vegas Game Point, LLC. he could not be trusted to manage or engage with those managing the affairs of Full Color Games Ltd.

As noted above, the Board of Directors has moved to revoke the shares issued to Cooper Blackstone, LLC. AKA Mr Newman with immediate effect. The Board of Directors is currently seeking legal advice in relation to the shares held by Cooper Blackstone, LLC. AKA Mr Newman in Full Color Games, Inc. with further actions possible following the advice of counsel based on the allegations detailed herein.

Business Continuity

6. In regard to the question relating to the business continuity should any of the key individuals be unable to fulfil their regulatory responsibilities, to ensure minimal disruption to adherence with the LCCP. I would advise that, as detailed below in items 7 through 9, the Company works with a number of licensed third party Companies to provide a technological solution to enable the Company's unique content to reach the market.

Each of the Key Personnel identified in the application have specific expertise and work closely together as a cohesive management unit. The Company has identified the need for a succession plan to ensure that such continuity is achieved with minimal disruption to the business. As a result, I can advise that the succession plan / continuity for the loss of any key individual would be covered as follows:

Mr David.W. Mahon: Mr Mahon is Inventor of Full Color® Games; which represents and entirely new class of card and casino gaming and sole founder of the company; and Sole Founder of the business and an Executive Director and Chief Executive Officer of the Company and is involved in all areas of the business. Whilst his activities in marketing, operations, technology and development, finance and corporate affairs could all be absorbed by Mr Linham and Mr Munger, his activities in the product

development would be harder to cover. In the short-term these would be handled by a mixture of Mr Munger, our third party technology partners and our third party industry consultants. However, as the owner and inventor of the intellectual property, this area would be much harder to cover. With the assistance of some of the existing investors within the Company, we believe that we could cover this area until a resolution of either the return or replacement of Mr Mahon is concluded. This would rely upon our two highly experienced gaming professionals who are currently working for the Company in a consulting capacity. This would be a short term measure until either a) the return of Mr Linham, or b) the replacement of Mr Linham in a full-time capacity by an approved person (i.e. a holder of a Personal Management License).

Mr M.L. Linham: Mr Linham is an Executive Director and Chief Financial Officer of the Company and performs the role of head of compliance and regulatory affairs and Money Laundering Reporting Officer. His involvement is operational, management, corporate, financial, marketing and technological. In the event of Mr Linham becoming unavailable, his corporate, financial and compliance / regulatory duties would be outsourced to Corporate Options Ltd, the provider of the Registered Agent. Corporate Options Ltd has dedicated resource for corporate, compliance, finance and regulatory affairs under terms of its license with the Isle of Man Financial Conduct Authority. The operational, marketing and technological duties will be absorbed by Mr Mahon and Mr Munger and should this not be possible, we would utilise the services of two highly experienced gaming professionals who are currently working for the Company in a consulting capacity. This would be a short term measure until either a) the return of Mr Linham, or b) the replacement of Mr Linham in a full-time capacity by an approved person (i.e. a holder of a Personal Management License).

Mr M.W. Munger: Mr Munger is the Chief Technical Officer of Full Color Games Ltd. His involvement is primarily technological and developmental however he also becomes involved in some operational and marketing aspects of the Company. In the event of Mr Munger becoming unavailable his primary activities would become absorbed by Mr Mahon with input from our third party technology partners. Hi secondary activities would be absorbed by Mr Mahon and Mr Linham. Should either of Mr Mahon or Mr Linham be unavailable, the Company would utilise the services of two highly experienced gaming professionals who are currently working for the Company in a consulting capacity and our third party technology partners. This would be a short term measure until either a) the return of Mr Munger, or b) the replacement of Mr Munger in a full-time capacity by an approved person (i.e. a holder of a Personal Management License).

Mr L.J.B. Murphy: Mr Murphy is the Registered Agent and Corporate Director of Full Color Games Ltd. Mr Murphy's role is related to all corporate matters and he has limited exposure to the operations of the Company. As a Registered Agent, licensed by the Isle of Man Financial Conduct Authority, in the event of Mr Murphy being unavailable, his company, Corporate Options Ltd, would provide the Company with a

new Corporate Director who would already be up to speed on the corporate affairs of the business through the internal operations of Corporate Options Ltd. A PML would be sought for the new Director should Mr Murphy not be available for any extended period.

As noted above, working together as a coordinated and cohesive management team is paramount to the way that the business is managed to ensure that there is no problem in enacting any succession plan or business continuity to ensure that all areas of the business continue to be serviced pursuant to the LCCP.

Remote Gaming Server ("RGS")

It is important to note that the RGS is currently in development and the situation remains fluid at this time to ensure that Full Color Games Ltd achieves the best and most cost effective solution for its RGS as a platform to serve and integrate into operators around the world. Much of our technical integration and development work is outsourced to third party providers such as Multislot and Spin Gaming. This has enabled us to increase our speed to market with partnerships with BetConstruct, Everymatrix, Videoslots and Microgaming as we have been able to utilise the fact that the RGS is already integrated with those operators and aggregators.

7. Full Color Games Ltd has licensed an RGS from Virtuasoft Ltd. This RGS has been licensed by and used by Amaya, Bet Victor and continues to be used by Ho Gaming. The base source code of the RGS has been previous certified by GLI for compliance with respective parts of GLI-19, UK and Italian regulations. As the Company is making additions and modifications to the RGS, it is the intention of Full Color Games Ltd to submit the modified RGS and its games for certification under a minimum of GLI-19 and UK regulations prior to its offering to operators.

   As Full Color Games Ltd will be responsible for all aspects of this software and it's performance on the operators sites, there is redundancy being written into the software that will allow redundant servers to be setup and mirror the primary servers. Should the primary servers fail or otherwise become non-functional, the option will be available for the operator or the Company to switch over until the primary servers can resume functionality.

8. As Full Color Games Ltd's version of the RGS is still under development, we should note that we are in possession of the RTS for the UK which includes the IPA's. As we are developing the RGS and preparing it for certification under the UK RTS, we are reviewing each item and ensuring that we are complaint. The final test will be when it passes certification which will be after all development is complete.

9. As stated in item 8. above, the Company are still in the process of developing and modifying the RGS that we will be offering our games on. We are in possession of,

and understand the RTS and how we must meet those as the minimum standards. As we develop further the platform in the next few months, we will be able to full define how we are compliant with, and how we will handle breaches to the RTS.

Operations in other jurisdictions

10. Full Color Games Ltd is currently actively seeking new distribution partners to carry its software for use by licensed operators. Full Color Games Ltd will only do business with licensed operators who must comply with their respective jurisdictional laws and regulatory requirements.

    Through its licensing agreements, the Company will use a transitive trust arrangement to place the onus on the licensor to ensure that the software is only provided to operators who have proved that they are licensed to operate in the markets and jurisdictions which are allowed by their respective regulators and that the operator complies with all appropriate regulations and laws. No provision of software is made until the license agreement has been executed to ensure that the transitory trust is in place to ensure that the operators adhere to the terms of the license.

    Full Color® Games is copyrighted, trademarked and patented. As such, the Company, through its licensing arrangements will protect any unauthorised, unlicensed or unlawful use of the Intellectual Property associated with Full Color® Games which infringes the exclusive rights granted to the Company. Whilst the Company routinely invokes legal and technological measures to penalise infringement it must rely heavily upon the license contracts with authorised and licensed third parties.

Policies and procedures

11. Full Color Games Ltd ensures that compliance and regulation is understood and considered by all staff as part of the ordinary "business as usual". The ensures that all staff understand their own and the Company's obligation under any and all regulation, whether industry or corporate related.

    As a result, all personnel are provided with a training plan which incorporates both internal procedures and policies and external regulation. Key personnel within Full Color Games Ltd will be kept up to date with any changes to the LCCP through a series of releases from within the industry, a review and update from the UK Gambling Commission website, regular mailings, training and update seminars as well as updates from our corporate Registered Agent.

    All of the Company's policies and procedures are designed with and will be amended in line with regulatory and compliance changes as well as changes in industry best practice. These policies and procedures are monitored by the Company's Audit, Risk and Compliance Committee ("ARCC") and circulated to all appropriate staff. Staff are

Full Color Games Ltd • First Floor 10-12 Prospect Hill • Douglas IM1 1EJ • Isle of Man
+44 7624 386897 Direct• www.FullColorGames.com • martinlinham@fullcolorgames.com

required to sign confirmation notices to confirm that they have read acted upon and understood all and any changes to policies and procedures as a matter of normal business practice.

Members of staff and members of ARCC are encouraged to watch for industry or regulatory courses and can request attendance at such events. Where ARCC considers content to be valuable and appropriate, staff in both key and other positions within the Company, will be told that attendance at such events is mandatory.

12. I would confirm that Full Color Games Ltd will meet the obligation towards a donation the research, education and treatment of problem gambling in line with Social Responsibility code provision 3.1.1(2) through a donation from expected revenues or from capital reserves until the Company achieves positive cash flow.

In preparation for applying for the UK Gambling Commission license, Mr Mahon made the extraordinary trip from the USA to meet with the UKGC in Birmingham on 5 May 2015 where he personally demonstrated his new class of gaming in Full Color® Games and sought to develop a close and respected relationship with the commission; Sharon McNair and Alistair Quigley.

I trust that the information herein is acceptable however if you require any additional information, please do not hesitate to contact me. Both Mr Mahon and I would be happy to meet in person with the Commission if required.

Yours sincerely,

Martin L. Linham
Director

Enclosures.

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EXHIBIT G

David Mahon <david@fullcolorgames.com>

Full Color Games Ltd - Notice before action

Martin Linham <martinlinham@fullcolorgames.com> Thu, Aug 18, 2016 at 2:59 PM
To: "Richard Newman, Esq." <rich@fullcolorgames.com>
Cc: David Mahon <david@fullcolorgames.com>, Glen Howard <glen@fullcolorgames.com>, Lee Murphy <lee@corporateoptions.co.im>

WITHOUT PREJUDICE

Dear Rich,

Following meetings with officers of the Company earlier this week at which specific work product failed to be produced, I am writing to provide you with formal notice that at a meeting of the Directors of Full Color Games Ltd earlier today, it was found that your delinquency in attending to a number of corporate actions have caused the Company undue harm and potential damage. As a result, we have no alternative but to provide you with formal notice that unless action is taken to remedy the outstanding corporate actions, we will have no alternative but to terminate your relationship with Full Color Games Ltd.

The corporate actions that were assigned and agreed by you during the corporate meetings during the week commencing 25 July 2016 that you are responsible for and that are delinquent are detailed below:

1. Contract between FCGL and Microgaming (and back-to-back contract / indemnity with Multislot in respect of the SLA element of the agreement. We need to establish whether this requires review by IOM legal counsel?
2. Contract between FCGL and Multislot for the provision of the RGS and development resource and the revenue share agreement. Once again we need to establish whether this requires review by IOM legal counsel?
3. Contract between FCGL and Ashley Sandyford-Sykes in his capacity as an independent contractor.
4. Written report updating the status of all IP related work (patents, trademarks, copyrights etc.).
5. Written report detailing steps necessary and likely a) Budget, and b) Timetable, for either recognition of existing IP or filing new international protection as appropriate. This should include details of additional external IP legal counsel in additional jurisdictions and posted on Google Sheets held on the Google Drive.
6. MNDA between FCGL and Roger Hawkins.
7. Letter of Intent between FCGL and BetConstruct for delivery of games through Multislot and revenue share agreement. LOI should be worded so that there is some idea of anticipated revenues so that it can be exhibited for the purpose of soliciting investment.
8. Letter of Intent between FCGL and VideoSlots for delivery of games through Multislot and revenue share agreement. LOI should be worded so that there is some idea of anticipated revenue so that they it be exhibited for the purpose of soliciting investment.
9. Contract between FCGL and Island Luck for the provision of games through Multislot and the revenue share agreement. This should be worded so that there is some idea of anticipated revenues so that it can be exhibited for the purpose of soliciting investment.

Specifically, David has travelled to the Bahamas to meet with our largest external shareholder and does not have a draft of the contract between Full Color Games Ltd and Island Luck (#9 above), which he was there to negotiate in person. This document needs to be drafted and sent to David **without delay** as he arrives in the Bahamas at 18:09hrs (PST) and is meeting with the shareholder Friday morning (EDT) which therefore means that the draft contract needs to be with David before 07:00 (EDT).

Your failure to perform has placed the Company in an unacceptable position, hence the need to provide you with formal notice, herein.

Regarding the other outstanding matters on the list (#1 to 8), you should provide us with a schedule of when these items can be expected so that we can work with you to remedy the situation.

--

Regards,

The Next Generation of
Card & Casino Based Gaming

Full Color Games Ltd
First Floor, 10-12 Prospect Hill
Douglas, Isle of Man, IM1 1EJ

Martin Linham
Director and Chief Financial Officer
View my profile on **LinkedIn**

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGhistorychannel (product trailer)

http://www.fullcolorgames.com

Email: martinlinham@fullcolorgames.com
Direct: +44 762 438 6897 iPhone
Skype: martin.linham88

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EXHIBIT H

David Mahon <david@fullcolorgames.com>

Full Color Games Ltd - Notice before action

Rich Newman <rich@fullcolorgames.com> Fri, Aug 19, 2016 at 7:34 AM
To: Martin Linham <martinlinham@fullcolorgames.com>
Cc: David Mahon <david@fullcolorgames.com>, Glen Howard <glen@fullcolorgames.com>, Lee Murphy <lee@corporateoptions.co.im>

Your email below does not address the failure of the company to pay 10k USD per month to me by the first of the month as agreed. This has caused substantial harm. When asked about the failure to pay as agreed, I was not given an explanation for the failure to pay and not told when or if payment would ever be made as agreed. As such there's clearly no delinquency on my part. There is a breach of our agreement by the company which remains uncured as of today and thus continues to cause harm. The email below fails to remedy this breach despite it being well known as a preliminary matter for resolution.

Sent from my iPhone
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EXHIBIT I

MINUTES
OF A MEETING OF THE DIRECTORS OF
FULL COLOR GAMES LIMITED
held on 25 August, 2016 at Douglas, Isle of Man

(Full Color Games Limited is a Company Incorporated in accordance with the Isle of Man Companies Act 2006. Registered No. 013172V)

In attendance	:	David W. Mahon, Director and CEO
	:	Martin L. Linham, Director and CFO
	:	Lee B. Murphy, Director and Registered Agent
Absent	:	Richard H. Newman, Esq., Director and CLO

1. The meeting commenced at 18:00hrs UMT+1 and was deemed quorate pursuant to section 108 of the Companies Act 2006 (the "Act") with three of the four Directors present.

2. Mr Newman had not been invited to the meeting as his attendance would have been a direct conflict as the meeting had been called to discuss the performance and position of Mr Newman.

3. For the purposes of the meeting, Martin L. Linham was appointed as Chairman of the meeting.

4. Given the short notice of the meeting, it was tabled and all Directors agreed to a waiver of short notice pursuant to the provisions of section 107(2) of the Act.

5. Following an earlier meeting of the Directors and a subsequent meeting of the shareholders of the Company holding voting rights in the Company, the Directors have been authorised to terminate the services of Mr Newman with immediate effect.

   IT IS THEREFORE RESOLVED that pursuant to the resolution of the shareholders of the Company pursuant to the provisions of section 96(2)(b) of the Isle of Man Companies Act 2006, Mr Newman is hereby removed as a Director of the Company with immediate effect.

   IT IS FURTHER RESOLVED that the allotment of shares made to Cooper Blackstone LLC on 11 April 2016 be and is hereby cancelled with immediate effect.

   IT IS FURTHER RESOLVED that Mr Newman be removed from all bank accounts and promotional materials used by the Company with immediate effect.

6. There being no further business, the meeting was closed by the Chairman with additional meetings being scheduled as needed.

SIGNED as a true record of the meeting of the Directors on the date first written above.

By: _____

Martin L. Linham, Director and CFO
Full Color Games Limited

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EXHIBIT J

Termination of Directorship, Legal Counsel & et. al.

David Mahon <david@fullcolorgames.com> Thu, Aug 25, 2016 at 9:07 PM
To: "Richard Newman, Esq." <rich@fullcolorgames.com>, Lee Murphy <lee@corporateoptions.co.im>, Martin Linham <martinlinham@fullcolorgames.com>, "Richard Newman, Esq." <rich@newmanlawlv.com>, "Richard Newman, Esq." <richarnew@gmail.com>

Mr. Newman,

Full Color Games Ltd ("FCGL") has received your letter of August 19, 2016, in response to your "Notice Before Action" letter from FCGL on August 18, 2016.

After much consideration, it is with great regret that FCGL, including, but not limited to all of its affiliates, agents, contractors, subsidiaries, companies, licensors and licensees, has chosen to terminate all of its business relationships with you, in both your individual and corporate capacities as it's general and specific IP legal counsel as well as any Directorships or roles within FCGL or any and all of its subsidiaries.

FCGL hereby requests that you return all of its property, keys, access cards, bank tokens, iPhone 6+, Macbook Pro laptop computer and accessories immediately.

FCGL hereby further requests that Newman Law, LLC turn over all of the original IP files from Howard & Howard that you received on or about October 28, 2014 (per the attached document) and further prepare a master list of all legal documents and intellectual property work, correspondence, case files, letters, filings, responses, notices, patent, trademark or copyright work that it has done since then so the new law firm that will be taking over can make a full legal assessment of their current state. It is imperative that you transfer the documents to us at once due to the urgent nature and time sensitivity of the work that has not been completed.

Please let us know when you will be available to make this transfer of property, in part or in whole as soon as possible as time is of the essence.

Regards,
David Mahon
Majority Shareholder, Director & CEO of Full Color Games Ltd

--

The Next Generation of Card & Casino Based Gaming

David Mahon
Inventor & CEO
View my profile on **LinkedIn**

http://www.fullcolorgames.com

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EXHIBIT K

David Mahon <david@fullcolorgames.com>

Termination of Directorship, Legal Counsel & et. al.

Richard Newman <rich@newmanlawlv.com> Thu, Aug 25, 2016 at 11:59 PM
To: David Mahon <david@fullcolorgames.com>
Cc: "Richard Newman, Esq." <rich@fullcolorgames.com>, Lee Murphy <lee@corporateoptions.co.im>, Martin Linham <martinlinham@fullcolorgames.com>, "Richard Newman, Esq." <richarnew@gmail.com>

David

I'm surprised and disappointed at the lack of dialog or even an attempt to resolve a legitimate dispute. I am also unaware of a director's meeting or any other being held without me in which this matter or any others were to be discussed.

Setting aside any procedural issues, just in light of the extreme disruption and potential harm the action proposed in the email below would cause to the company, particularly with regard to its recent regulatory filings and representations, I believe there exists an obligation to at least attempt to resolve this matter in a way which minimizes harm. I can assure you that I am very much open to reaching a resolution that avoids causing any harm to the company which I've personally and professionally invested so much time and effort into over so many years.

For now I propose a phone call to discuss as soon as possible. Alternatively, I can present my thoughts by email. Let me know how you'd like to proceed.

Thanks
Rich

---- On Thu, 25 Aug 2016 21:07:32 -0700 **David Mahon<david@fullcolorgames.com>** wrote ----
[Quoted text hidden]

Newman Law, LLC
7435 S. Eastern Ave Suite 105-431
Las Vegas, NV 89123
NOTICE: Information contained in this transmission to the named addressee is proprietary information and is subject to attorney-client privilege and work product confidentiality. If the recipient of this transmission is not the named addressee, the recipient should immediately notify the sender and destroy the information transmitted without making any copy or distribution thereof.

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EXHIBIT L

David Mahon <david@fullcolorgames.com>

Termination of Directorship, Legal Counsel & et. al.

Martin Linham <martinlinham@fullcolorgames.com> Fri, Aug 26, 2016 at 4:09 AM
To: Richard Newman <rich@newmanlawlv.com>
Cc: David Mahon <david@fullcolorgames.com>, "Richard Newman, Esq." <rich@fullcolorgames.com>, Lee Murphy <lee@corporateoptions.co.im>, "Richard Newman, Esq." <richarnew@gmail.com>

Without Prejudice

Dear Rich,

I refer to David's email of 25 August 2016 together with your response.

Given the severity of the lack of performance (and related work product) and the position that the Company was left in, highlighted in my email to you of 18 August 2016, together with the failure to either respond fully addressing the proposed remedy for the outstanding corporate actions as well as the Intellectual Property filings and other matters outstanding, the Company feels that it has been caused grave and possibly irreparable harm in its ongoing business relations and funding efforts. As a result, a meeting of the Directors was called and duly held on 25 August 2016 with the specific purpose of addressing the matter. Due to a clear conflict of interest, you were not notified or invited to the meeting of the Directors.

At said meeting of the Directors, the matter was discussed and the Directors requested the input of the shareholders with a voting interest in the Company. Such a meeting of the shareholders with a voting interest was convened on 25 August 2016 and at said meeting the shareholders resolved unanimously to terminate your position as a Director of Full Color Games Ltd with immediate effect, pursuant to the terms of Section 96(2)(b) of the Isle of Man Companies Act 2006.

David's correspondence to you was as a direct result of those meetings.

In relation to attempts to resolve the outstanding issues, my email of 18 August 2016 clearly set out the matters which were in need of resolution and how we could have worked toward a resolution. None of these issues have, at this time, been either resolved or progressed by you. As a result we have been unable to finalise and execute contracts for distribution of content and to further the business of the Company resulting in an economic harm to the business. Furthermore, as many of the outstanding items form the basis of outstanding due diligence requested and required for the ongoing fund raising efforts of the Company, they have resulted in a delays in furthering negotiations with various parties. As a result, at the meetings held on 25 August 2016, the Directors and the shareholders holding voting rights in the Company have considered the matter and the impact that it has had on the Company, and have formally resolved to terminate any ongoing relationship with you and your companies.

To address the matter of your professional and personal time invested in the business, you, through your companies, have been compensated in both stock and cash for the work that you had done and this had enabled us to maintain an ongoing relationship and goodwill to a point. Your continued request for further cash advances when the Company has and is receiving no work product, was deemed unacceptable forcing the Directors to take the actions set out in David's email of 25 August 2016. Your efforts to date have been appreciated and rewarded and for that the Company thanks you.

I believe that the Company has made it's position clear as stated in David's email of 25 August 2016 and this email.

I would now repeat the requests made in David's email to return all Company property as soon as practicable. Furthermore, all IP related files should be made available and transferred to the Company with immediate effect so that the Company can proceed to remedy all outstanding matters with new Counsel as soon as possible any minimise any ongoing harm and impact of matters not progressed.

Please confirm that you will return all property and transfer files at the earliest possible opportunity.

I would remind you that pursuant to the provisions of Section 98 of the Isle of Man Companies Act 2006, "A director who vacates office remains liable under any provisions of this Act that impose liabilities on a director in respect of any acts or omissions or decisions made whilst that person was a director".

Regards,
Martin L. Linham
Director
Full Color Games Ltd

[Quoted text hidden]
--

Regards,

The Next Generation of
Card & Casino Based Gaming

Full Color Games Ltd
First Floor, 10-12 Prospect Hill
Douglas, Isle of Man, IM1 1EJ

Martin Linham
Director and Chief Financial Officer
View my profile on **LinkedIn**

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGhistorychannel (product trailer)

http://www.fullcolorgames.com

Email: martinlinham@fullcolorgames.com
Direct: +44 762 438 6897 iPhone
Skype: martin.linham88

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EXHIBIT M

David Mahon <david@fullcolorgames.com>

Termination of Directorship, Legal Counsel & et. al.

David Mahon <david@fullcolorgames.com> Fri, Aug 26, 2016 at 12:19 PM
To: Martin Linham <martinlinham@fullcolorgames.com>
Cc: Richard Newman <rich@newmanlawlv.com>, Lee Murphy <lee@corporateoptions.co.im>, "Richard Newman, Esq." <richarnew@gmail.com>

Mr. Newman

I am in urgent, desperate and dire need for our complete master list and IP files for all things related to David Mahon, specifically including but not limited to Full Color® Games.

We are suffering a great and irreparable harm every day that goes by without these.

Further, we need the Full Color Games Ltd company assets returned asap.

It has been nearly 2 years since Newman Law, LLC took over the files from Howard & Howard, LLP and we have absolutely no records, governmental correspondence, updates, filings or anything, despite a countless number of requests from Glen Howard, Mark Munger, Martin Linham and myself in the interim.

Pursuant to Section 1.15 of the NV State Bar of Rules of Professional Conduct, we have been advised that it is a reasonable request for a law firm to turn over a full, complete and comprehensive ***copy*** of the client's case files ***in full*** within 24-72 hours of the request. A reasonable time for the ***original files*** to be returned is 10 days.

We hereby reiterate the request from yesterday to immediately get us a full and complete ***copy*** of all files and to make your own copy in the interim so you can turn over 100% of all of the original files within 10 days of yesterday to avoid any further action.

Please advise us of when and where we can get these assets as time is of the essence.

Regard,
David Mahon
Director & CEO of Full Color Games Ltd

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A PROFESSIONAL LLC

EXHIBIT N

David Mahon <david@fullcolorgames.com>

For Settlement Purposes

Richard Newman <rich@newmanlawlv.com> Sat, Aug 27, 2016 at 4:04 PM
To: David Mahon <david@fullcolorgames.com>
Cc: Linham Martin <martinlinham@fullcolorgames.com>, Lee Murphy <lee@corporateoptions.co.im>

David

I feel very much betrayed. On advise of counsel I am willing to settle this dipute by entering into the attached agreement.

You'll see the first thing this agreement does is specify that any and all business relationships of any kind that may have developed over the last few years are now terminated.

The second thing this agreement does is deal with the breach by specifying payment to me of 5k by this Thursday. With regard to that matter, as you know I relied on your assurances and the fact that I have a contract with FCG Ltd to begin reducing my private practice to make more time available for FCG matters. On August 15th I asked you about the failure of the company to pay 10k per month as agreed. You never mentioned anything about a deficiency of any kind. In fact, you stated that payment would be made the next day. At the end of the next day (having worked on projects at your direction up until then) it was then that you refused to pay as agreed, gave no reason for the failure to pay, and never indicated when payment would be made as agreed. Then I get Martin's email claiming a deficiency without even mentioning the breach. Most of the items, except for one had been handled or were in process. For example, you claim to have no IP listing the last IP listing provided in connection wtih the PPM remains the same and has not changed so you have this information and have had this information all along. In addition to the 10k, I have also never been reimbursed for various expenses, including expenses relating to the trip to ICE despite having submitted an expense report months ago. Given the amount owed I am entitled to hold on to files and file a lien against assets. However, I am willing to settle any direct monetary claim upon payment of 5k USD made to me by this Thursday which is included in the agreement and upon that payment no lien will be filed and all files will be returned.

The third thing this agreement does is allow us all to move on without further conflict or damage. Entering into this agreement would restrict my ability or the need for me to seek further guidance with regard to reporting or otherwise, and from any potential fallout that could occur as a result. This stems from the concerns I have about various activities, including your unnecessary escalation of conflicts and liabilities that creates, the arbitrary operation of this company without regard to proper corporate governance, the making questionable expenditures and payments to other companies, inside deals, secret profits, usurping corporate opportunities, potential conflicts, etc., as well as frustrating other's attempts at acheiving proper corporate operation, management and governance, perhaps in an effort to keep things as they are. This has troubled me immensely and I have vocalized my concerns to you and Martin previously so it should come as no surprise. I am very concerned that you are relying on the appearance of having conducted the necessary formalities to shield liability. Say what you want, paper what you like - competent courts or regulatory agencies see through that all the time. All directors have an underlying fiduciary duty of loyalty to the company and its shareholders and a director must always act in good faith in what he considers to be the best interests of the company. Gaming and financial industries and their regulatory bodies are highly sensitive to these issues. Martin, having the background that he does as a forensic accountant, would be held to higher standard than minimum care under IOM law. I note that I also cannot just necessarily stand by and do nothing. The Financial Supervision Commission 2011 guidance which was provided in order to assist directors of Isle of Man companies to understand and perform their duties responsibly and within the laws of the Isle of Man states, among other things, that "Directors should not allow others to unduly influence them in a way as to undermine the exercise of their powers, in good faith, in the best interests of the company. Any attempted "string-pulling" by other directors, shareholders, beneficial owners or other third parties, should be firmly resisted by directors. The directors must make their own decisions, after receiving appropriate professional advice if necessary. They must not simply "rubber stamp" decisions made by others." This impacts everyone, including Lee, as I understand there is really no such thing as a nominee director under IOM law.

Given the above, and to properly fulfill my duties as director, whether outgoing or otherwise, I have to consider that the most prudent course may be to seek additional guidance as to my rights and obligations to the Company and its shareholders, including reporting my concerns to the appropriate US or IOM agencies. I also have an employment contract with FCG Ltd and have not yet determined whether I also have rights and obligations under that agreement given the PPM's representations among other things. These are not necessarily things I want to do, but I have 0 percent trust in

you and have to think about my career and protecting myself and my family. This is why the agreement includes a full release for us both and all respective companies, and indemnification for me should I end up being sued along with the company merely because I was once a director.

The rest of the agreement is intended to support the above. I believe this is the best way to move on and leaves only my ownership interest remaining with neither of us having any obligations or duties to one another. I am also open to being bought out of my interest in the company so feel free to arrange an offer if there's an interest in that.

I don't intend for this to be a series of writings or negotiations. This is what I'm offering to settle this dispute. I'm sure you'll react negatively - this is your way after alll despite having betrayed me and my trust - but since I see no reason for you and the company not to enter into this agreement considering what's been done and what's at stake, I expect a quick turnaround. Accordingly, if you do not return a signed agreement to me by Monday morning then I will take the most prudent course in addressing these issues and concerns by seeking guidance and reporting to all necessary regulatory agencies as well as seeking civil remedies.

The above is not intended to represent a full listing of all relevant facts, information or claims. All my rights and remedies are reserved.

Settlement Agreement.pdf
324K

CONFIDENTIAL SETTLEMENT AGREEMENT

This **CONFIDENTIAL SETTLEMENT AGREEMENT** (this "Agreement") is made and entered into effective as of the 26th day of August 2016 (the "Effective Date"), by and between Full Color Games Limited, an Isle of Man limited liability company, Full Color Games, Inc., a Nevada corporation, Full Color Games N.A., Inc., a Nevada corporation (collectively, the "FCG Companies"), Intellectual Properties Holding, LLC, a Nevada limited liability company, and Intellectual Properties Holdings Limited, an Isle of Man limited liability company, (The "IPH Companies"), David Mahon, an individual residing in Nevada ("DM"), on the one hand, and Newman Law, LLC, a Nevada limited liability company ("NL"), Cooper Blackstone, LLC, a Nevada limited liability company ("CB") and Richard H Newman, an individual residing in Nevada ("RN") on the other hand.

All of the aforementioned parties may be referred to as the "Parties" herein, and each "Party" shall include the party, its respective managers, heirs, partners, representatives, members, agents, transferees, predecessors-in-interest, successors-in-interest, affiliates, joint venturers, legatees, executors, administrators, employees (if any), officers (if any), directors (if any), managers (if any), servants, and assigns.

WHEREAS, the Parties hereto have over time formed and developed business relationships, including working together on business efforts relating to games, gaming products, method and systems, among other things, including leading to investments of time and expertise, with CB having an ownership interest in the FCG Companies, RN acting as Director of the FCG Companies in applying for regulatory licensure, NL acting as external legal counsel, and involvement in other matters such as business ventures with DM and the FCG Companies from time to time (collectively, the "Business Relationship");

WHEREAS, a dispute has now arisen between the Parties relating to Business Relationship (the "Dispute"); and

WHEREAS, the Parties hereto mutually desire to terminate the Business Relationship, and settle, resolve, release and waive any and all their claims, disputes and differences regarding the Dispute by entering into this Agreement pursuant to which the Dispute shall be settled and resolved and all claims shall be satisfied, released and waived, all on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and in return for the payment of Five Thousand US Dollars ($5000) to be delivered to RN by Thursday, September 1, 2016, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. <u>Termination of the Business Relationship</u>. Excluding any ownership interests in the FCG Companies, the Business Relationship and all of the respective rights and obligations of the parties thereunder shall terminate and be of no further force and effect as of the Effective Date.

2. <u>Further Assurances</u>. Each of the Parties agrees that it shall execute and deliver, or cause to be executed and delivered, from time to time such other and further instruments and take such other actions as reasonably may be required to carry out the intent and purposes of this

Agreement, including but not limited to promptly executing such documents and performing such acts as may be reasonably necessary to give full effect to the terms of this Agreement.

3. **Mutual Release and Waiver.** The Parties hereto hereby release and forever discharge each other from any and all liability, claims, defenses or counterclaims that have been or could be raised, including, but not limited to, any and all claims, demands, liabilities, debts, obligations, remuneration, damages, judgments, fees, costs, attorneys' fees and causes of action of any and every kind, character or nature, whatsoever, in law or in equity or arising under any federal, state or local constitution, law or regulation, relating to the Business Relationship and Dispute. In full and complete settlement of the Dispute, including all Claims that the parties may have against each other, the Parties further specifically agree as follows:

(a) Specific Release of the FCG Companies, the IPH Companies and DM. NL, CB and RN, on its or their own behalf and on behalf of its or their respective managers, heirs, partners, representatives, members, agents, transferees, predecessors-in-interest, successors-in-interest, affiliates, joint venturers, legatees, executors, administrators, employees (if any), officers (if any), directors (if any), managers (if any), servants, and assigns, jointly and severally (all of which for convenience are hereinafter referred to as the "First Releasing Parties"), hereby release, waive and absolutely and forever discharge one another, including, without limitation, each of the FCG Companies, the IPH Companies and DM, on its or their own behalf and including its or their respective managers, heirs, partners, representatives, members, agents, transferees, predecessors-in-interest, successors-in-interest, affiliates, joint venturers, legatees, executors, administrators, employees (if any), officers (if any), directors (if any), managers (if any), servants, and assigns (all of which for convenience are hereinafter referred to as the "First Released Parties"), from and against any and all claims of every kind and nature whatsoever (including but not limited to each and every claim asserted regarding or related to any obligation or duty owed to the First Releasing Parties or any other person or entity which may assert a claim, right, or title in, to or with regard to the parties' prior relationship, including without limitation any claim of breach of any kind, monies owed or malfeasance), whether now known or unknown, suspected or unsuspected, which the First Releasing Parties has, owns or holds, or at any time heretofore ever had, owned or held, or may hereafter have, own or hold against the First Released Parties.

The Parties hereto, each on their own behalf and on behalf of the First Releasing Parties, acknowledge that they are familiar with Section 1542 of the California Civil Code ("*Section 1542*") which provides:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor.

The Parties hereto, each on their own behalf and on behalf of the First Releasing Parties, expressly waive and relinquish any and all rights and benefits which each and/or the First Releasing Parties has, or may have, under Section 1542. The parties hereto, each on their own behalf and on behalf of the First Releasing Parties, understand and acknowledge the significance and consequence of this specific waiver of Section 1542.

(b) Specific Release of the NL, CB and RN. The FCG Companies, the IPH Companies and DM, on its or their own behalf and on behalf of its or their respective managers, heirs, partners,

representatives, members, agents, transferees, predecessors-in-interest, successors-in-interest, affiliates, joint venturers, legatees, executors, administrators, employees (if any), officers (if any), directors (if any), managers (if any), servants, and assigns, jointly and severally (all of which for convenience are hereinafter referred to as the "Second Releasing Parties"), hereby release, waive and absolutely and forever discharge one another, including, without limitation, each of NL, CB and RN, on its or their own behalf and including its or their respective managers, heirs, partners, representatives, members, agents, transferees, predecessors-in-interest, successors-in-interest, affiliates, joint venturers, legatees, executors, administrators, employees (if any), officers (if any), directors (if any), managers (if any), servants, and assigns (all of which for convenience are hereinafter referred to as the "Second Released Parties"), from and against any and all Claims of every kind and nature whatsoever (including but not limited to each and every Claim asserted regarding or related to any obligation or duty owed to the Second Releasing Parties or any other person or entity which may assert a Claim, right, or title in, to or with regard to the parties' prior relationship, including without limitation any claim of breach of any kind, monies owed or malfeasance), whether now known or unknown, suspected or unsuspected, which the Second Releasing Parties has, owns or holds, or at any time heretofore ever had, owned or held, or may hereafter have, own or hold against the Second Released Parties.

The Parties hereto, each on their own behalf and on behalf of the Second Releasing Parties, acknowledge that they are familiar with Section 1542 of the California Civil Code ("*Section 1542*") which provides:

> A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release which if known by him must have materially affected his settlement with the debtor.

The Parties hereto, each on their own behalf and on behalf of the Second Releasing Parties, expressly waive and relinquish any and all rights and benefits which each and/or the Second Releasing Parties has, or may have, under Section 1542. The parties hereto, each on their own behalf and on behalf of the Second Releasing Parties, understand and acknowledge the significance and consequence of this specific waiver of Section 1542.

(c) Limited Indemnification of RN as Director. Full Color Games Limited shall indemnify RN, have a duty to defend RN and hold RN harmless from, any and all claims, liabilities, costs, damages and/or expenses of any kind, including without limitation court costs and reasonable attorneys' fees, arising out of or in connection with any claims arising out of RN's role as director for Full Color Games Limited.

4. No Publicity and Non-Disparagement. Neither Party shall use the other party's name in any marketing or promotional materials, nor shall any Party issue any announcement, statement, press release regarding the other, the Business Relationship, the Dispute or this Agreement. Each Party agrees to take no action to disparage the other Party, or which is intended, or would reasonably be expected, to harm the other Party, or its reputation, or which would reasonably be expected to lead to unwanted or unfavorable opinion or publicity for the other Party.

5. Non-Interference with Business. Each of the Parties agree that it shall not interfere with any existing or future business relationships of any of the other Parties, or induce

any third party to either terminate its relationship or modify the terms of a relationship in a manner adverse to the best interests of any of the other Parties.

6. **No Inducement.** Other than as specifically and expressly stated herein, the Parties warrant that no promise or inducement has been offered in exchange for execution hereof, that this Agreement is executed without reliance upon any other statement or representation of either party or their representatives.

7. **No Admissions.** Neither the execution nor the performance of this Agreement shall constitute or be construed as an admission of liability or wrongdoing whatsoever by any of the Parties.

8. **Scope of Agreement**. The Parties specifically acknowledge that all factual issues with respect to any claims shall be compromised and settled with the execution of this Agreement

9. **Amendments and Modifications.** No modifications, alterations or amendments of this Release shall be effective unless made in writing and signed by duly authorized officers of each party hereto.

10. **Time of the Essence.** Time is of the essence with respect to the terms and conditions contained in this Release.

11. **No Assignment or Transfer of Claims**. Each of the parties represent that they have not heretofore assigned, transferred, or purported to assign or transfer, to any person or entity, any of their respective rights or obligations under the Agreement, claims or causes of action, or any portion thereof, or any interest therein.

12. **Confidentiality.** The parties agree to keep confidential and not disclose to any third party the terms and conditions of this Agreement, its existence, or any of the negotiations and discussions that preceded its making, except as follows as required by law or court order upon notice to the other party sufficiently in advance of such disclosure to permit it to seek a protective order.

13. **Opportunity to Review and Consult with Counsel.** Each of the Parties acknowledge and agree that they have had the full opportunity to read and review this Agreement prior to entering into it, and to consult with an attorney of their choosing (which each party may or may not actually have done, in its sole discretion). The Parties further acknowledge that this Agreement is the product of negotiations between the Parties. Any rule or construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement and are expressly waived. The terms and conditions of this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any Party.

14. **Parties Bound.** Each of the Parties agrees that this Agreement shall be binding on and inure to the benefit of, or be imposed upon, the Parties, and respective successors in interest, heirs or assigns.

15. **Recitals.** The recitals are incorporated into and made a part of this Agreement.

16. **Headings.** The parties hereto acknowledge that the headings used herein are for convenience purposes only and shall not be used in the construction or interpretation of this Agreement.

17. **Governing Law; Forum.** The laws of the State of Nevada, without regard to its conflict of law principles, govern all matters arising out of or relating to this Agreement. Subject to this Section, the Parties hereby submit to the jurisdiction of the Nevada courts, both state and federal, and waive, to the fullest extent permitted by law, any objection to venue in said courts or any claim that said jurisdiction is an inconvenient forum.

18. **Non-Circumvention.** Each Party agrees not to take any action, directly or indirectly, to solicit, initiate, encourage or assist in the circumvention of any terms in this Agreement.

19. **Entire Agreement.** This Agreement is the complete and exclusive expression of the Parties' agreement on the matters contained in this Agreement. All prior and contemporaneous written or oral negotiations, understandings, representations, statements, writings and agreements between the Parties on the matters contained in this Agreement are expressly superseded by this Agreement.

20. **Counterparts and Electronic Signatures.** The Parties may execute this Confidential Settlement Agreement in multiple counterparts, each counterpart constitutes an original, and all counterparts to an execution, collectively, constitute a single agreement. The signatures of all of the Parties need not appear on the same counterpart, and delivery of an executed counterpart signature by electronic communications is as effective as executing and delivering this Agreement in the presence of the other Party to this Agreement.

{Signature Page to Follow}

IN WITNESS WHEREOF, the undersigned parties have executed this Confidential Settlement Agreement as of the date first written above.

"Full Color Games Limited"

By:_____

Name:_____

"Full Color Games, Inc.

By:_____

Name:_____

"Full Color Games N.A., Inc."

By:_____

Name:_____

"Intellectual Properties Holding, LLC

By:_____

Name:_____

"David Mahon"

_____

"Intellectual Properties Holding Limited

By:_____

Name:_____

"Newman Law, LLC"

By:_____

Name:_____

"Cooper Blackstone, LLC

By:_____

Name:_____

"Richard H Newman"

_____

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT O

Martin Linham <martinlinham@fullcolorgames.com>

Full Color Games Ltd - Application 46759

Martin Linham <martinlinham@fullcolorgames.com> Tue, Aug 30, 2016 at 5:34 AM
To: licensing@gamblingcommission.gov.uk

Dear Sirs,

I refer to my earlier conversation with your office in relation to our application for an Operators License together with related PMLs.

As discussed, please take this email as formal confirmation that Mr Richard Harold Newman should be removed from the application and his application for a PML should be suspended as he has been terminated as a Director and Officer of the Company.

Please confirm that this has been done.

As discussed, payment had been made but had bounced due to incorrect bank details. This will be made again today for the Operators License and the 4 x PML applications.

Please confirm that Mr Newman has been removed and that his PML application has been suspended.

--

Regards,

The Next Generation of
Card & Casino Based Gaming

Full Color Games Ltd
First Floor, 10-12 Prospect Hill
Douglas, Isle of Man, IM1 1EJ

Martin Linham
Director and Chief Financial Officer
View my profile on LinkedIn

Casino:
http://bit.ly/FCGg2e (news piece)
http://bit.ly/FCGhistorychannel (product trailer)

http://www.fullcolorgames.com

Email: martinlinham@fullcolorgames.com
Direct: +44 762 438 6897 iPhone
Skype: martin.linham88

This message contains information that is confidential and privileged. Unless you are the intended recipient (or authorized to receive this message for the intended recipient) you may not use, copy, disseminate or disclose to anyone the message or any information contained in the message. If you have received the message in error, please advise the sender by replay e-mail and delete the message.

GAMBLING COMMISSION

Full Color Games Ltd
Application ID: 3949

8/17/2016

Application Online

Check and Submit

Payment

Dashboard

Payment

Fees Summary

The table below shows a summary of the licence activities that the Applicant is applying for. Please confirm that the activities below are correct before proceeding further.

If the Applicant is applying for multiple activities, they may be eligible for a discount on the application fee. If this is the case, it will be shown as an operating discount below.

Product	Fee Category	Cost
Remote		
Gambling software	F	£6,346.00
Total operating licence costs		**£6,346.00**
Total operating licence discount		**-£0.00**
Total application fees (payable on application)		**£6,346.00**

Personal licence fees	**Cost**
Mr. David Mahon	£370.00
Mr. Martin Linham	£370.00
Mr. Richard Newman	£370.00
Mr. Mark Munger	£370.00
Mr. Lee Murphy	£370.00
Personal licence fees total	**£1,850.00**

Fee Summary	**Cost**
Total operating licence costs	**£8,196.00**
Total operating licence discount	**-£0.00**
Total application fees (payable on application)	**£8,196.00**

Pay online

If you wish to pay the application fee via credit or debit card, you may do so online.

Would you like to pay online?

No

Please forward payment for the above fee as soon as possible.

The Gambling Commission will not commence processing the application until payment has been received.

Payments will only be accepted in Pounds Sterling (GBP) and we are unable to accept American Express or Visa Electron payments.

Please ensure that any cheque payments are made payable to Gambling Commission.

If you wish to pay via BACS transfer, please contact the Gambling Commission on +44 (121) 230 6666 for further details.

Submit Application

tprall

Job : Exhibit_T_351_2016_10_10_00_00_FCGLTD_OL1_UKGC_Request_For_Further_Informa

Host : LAS-TPRALLW7

Date : 2019/03/25

Time : 14:53

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HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT P

GAMBLING
COMMISSION

Mr Martin Linham
Full Color Games Limited
Corporate Options, 1st Floor
10-12 Prospect Hill, Douglas
ISLE OF MAN
IM1 1EJ

10 October 2016

Dear Mr Linham

Application for a Remote Software Operating Licence
Account ID: 46759
Operating Name: Full Color Games Limited (Full Color)

Thank you for your application for an Operating Licence which was received by the Gambling Commission (the Commission) on 18 August 2016.

The Commission works to ensure that gambling is safe and fair for all. As such, amongst other things we strive to ensure that the competence, integrity and suitability of all applicants meet the Commission's requirements.

Therefore before we can process your application further we require the following information:

Funding and working capital

As part of the application process the Commission requires information on how an applicant will fund its business. In the documentation you have provided it states that two rounds of fundraising have already been completed with a third round currently planned.

1. Please provide a full breakdown of the initial funding received by Full Color Games Inc, including the names of all individuals or business entities, amounts received including any terms relating to the funding and the source of these funds. Please support this information with evidence to show the transfer of the funds from source to Full Color.

2. Please confirm the amount of funding received from Island Luck Casino/DaVinci Holdings Limited including any terms relating to the funding and the source of these funds. Please support this information with evidence to show the transfer of the funds from source to Full Color.

3. Please confirm how the third round of funding will be under taken and what is envisioned being provided to investors for their funds. Please confirm if any prospective investors have already been approached and under what terms they will be providing funding.

4. What financial contingencies are in place should you not be able to source the expected funds and what impact that would have on the provided financial projections.

POSITIVE ABOUT DISABLED PEOPLE
BSI UKAS

Victoria Square House
Victoria Square
Birmingham B2 4BP
T 0121 230 6666
F 0121 230 6720
www.gamblingcommission.gov.uk

Shareholding

As disclosed to the Commission the Personal Management Licence (PML) application for Mr Newman will be disassociated from the gambling software application for Full Color and he will be contacted separately, for clarification on the continued requirement for a PML. Despite this the Commission notes that Mr Newman is still 3% shareholder of Full Color therefore;

5. Please confirm what plans there are regarding this shareholding and whether Mr Newman will continue to hold this. If so, please disclose the circumstances surrounding his departure from Full Color.

Business Continuity

You have outlined in your licence application who will be completing the key management functions of Full Color, under the Licence Conditions and Codes of Practice (LCCP) you need to ensure there are sufficient business continuities in place, regarding the key management functions of the business.

6. Please provide details of what business continuities will be in place should any of the key individuals be unable to fulfil their regulatory responsibilities, to ensure minimal disruption to adherence with the LCCP.

Remote Gambling Server (RGS)

In the supporting documentation provided, you have stated that you have licensed the use of an RGS in order to provide your software.

7. Please provide information on which RGS you have licensed and what if any disaster recovery equipment that provider offers.

8. Please provide details of how the software provided is developed in line with the remote technical standards (RTS) and information provision annex's (IPA's). Please provide a breakdown of how each RTS and IPA will be met.

9. Please confirm what checks you have carried out to ensure the RGS provider meets the Commissions Remote Technical Standards (RTS) and how and breaches of this will be managed.

Operations in other jurisdictions

10. You have stated in your application that you plan to supply your software to third parties who operate across multiple jurisdictions. What measures will be in place to ensure that your software is not made available to individuals in restricted jurisdictions.

Policies and procedures

The Commission requires all applicants to evidence how they will ensure they have suitable policies and procedures in place to minimise the risk to licensing objectives.

11. Please supply specific information on how key people of Full Color will keep up to date with any changes to the LCCP, amend any policies and procedures accordingly and distribute this to relevant staff

12. Please provide details of how you will meet your obligations towards a donation the research, education and treatment of problem gambling in line with Social Responsibility code provision 3.1.1(2)

Please forward the above by 24 October 2016.

When corresponding with the Gambling Commission on this matter, please quote the account ID number above.

If you have any queries regarding the information requested, please contact us on 0121 230 6666.

Yours sincerely

Kiel Harris
Licensing Officer

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EXHIBIT Q

Full Color Games Ltd • First Floor 10-12 Prospect Hill • Douglas IM1 1EJ • Isle of Man
+44 7624 386897 Direct• www.FullColorGames.com • martinlinham@fullcolorgames.com

Mr Kiel Harris
Licensing Officer
Gambling Commission
Victoria Square House
Victoria Square
Birmingham
B2 4BP

30th November 2016

Dear Mr Harris,

Re: Application for a Remote Software Operating License
Account ID: 46759
Operating Name: Full Color Games Limited

Thank you for your letter of 16 November 2016.

We would respond to your points as numbered:

Shareholding

1. Davinci Holdings Ltd is beneficially owned by Mr Sebastian J. Bastian 100%. As noted previously, Mr Bastian is a Bahamian resident and already holds a Bahamas gaming license. We are in the process of preparing the Annex A application as requested and I am currently collating the information required, which is taking some time due to the travel schedule of Mr Bastian. This is a priority and I will get this completed and submit it as soon as possible. I will email you separately once the application has been submitted.

2. As noted above, I am in the process of preparing the Annex A application and will email you separately as soon as it has been submitted.

3. We are still in the process of seeking counsel with regards to the Newman / Cooper Blackstone LLC issue. We are utilising a clause in the original share agreement in relation to buy-back provisions. This stipulates that the process will take 120 days from commencement. At this stage, I would envisage that the matter will be concluded by April 2017. This is highly confidential and subject to legal privilege and should not be discussed with Mr Newman or any external parties.

FULL COLOR GAMES

Full Color Games Ltd • First Floor 10-12 Prospect Hill • Douglas IM1 1EJ • Isle of Man
+44 7624 386897 Direct• www.FullColorGames.com • martinlinham@fullcolorgames.com

UK Correspondence Address

4. We are in the process of establishing a UK correspondence address which fulfils the Gambling Commission requirements. Unfortunately, we have not been able to conclude this matter so I would request a little more time to finalise our arrangements.

Business Model

5. I would confirm that the Company will not be offering any B2C activities at this time. We understand that should this change we will require a casino operating license.

Business Continuity

6. Attached is the contract between Full Color Games Ltd and Corporate Options Ltd. There is no formal employment agreement between the entities as this is on a time-cost basis per the contract.

7. The services provided by Mr Murphy are set out in the attached contract. Corporate Options Ltd are a Corporate Service Provider providing professional directors and registered agents to Isle of Man companies. Mr Murphy has obligations under the contract and pursuant to the Isle of Man Companies Act 2006 in relation to his acting as a director for the Company. These are closely monitored by the Financial Services Authority of the Isle of Man.

8. As noted above, Mr Murphy is available to provide as much or as little time as is required by the Company. If we require prolonged periods of Mr Murphy's time, then he is available to cover those requirements.

Training

I am aware that you have been seeking information in relation to the related PML applications of Messrs Mahon, Murphy, Munger and myself for training related to AML and the LCCP. I would advise that the Company has signed up with Gambling Compliance for a series of modules including Data Protection, Player Protection & Corporate Social Responsibility, AML, LCCP, Anti-Bribery & Corruption and Regulating the Advertising of Gambling. These are all due to commence in January 2017 once the new courses have been released. This is accredited training and will occur annually. Certificates are issued for each module passed. In addition, all members of the management team are signed up to receive industry bulletins, including the Gambling Commission fortnightly bulletin, from sources around the world. Furthermore, we meet regularly with counsel (DLA Piper and specifically Hilary Stewart-Jones) to discuss issues that have been highlighted by regulators or other agencies around the world.

Full Color Games Ltd • First Floor 10-12 Prospect Hill • Douglas IM1 1EJ • Isle of Man
+44 7624 386897 Direct• www.FullColorGames.com • martinlinham@fullcolorgames.com

I trust that the information herein is acceptable however if you require any additional information, please do not hesitate to contact me. Both Mr Mahon and I would be happy to meet in person with the Commission if required.

Yours sincerely,

Martin L. Linham
Director

Enclosures.

tprall

Job : Exhibit_X_361_2017_02_21_21_17_NEWMAN_Settlement_Agreement+Demands_to_MAHO

Host : LAS-TPRALLW7

Date : 2019/03/25

Time : 14:54

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EXHIBIT PAGE ONLY

HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT R

From: **Ranjit Singh** RSingh@gamblingcommission.gov.uk
Subject: RE: Full Color Games Ltd
Date: April 21, 2017 at 6:25 AM
To: david@fullcolorgames.com

Dear Mr Mahon

I have updated the contact details on the account for Full Color Games Ltd to reflect that you are now the primary contact and also the web administrator for the account. You will receive an email in the next few days that will provide you with logging in details to the eServices system.

As per my email below dated April 7 2017 we have not received a response to the information requested. Please can you provide a full response by the 28/04/2017. If a full response is not received we shall refuse the application.

Regards

Ranjit Singh

From: Ranjit Singh
Sent: Friday, April 07, 2017 5:06 PM
To: 'David Mahon' <david@fullcolorgames.com>
Subject: RE: Full Color Games Ltd

Dear Mr Mahon

Thank you for your email below advising that Mr Martin Linham is no longer a Director or CFO of Full Color Games. Our systems are currently offline due to system upgrade. We anticipate that the systems will be active from w/c 10/04/2017.

An email was sent to Martin Linham on the 10/02/2017 requesting the following information. To date we await a response.

Newman shares

You have previously advised that you are in the process of seeking counsel with regards to the Newman / Cooper Blackstone LLC issue. You are utilising a clause in the original share agreement in relation to buy-back provisions. This stipulates that the process will take 120 days from commencement. At this stage, you would envisage that the matter will be concluded by April 2017. You also previously advised that the shares have been allocated to Newman, but have not been issued. Who is the legal owner/holder of shares relating to Newman? Please advise.

Funding

Please provide update on the additional funding that is sought. Has there been any update since the operating licence application was submitted?

Provide further clarification on the $1 million in-kind as part of the DaVinci Holdings agreement.

Please provide amended financial forecasts.

Provide clarification on "investing in liquidity over the coming 3 years"

Full Colour Games N.A Inc

What are the service level agreements in place between Full Color Limited and the companies within the group.

Third Party Agreements

Please provide further information relating the agreements in place with reference to hosting Full Color Games Limited's infrastructure.

Remote Technical Standards

Provide details how Full Color Games Ltd meet points 1-14 of the RTS document and IPA 1-7

Jurisdiction

Provide specific details of all jurisdictions that will be targeted. If currently only GB please state this.

Please can you respond as soon as possible and I will go back to the Licensing Manager with your responses.

Regards

Ranjit

From: David Mahon [mailto:david@fullcolorgames.com]
Sent: Friday, April 07, 2017 7:12 AM
To: Ranjit Singh <RSingh@gamblingcommission.gov.uk>
Subject: Fwd: Full Color Games Ltd

Mr. Ranjit

I am confirming that Mr. Martin Linham, is no longer a Director or the CFO of Full Color Games Ltd and that all correspondence should be directed to me.

I am having problems attempting to login to our account **47943**

I know the system admis were making massive updates to the UKGC website and the website was not available from March 13-April 6, 2017. Today was the first day it said I could login but I cannot get access.

Can you please assist me in getting a login and a password to our accounts so we can

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HUTCHISON & STEFFEN

A PROFESSIONAL LLC

EXHIBIT S

David Mahon <david@fullcolorgames.com>

Settlement agreement

Richard Newman <rich@newmanlawlv.com> Tue, Feb 21, 2017 at 9:17 PM
To: David Mahon <david@fullcolorgames.com>

Attached as discussed is a settlement agreement. It essentially covers the same ground as the prior settlement offer. It contains a mutual and full relase and waiver for all parties involved including confidentiality and non-disparagement requirements. This agreement now also includes payment of $50,000 by this Friday and a release of Cooper Blackstone's ownership interest in the FCG companies. I'd prefer payment by wire so if that works as well then let me know and I'll send wiring info.

Mutual Termination and Release-2-21-2017.docx
33K

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EXHIBIT T

David Mahon <david@fullcolorgames.com>

Settlement agreement

Richard Newman <rich@newmanlawlv.com> Wed, Mar 8, 2017 at 1:41 AM
To: David Mahon <david@fullcolorgames.com>

David

When I agreed to the settlement terms of a full release, waiver, non-disparagement, etc. with 50k payment and release of all of Cooper Blackstone's interest in the FCGL, I was also factoring in a quick turnaround time. In fact, I thought it was going to get done that week which was important to me.

Since that quick turnaround time didn't happen I am no longer willing to settle according those terms. I am still very much interested in settling but I'm returning to my earlier offer of a full release, waiver, non-disparagement, etc, and CB releasing all interest but the payment I'd settle for is 75k. As an alternative, I'm also willing to agree to the same legal release, waiver, etc. with a 50k payment, but then CB will keep 1/3 of it's interest in FCGL.

If it makes a difference I'm not changing my position for any reason other than the timing being a significant factor. As said above I am still very much interested in settling and feel these offers are more than reasonable if not highly favorable to the company given my many years of service and the value of what I'm giving up. If you let me know which of the above offers are preferred then I'll make the corresponding change to the settlement agreement and send it back so we can get this matter moving closer to being closed. If there's something you, Dirk or Sebas would like to discuss then feel free to call or give them my cell number.

Regards,
Rich

---- On Mon, 27 Feb 2017 11:22:02 -0800 **<rich@newmanlawlv.com>** wrote ----

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